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This Week You Need To Know

Time To Get Out of Iraq!

On Nov. 28, 2003, Democratic Presidential candidate Lyndon LaRouche issued a statement outlining the only possible approach to resolving the total mess which the insane invasion of Iraq has created in that country and the world as a whole. As the death toll in Iraq rises, and partisan warfare makes Americans increasingly vulnerable targets of the resistance, it is time for sane Americans to rally around this perspective.

True, there are few Americans, particularly from the Bush Administration, who would be trusted by the Iraqis, or other leading Islamic figures, even if they made the proposals which LaRouche puts forward. The only American statesman who could truly be trusted would be LaRouche himself, whose prominent role and importance in policy-shaping in the United States continues to be buried by the leading Establishment press, and the banker-controlled sections of the Democratic Party.

All the more reason that Americans—Democrat, Republican, or Independent—who wish to prevent the worsening Vietnam in the desert which is now unfolding, will rally behind LaRouche, and force a breakthrough for his policy role.

LaRouche's first proposal was as follows:

1. Declare the intention of the President of the United States to be, to cease the U.S. military occupation of Iraq at the earliest feasible occasion, and to notify the UN Security Council of the U.S. intention to reopen the matter of Iraq's earliest restoration to sovereignty in its affairs, and of the U.S. government's solicitation of UN Security Council assistance in bringing about this desired state of affairs.

There is still no alternative to this proposed move. It doesn't represent a specific plan for withdrawal, and in effect, does mean a kind of humiliation for the United States. But, as LaRouche said at the conclusion of his statement, "Sometimes the humiliation of one's own government, when done for the sake of freeing that government from self-destructive practices, is the most patriotic act of all."

A statement of intent, like that made by General de Gaulle when he decided to abandon France's colonial role in Algeria, is the statesmanlike move to make. And the mealy-mouthed statements from Democratic Presidential candidate John Kerry, do nothing to improve the situation for American troops, or world peace.

What must be understood is that, if the U.S. does not move to pull out immediately, the Bush-Cheney crowd is on its way to escalating: by moving toward the use of overwhelming force, up to and including the use of nuclear weapons, against nations such as Syria, Iran, and North Korea. As LaRouche and *EIW* have documented, the policy of Cheney and the neo-conservative new imperialists, is "perpetual war," the only way to sustain their *de facto* dictatorship.

Furthermore, have any Americans learned the lessons of Vietnam? This is a national resistance in Iraq, and sending more

and more troops only leads to more deaths.

Senator Robert Byrd (D-WVa), as is his wont, has come forward clearly on this issue. In a statement on Capitol Hill April 6, Sen. Byrd said: "Starkly put, at this juncture, more U.S. forces in Iraq equates [with] more U.S. targets in Iraq. The harsh reality is this: One year after the fall of Baghdad, the United States should not be casting about for a formula to bring additional U.S. troops to Iraq. We should instead be working toward an exit strategy." Byrd also said, "Surely I am not the only one who hears echoes of Vietnam in this development. Surely the Administration recognizes that increasing the U.S. troop presence in Iraq will only suck us deeper, deeper into the maelstrom, into the quicksand of violence that has become the hallmark of that unfortunate, miserable country."

Vice President Cheney and the clique of Straussian neo-cons who support him don't really care how many soldiers die, as long as their drive for empire continues. Just as they used phony intelligence to get the war they wanted, they will use the failures in Iraq to pursue their global agenda. Never underestimate their insanity.

Many military men have agreed with LaRouche from the beginning, arguing that the invasion was ill-planned, if not ill-advised altogether, because it would stir up the kind of nationalist reaction which has occurred. There is *no* way in which this hideous, aggressive war can turn out well. The U.S. must, in effect, admit it was wrong—just as Secretary of State Colin Powell has, belatedly, admitted he was lied to, a fact which LaRouche pointed out at the time.

The President was lied to, and the Congress was intimidated, but now it is time to listen to the voice of reason and leadership. The United States must declare its intent to *really* leave Iraq now, and work out arrangements with the United Nations to carry out the deed. Then, our nation must turn to collaboration with its allies on creating a true environment for peace, through dealing with the global economic financial disaster which threatens us all, and which can be overcome only with an international collaborative effort for reconstruction.

LaRouche's proposal must be put into effect now!

Links to articles from *Executive Intelligence Review**

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Feature:

Terror on Worldwide Main Street: President George Bush's April 2

by Lyndon H. LaRouche, Jr.

Release on April 3, 2004 by the LaRouche 2004 campaign.

April Fools' Day came a day late this year. On Friday, April 2, the pack of ghouls and goniffs otherwise known as President George W. Bush, Jr.'s campaign strategists, pulled one of the dumbest publicity stunts in modern history, with the way in which they, and Federal Reserve Chairman Alan Greenspan, orchestrated the fraudulent reports intended to convince the world's dumbest suckers that there is an ongoing uptick in the already stumbling, bumbling, broken-down U.S. economy.

April 2 Fake 'Recovery' Could Kill the System

by Lothar Komp

President George W. Bush's re-election strategy was based on a glorious victory in Iraq and a great economic boom at home; however, the Iraq situation is growing worse by the day; and in spite of an incredible amount of so-called stimulus to boost the economy—tax cuts by the Administration and interest rate cuts by the Federal Reserve—the recovery simply refused to materialize.

Debt-Choked System at Hyperinflation 'Boundary'

by John Hoefle

When the international bankers adopted their 'wall of money' approach to save the global financial system from collapsing in September 1998, Lyndon LaRouche told them they would be better off putting the system through bankruptcy. If you go ahead with this bailout, he warned, it will only make matters worse, leading to hyperinflation and, ultimately, a much bigger explosion.

Kerry 'Me Too' Economics Could Wreck Democrats

by Paul Gallagher

The interest-rate 'backfire' and bond-market crisis triggered by President Bush's trumpeting a faked U.S. jobs report on April 2, but also Sen. John Kerry's pathetic responses since that Friday, have re-raised the Presidential election question: Will it really be Bush vs. Kerry? All bets on that may be off, because Bush's manic April foolery triggered an economic phase-shift which is also political.

Documentation:

'What We Must Do': LaRouche On the FDR Model for Real Recovery Measures

To Pennsylvania Legislators, March 31, 2004

We're going to have to react to this crisis, with the mental outlook of Franklin Roosevelt's entry into the White House in 1933; Roosevelt-type measures. The situation is somewhat different. It's more severe, in fact. But the same philosophy of government must be applied to the present situation, that was applied by Roosevelt, using the lessons we have learned from the experience of Roosevelt, and the lessons we have learned from abandoning the reforms that he introduced to get us out of the depression into recovery.

Economics:

Argentina Must Nationalize Foreign 'Energy Vultures'

by Dennis Small and Cynthia Rush

A Spain-centered grouping of foreign-owned privatized oil and utility companies has declared economic warfare against Argentina, in an attempt to strangle that country and bring about the overthrow of the Néstor Kirchner government. These energy vultures are deliberately creating natural gas and electricity shortages for the approaching Winter months in South America's Southern Cone...

Will the Philippines Follow Argentina In Facing Down the IMF?

by Michael Billington

EIR reported in February that the premier British colonial banking institution, Standard and Chartered, threatened the Philippines with the 'Argentine treatment' if it failed to accept the full conditionalities demanded by the international financial institutions ... Since that time, President Kirchner called the bluff of the actually bankrupt international financial system—and the IMF blinked, rolling over the debt, and dropping the demanded conditionalities.

International:

Iraqi Resistance Makes Rummy's Vietnam in the Desert

by Muriel Mirak-Weissbach

Sen. Ted Kennedy (D-Mass.) grabbed headlines on April 6 when he called Iraq 'President Bush's Vietnam,' but he was saying much too little, much too late. Months ago, Democratic Presidential candidate Lyndon LaRouche warned that Iraq would become 'Vietnam in the desert' if the United States pursued its insane war and occupation policy. LaRouche had clearly indicated what exit strategy the United States must take from an impending disaster (see EIR, Dec. 12, 2003).

- **EIR's 2003 Warning: Lessons of Iraq's Resistance to Imperial Conquest**

by Hussein Askary

This historical analysis by an Iraqi author and EIR correspondent was first published in EIR for Nov. 14, 2003. Its original title was 'Lessons To Be Learned,' which indicates why we republish it now.

In Iraq, as in many other places, history keeps repeating itself, sometimes with all the ironies and paradoxes of war and peace. In the view of this Iraqi author, the situation there, due to the foolish policy of the Bush Administration and the wicked plans of the war party of Cheney and his neo-conservative cronies, is moving rapidly towards a major confrontation all over the country.

Ghaleb Darabya

'They Are Not Living As Human Beings'

Ghaleb Darabya represents the Ministry of Foreign Affairs of the Palestinian Authority. He has worked for the Middle East Broadcasting Center in London, and hosted an English language program for the Palestine satellite channel. On March 17, he spoke at The Palestine Center in Washington.

Will Cheney Flash Sharon 'Green' To Kill Arafat?

by Dean Andromidas

Israel Prime Minister Ariel Sharon let it be announced clearly on April 6, that he will kill Palestinian President Yasser Arafat. This would put off any Israeli-Palestinian peace agreement for years and could blow up the entire Middle East. Only the American President could stay Sharon's hand.

Terror's Legacy: Hjalmar Schacht, Otto Skorzeny, and Allen Dulles

by Michael Liebig

Part 2

The 'Strategy of Tension,' which has entered into a new phase with the terrorist attacks in Madrid, has a long history, extending back to the 1940s. From May 1944 until just before the conclusion of World War II, secret negotiations were held between the Nazi SS leadership and Allen Dulles, a key figure in Anglo-American synarchism.

Are European Terror Threats 'Islamic'?

by Rainer Apel

Along railway tracks, at central railway stations, water dams, chemical factories, and at numerous other key industrial and administrative sites in Spain ... Attacks—by whom? Officially, a number of groups and terror cells linked in some way or the other to al-Qaeda, are said to plan bomb attacks on sites in Europe, modelled on the example of the March 11 train bombs that killed almost 200 passengers and wounded more than a thousand in Madrid.

National:

Cheney's Iraq Obsession:

A National Security Menace

by Jeffrey Steinberg

Dick Cheney's name is now synonymous with the deepening quagmire in Iraq, which one military analyst has just described as 'America's Algeria'—a reference to the brutal 1954-62 independence war in the French colony in the Maghreb, which ultimately led French President Charles de Gaulle to withdraw all his forces and grant full independence.

Untruth and Consequences

by David MacMichael

David MacMichael is a former CIA analyst and a member of the Steering Group of Veteran Intelligence Professionals for Sanity. His commentary appeared first on tompaine.com on March 17, and is here abridged.

LaRouche Launches Penna. Media Blitz, as State Rep. H. James Endorses Him

Under the headline, 'Stop Taking Our Votes for Granted! Send a Message—Make Your Vote Count!' Pennsylvania State Rep. Harold James (D) released his formal endorsement of Lyndon H. LaRouche, Jr. for President, who is running in the Pennsylvania Democratic primary being held on April 27.

- **Documentation:**

Health Care Is A Right Under General Welfare

This dialogue occurred at a March 29 reception in Harrisburg, the capital of Pennsylvania, which was hosted by Rep. Harold James for Lyndon LaRouche.

Perpetual War Wrecking U.S. Military:

Return It to Engineering Principles

by Carl Osgood

The tortured 'debate' of announcements and denials and qualifications in early April, over whether more American forces can or will now be added to the 135,000 already in Iraq, and from where they will come, points to the extremely stretched condition of the U.S. armed forces, engaged in increasingly Vietnam-like wars. More than overstretching is hurting the American forces; they need to return to their founding, West Point 'corps of engineers' principles, in order to survive as forces actually securing the strategic defense and national security of the United States.

- **Cheney's Private Army in Iraq**

by Edward Spannaus

The killing of four security personnel working for Blackwater USA, in Falluja, Iraq on March 31, has put a spotlight on a crucial aspect of the Iraq war and occupation which has been kept largely in the shadows: This is the role of private security contractors, who had been operating largely out of sight in Iraq, as well as in many other countries around the world.

U.S. Economic/Financial News

Will Fannie and Freddie Sink the Financial System?

Fannie Mae and Freddie Mac could sink the financial system, warned the London *Economist* April 8, in its online edition. In a special feature, headlined "Playing with Fire," the *Economist* comments on the failed efforts to re-regulate the mortgage finance giants. They note: "Of all the things that might upset America's financial system, top of most lists are Fannie Mae and Freddie Mac. The two companies stand behind \$4 trillion worth of mortgages; when that much money is involved, even a minor glitch can send tremors through financial markets. Recently both have had more than their share of problems with their accounts. There are shortcomings in their regulation. If there were a disaster, no one could say that it had come without warning." Probably the biggest threat coming from Fannie and Freddie is their huge derivatives portfolio, the article mooted.

Fed Official Warns of Concentration of Derivatives Exposure

Some participants at the annual meeting of derivatives moguls in Chicago didn't swallow the line that derivatives were the new "built-in stabilizers," the *Financial Times* wrote April 4. Patrick Parkinson, Associate Director of the Federal Reserve Bank's research division, said that the broker-dealers were so exposed to Fannie Mae and Freddie Mac, that if one of them fell (a frequent subject of conjecture these days), it would bring down one of the major dealers as well.

Credit Suisse First Boston concurs, said the *Financial Times*. A report issued in March said that the huge interest-rate derivatives were concentrated in JP Morgan, Bank of America, and Citigroup. Despite their hedging, said the report, "If interest rates change significantly—up or down—a prime candidate for amplifying the move will be interest rate options, where the market has become huge and the risks concentrated."

China Warns of 'Dark Clouds' Over U.S. Economy

There are warnings of "dark clouds" for the U.S. economy, which is facing "many risks and uncertainties," especially the "colossal deficits," China's *People's Daily* newspaper wrote April 6, in a long commentary. Despite all the reported "sunshine" in the U.S. economy in 2003, the "excessive deficits" and "very low" domestic savings rate, its dependence upon foreign economies, and the weakness of the dollar, all add up to a situation, which, if it starts "running out of control," will possibly be a disaster to the U.S. economy and the world economy," the commentary states.

After going through all the "mainstream" analysis of the U.S. economy in 2003, the *People's Daily* commentary states that "globalization," especially the outsourcing of many jobs to developing countries, mainly China and India, is what has "greatly boosted profits for [U.S.] private departments and propelled the dramatic pickup of their investments." With all the attacks on outsourcing in the U.S., this is "precisely one of the main driving forces" in its economy. The other issue, allowing a growth of exports, was the weakening dollar.

But there are "dark clouds." For the U.S. to deal with its "colossal deficits" of current account and savings, it "has to 'borrow' money from foreigners. This requires that foreign countries have confidence in the U.S. economy and U.S. assets."

Were the U.S. to try to lower its current account deficit, it would have to devalue the dollar; this would mean that other nations' dollar assets would shrink, and they would "have to dump U.S. dollar assets if they want to preserve [the] value" of their holdings. Also, were the U.S. government to cut expenditures, and the population stop spending and start saving, another two stimulants for economic "growth" will go. If these situations were to get "out of control," this could spell "disaster to the U.S. economy and the world economy."

The commentary concludes by warning the U.S. against "trade protectionism"—i.e., one-sided exclusion of imports from poorer nations—and scapegoating other nations for its own problems.

Fannie Mae Understated Value of Mortgage Losses

The Office of Federal Housing Enterprise Oversight, the regulator of Fannie Mae, said that Fannie Mae may not have applied "the proper accounting guidance"—i.e., it understated its financial problem, the *Washington Post* reported April 6. A significant issue is the imputed value of mortgages Fannie holds on manufactured housing, including pre-fab and mobile homes.

Fannie Mae last year wrote down the value of such securities by only \$155 million, not a big cut into the agency's reported profit of \$7.9 billion. There are about 22 million Americans living in manufactured housing. Since mortgages on such properties are not traded on any securities market, there is no standard price being set for them. So Fannie Mae might have presumed to get away with under-reporting serious losses from defaults or other deterioration in these holdings.

John Barnett, an analyst with the private Center for Financial Research and Analysis, said, "I'm fairly confident that the number they [Fannie Mae] have [written off] is too low." His company issued a report last week saying Fannie Mae's assets' reported value "may be overstated due to the Company not using market prices to value its manufactured housing securities."

Fed's Poole: No Inflation 'Round Here

William Poole, president of the St. Louis Federal Reserve Bank, who has a reputation as an anti-inflationary "hawk," was asked by *USA Today* April 6, "What do you say to critics who argue the Fed is creating a bubble in the housing market by leaving rates so low for so long?" He blustered, "I don't think that the behavior of house prices is off the charts. Secondly, by the nature of this market, you can't get a crash in the prices in the space of a few days or a few weeks as you can in

securities markets. A bubble means something entirely different in the housing market than it does in the stock market."

But while the Fed itself is driving hyperinflation, Poole pointed to falling prices for "computers, desktops, servers and laptops" as evidence "that the consensus forecast of low inflation is sound."

Mortgage Rate Spike Threatens Housing Bubble

On April 2, the Labor Department's March jobs report appeared to be "good news," but hit the housing market "like a ton of bricks," noted *Business Week* April 7, as spiking mortgage rates caused housing stocks to fall. "The risk of a serious downturn" in the real-estate market, the magazine warns, "is clearly increasing"—with "major economic ramifications" for homeowners and banks.

Business Week focussed on the risk of homeowners with adjustable-rate mortgages (ARMs) being unable to afford their home, as interest rates rise substantially. Some homeowners will be unable to make their payments on these mortgage loans—and could lose their homes. If mortgage rates rise by just two percentage points, the monthly payment on an ARM could double. Worse, homeowners with interest-only loans, or those who made very low down-payments could be stuck with houses worth less than what they owe on the buildings, were prices to stop rising or fall. An analyst at a New York investment-research firm warned: "At some point, rates will go higher, and when they do, we face serious risks of people losing their homes and banks taking losses."

Yet, many lenders have increased their holdings of mortgage paper. In the last 12 months, the amount of mortgages and mortgage-backed securities held by large banks rose 10%, to a whopping \$998 billion, according to Bear Stearns.

Blackout Report Ignores De-Reg as Number One Culprit

The U.S.-Canadian Task Force investigating the blackout on Aug. 14, 2003, which left 50 million people in North America in the dark, released its final report on April 5, detailing the chronology of the grid failure, but not the policies that created it. Much of the blame was placed on Akron, Ohio-based FirstEnergy Corp., which failed to adequately trim trees, setting off a chain of events that cascaded through much of the Midwest, eastern Canada, and New York. Tree trimming is one of the maintenance activities that has been curtailed nationally, thanks to cost-cutting deregulation. It is still not entirely clear why the problem spread.

That single-point transmission failure could have been isolated, were it not for the chaos that deregulation has introduced into the system as a whole. The Task Force found, for example, that the generating companies in the region do not produce enough reactive power to keep the grid stable. This is not power that is sold, but is needed to maintain the voltage and stability of the transmission system. But in today's world of competition, why should a company want to dedicate generating capacity to produce power they don't get paid for? While the report did state that the burden of long-distance power transmission, known as "economy transfers" did contribute to the lack of reactive power, they recommended nothing to deal with this problem. The transmission system was never intended for such transfers sent over the transmission lines so a company can buy cheaper power, even thousands of miles away, to make a profit.

In its defense, FirstEnergy said that power being shipped long-distance from southern Ohio through its wires to Ontario, Canada was one cause of the company's problems the day of the blackout, and that this was being glossed over. In response to the suggestion that if FirstEnergy had blacked out Cleveland to prevent the problem from spreading, the company's senior vice president responded that that may or may not have prevented the event, and "We take exception to the idea that you should interrupt local customers in favor of long-distance transactions," apparently regardless of the consequences.

The remedy proposed by the Department of Energy and the Task Force is mandatory reliability standards, with government power to levy fines to punish violators. There is no way, however, to force companies to comply with standards—many would find it cheaper to pay the fines than follow the rules. Only reversing deregulation, so the organizing principle of the industry is the mandate to provide affordable, reliable electric power, rather than profit and greed, will change the deteriorating grid situation.

World Economic News

IMF: Terror Threatens Financial Stability

In their latest "Global Financial Stability Report" for April 2004, the International Monetary Fund warned that the terrorism threatens international financial markets. More attacks like the Madrid bombing could destabilize global markets and pose a significant threat to what they call "an otherwise stable recovery."

According to *Reuters* April 6, markets are also vulnerable to higher interest rates and shocks from global imbalances like the gaping U.S. current account deficit.

More incidents along the lines of the Madrid bombing, could have an impact on the real economy and on consumer confidence, worries Gerd Haeusler, IMF Director of International Capital Markets.

The IMF warned that global imbalances needed attention, with markets focussing on huge capital flows to the U.S., as Asian central banks intervene in foreign-exchange markets to buy dollars. The Fund also called for more and better auditing procedures to scrutinize complex companies, naming the Parmalat case as a leading example.

Brazil Financial Minister Disputes IMF Caution on Interest Rates

According to an April 6 *Bloomberg News Service* wire, the IMF's latest semi-annual report on global financial stability warns that when U.S. interest rates rise, as they must, and if the dollar collapses, as is likely, the last two years of renewed lending to "emerging market nations" which have kept up their debt bubbles will come to an abrupt end.

In IMF language: "Interest rates in the U.S. and other major markets are low and will eventually need to rise." This could have "broader ramifications, including increased bond market volatility, if investors were to revise their rate outlook abruptly." Likewise, the U.S. current account deficit is a risk for "emerging markets." The U.S. has been able to attract enough capital to finance its deficit, but "if this delicate balance were to be impaired, leading to a reduction of the official and private inflows, the dollar could weaken more pronouncedly.... At any sign of that risk materializing, foreign investors could demand a risk premium on dollar assets—including pushing bond yields higher and with more volatility than current market expectations."

As such warnings from the IMF alone could will trigger capital flight out of countries such as Brazil, that country's Finance Minister Antonio Palocci made an absolute fool of himself, telling reporters in Paris, where he is attending an international conference on debt sustainability, that he disagrees with the IMF. We're not heading into any kind of world crisis, Palocci insisted. "This is a year of world growth. It is a good year. The situation is calm. I am totally calm and optimistic." After all, any change in the situation would not come about brusquely, but be well-announced in advance," Palocci claimed.

Mexican Consul: Unemployment Signals Death of U.S. Economy

The Mexican Consul in Detroit has warned his countrymen to prepare for a crisis, as growing unemployment in Michigan signals that the U.S. economy cannot hold up much longer. "To read the Detroit newspapers these days could be masochism or morbidity: It is to learn which company is going to announce its closing or reducing its workforce.... [S]ince the beginning of the recession, the closing, shrinking operations, or their transfer to somewhere else is the news of the day. In 2003 alone, the state of Michigan lost 83,000 manufacturing jobs," Antonio Meza Estrada informed readers back home, in an article published by the national daily *El Financiero*.

He cited the examples of Steelcase, which is cutting 640 industrial and 130 administrative jobs in the coming months, because their sales have fallen by 35% since 2001; and Kraft, cutting 6,000 industrial jobs in the next three months, as it closes operations in 20 plants; Electrolux, which announced that it will shut down its vacuum cleaner and refrigerator plant which employed 2,700 people, and will move it to northern Mexico. The union, at the last minute, agreed to reduce their average wage from \$13 to \$6 an hour, and still, the company decided to move.

Jobs keep moving out of the United States. "What is doubtful, is how long this will last, because without jobs or purchasing power, who will the Americans be? Who is going to buy the imported products? My grandmother used to say: 'When you see your neighbor's house on fire....' " He left the rest to his readers' imaginations.

United States News Digest

State Department Official Admits Iraq Backfire

The State Department's counterterrorism coordinator, J. Cofer Black, admitted in testimony to the House International Relations Committee on April 2, that the Iraq war has made the world terrorism threat far worse.

Black testified, first, that Iraq, under U.S. occupation, has become a "training ground" for *ihadis* and would-be terrorists from various other countries, who slip across the border into Iraq and fight with the various resistance forces. Second, he acknowledged that the effect of the United States' invasion of Iraq has been to make the so-called al-Qaeda terror strategy spread to many Islamist groups around the world, whose objectives previously were "local." They "have been caught by bin Laden's vision," Black said, "and poisoned by it. They will now look at the U.S., Israel, and the Saudis as targets."

Biden Calls for UN High Commissioner in Iraq

Senator Joseph Biden (D-Del), writing in an op-ed in the *Washington Post* April 4, warned that the U.S. occupation in Iraq is increasingly isolated, and attempting to convert the occupation into some kind of rule from the U.S. embassy, as of July 1, would make things even worse. Biden called for the White House to: 1) call a conference with European allies; 2) seek a new UN resolution, one which creates a UN High Commissioner for Iraq to be in charge of the "transition," elections, etc. Biden accepts a strong U.S. troop presence in Iraq for some time, however.

Bush Nixes Chalabi, Says *U.S. News*

In its April 12 edition, *U.S. News & World Report* in its "Whispers" column writes: "President Bush, we hear, has come down against letting Ahmed Chalabi get the Prime Minister's slot in postwar Iraq. Insiders say Bush is siding with the CIA and State, which don't think Chalabi has much support inside Iraq. It's a blow to the Pentagon and the Veep's office, which believe in the westernized Iraqi who gets credit for talking the White House into war."

Biden: Cheney and Powell Deadlocked on Iraq

The leaders of the Senate Foreign Relations Committee, chairman Richard Lugar (R-Ind) and ranking Democrat Joseph Biden (Del), appeared together on PBS-TV's "News Hour with Jim Lehrer" April 5, to discuss Iraq. Biden issued a warning to the public that the Senate and House of Representatives are cut off from President Bush, they are cut off from National Security Advisor Condoleeza Rice, and the United States has *no plan* for what it is doing in Iraq, nor what it is going to do after the June 30 "political deadline." That, explained Biden, is why it is not even clear if the U.S. is trying to get a new UN resolution to strengthen the transition. For his part, Lugar said that he hasn't asked for a meeting with Bush, because he is aware that there is "indecision" in policy circles.

Biden pinpointed Vice President Dick Cheney's role. He said that the security situation in Iraq is likely to get worse, and that "we're not leveling with the American people here.... Here we are in April, and they still haven't resolved the dispute in the Administration between the State Department and the Vice President's office, or whoever else...." Biden added that there is no "coalition" when it comes to security: It's the U.S. with a few Brits, Spaniards, and Poles. Yet, the President refused to meet him, and referred him to Condi Rice, who told Biden, "thank you" for your note; we'll get back to you.

A spokesman for Lugar's Committee told *EIR* on April 5 that Lugar had called for hearings on the Iraq transition plan, but no date is set yet.

New Study Links Childhood TV Watching to ADHD

Today over 5 American million boys are on Ritalin (and, although fewer, millions of American girls), having been diagnosed with Attention Deficit Hyperactivity Disorder. The pharmaceutical industry has made billions of dollars from sales of Ritalin, which is the leading drug prescribed to treat ADHD. Now, a study by Dr. Dimitris A. Christakis suggests that one way to prevent ADHD is to turn off the TV, and especially to prevent children between the ages of 1 and 3 from being exposed to television.

An editorial in the April issue of *Pediatrics* comments on the Christakis study: "Although little research has targetted specifically the developmental trajectory of the brain's attention systems, ... [i.e., the] neurotransmitters in prefrontal and subcortical areas, there is every reason to believe that their gradual maturation implies a degree of malleability to environmental influences." The editorial asks the question, to what degree might "stimulus-seeking and addictive behaviors as well as inattention disorders, be 'set' by childhood experiences, such as exposure to arousing types of electronic media [e.g., television and video games]?" *Pediatrics* notes that the American Academy of Sciences recommends no "screen time" for children under 2 years old, and no more than 1 to 2 hours for older children. A recent study showed that 26% of American 2-year-olds have television sets in their bedrooms.

Cheney: 'Wrong Where It Matters'

Noting that in many countries, officials who make colossal blunders resign or get fired, *Washington Post* columnist Richard Cohen observes, in the April 6 *Post* that, "from the President on down, no one in this Administration ever admits a mistake or concedes having been wrong.

"Dick Cheney, whose slogan should be 'Wrong Where It Matters' [a play on a Bush campaign slogan], nonetheless takes to the stump to lambaste John Kerry. After all, the Vice President is the very man who warned us, assured us, promised us that we must go to war with Iraq because, among other things, that nation had an ongoing nuclear weapons program. None has yet been found—and no apology from Cheney has yet been issued. He was mistaken or dishonest. We await his choice."

John Dean on the Coverup of Cheney's Ill-Health

Discussing John Dean's new book, *Worse Than Watergate*, on WAMU's April 6 "Diane Rehm Show," the former Counsel to President Richard Nixon described Vice President Dick Cheney's attempt to hide his heart problems as an example of the "mendacity" and "deception" which is the settled policy of the present Administration.

Dean said it started during the 2000 election race, when the Republicans refused to honor their pledge to release information on the state of Cheney's bad heart. Even after Cheney suffered another heart attack on Nov. 22, 2000, Dean said, there was no real information forthcoming. The *New York Times* medical editor repeatedly asked for data on Cheney's condition that could be independently evaluated, and was turned down.

Dean said that Cheney's 1988 quadruple bypass operation would typically be coming to the end of its stable efficacy soon—and the public is provided with no real information.

Bush's Poll Numbers Plummet

A Pew Research Center poll released April 5 said Bush's job-approval rating on Iraq had slumped to a low of 40%, down from 59% in January. The poll said 44% of Americans wanted U.S. troops withdrawn from Iraq. In an interview with National Public Radio, Andrew Kohut of Pew said that Bush's job-approval ratings are lower than those of any incumbent President seeking re-election in memory.

Senator Byrd Calls for 'Exit Door' from Iraq

In a speech on the Senate floor April 7, titled, "A Call for an Exit Door from Iraq," Sen. Robert Byrd (D-WVa) derided President Bush's "stubborn refusal to admit mistakes," evoking memories of Vietnam. Byrd recited the famous poem of Alfred Lord Tennyson, "The Charge of the Light Brigade," in a passionate appeal to the Administration for "a roadmap out of Iraq."

"As I watch events unfold in Iraq," said Byrd, who led the opposition to the Iraq war in October 2002, "I cannot help but be reminded of another battle, at another place, and another time, that hurtled more than 600 soldiers into the maws of death.... The occasion was the Battle of Balaclava on Oct. 25, 1864, during the Crimean War, a battle that was immortalized by Alfred Lord Tennyson in his poem, 'The Charge of the Light Brigade.'

" 'Forward, the Light Brigade!

Was there a man dismay'd?

Not tho' the soldier knew

Someone had blunder'd:

Theirs not to make reply.

Theirs not to reason why,

Theirs but to do and die:

Into the valley of Death

Rode the six hundred.'

"Tennyson got it right—someone had blundered," said Byrd. "It is time we faced up to the fact that this President and his Administration blundered as well, when they took the nation into war with Iraq without compelling reason, without broad international or even regional support, and without a plan for dealing with the enormous postwar security and reconstruction challenges posed by Iraq...."

"Surely I am not the only one who hears echoes of Vietnam in this development," the Senator said. "I was here in this chamber when word went out in those days to send more: 'send more men—we'll be out by Christmas.' Surely, the Administration recognizes that increasing the U.S. troop presence in Iraq will only suck us deeper, and deeper, and deeper, into the maelstrom, into the quicksand, of violence, that has become the hallmark of that unfortunate, miserable country...."

"The harsh reality is this: One year after the fall of Baghdad, the United States should not be casting about for a formula, to bring additional U.S. troops, to Iraq. We should instead, be working toward an exit strategy...."

Byrd's speech is the best that any elected official in Washington offered this past week, but as this week's "Need To Know" notes, only Lyndon LaRouche clearly said, it is time for the U.S. to leave Iraq—now.

Ibero-American News Digest

War Opened Against Brazil Nuclear Program

The April 4 (Sunday) edition of Lazard Freres' *Washington Post* published a front-page assault on Brazil's nuclear program, charging that the International Atomic Energy Agency (IAEA) and Brazil have reached a "diplomatic impasse" over Brazil's alleged rejection of IAEA inspections of the uranium-enrichment plant which Brazil is in the process of building. The *Post* article, citing various think-tankers and anonymous Bush Administration officials, threatens that if the Bush Administration lets Brazil develop its nuclear-enrichment program without strict international controls, President Bush's recently announced global plan to restrict nuclear energy to a few powers, will go down the tubes.

One of those cited to this effect was former U.S. nuclear negotiator James E. Goodby, who, on Dec. 31, 2003, co-authored an article in the *International Herald Tribune* suggesting Brazil might end up "on the short list for an updated 'axis of evil'" for its nuclear enrichment program.

The *Post* piece was just the beginning. On April 8, the *Los Angeles Times* ran an editorial ranting against "Brazil's Nuclear Nonsense." "The longer the Brazilian government takes to open the door to inspectors, the more damage it will do to its international image," the editorial warned, threatening economic problems for Brazil should it resist. In his column that same day, the *Miami Herald's* lead Ibero-American commentator, Andres Oppenheimer, went so far as to suggest that Brazil's program could set off a nuclear arms race in Ibero-America, if not contained.

The media barrage was followed by the announcement that U.S. Energy Secretary Spencer Abraham will visit Brazil this week, to discuss "non-proliferation issues."

Brazilian officials came back swinging. Brazil's new Ambassador to the United States, Roberto Abdenur (who, fresh from his post as Ambassador to Austria, has been dealing with the IAEA, which is based in Vienna), charged on April 5 that

"fundamentalist think-tankers," hardliners who "want to make life complicated for Brazil,... who want to deprive Brazil of nuclear technology," were behind the *Post* article. Foreign Minister Celso Amorim likewise issued a series of statements, insisting that Brazil "has to have the possibility of protecting the technology developed here.... The country needs energy, and nuclear is a form of that ... there is an attempt to keep the country from developing."

In fact, IAEA inspectors have already been to the uranium-enrichment plant in Resende, and IAEA cameras are already being installed in the plant. Brazil, while permitting IAEA inspectors to do all the tests they want on the uranium entering and leaving the plant, insists on its right to block visual inspections of the centrifuges utilized in the enrichment process. Brazil defends this stance on the grounds that its program employs a new centrifuge technology, developed within Brazil, whose functioning Brazil wishes to protect from commercial competitors.

Brazil Shaken by Jacobin Land Seizures, Economic Protests

Protests are exploding across the spectrum in Brazil.

As threatened (see [*EIW 14 Ibero-America Digest*](#)), the Jacobin-style Landless Movement (MST) and allied rural movements sharply escalated their pace of land appropriations, with 20 in the state of Pernambuco on April 4 alone. That same day, thousands of families under the MST's direction occupied 25 hectares of a tree farm owned by the foreign-owned paper company, Veracel Celulose, in the state of Bahia, and began clearing it of trees, and planting beans. Thousands more went into action on April 6 in the state of Sao Paulo, blockading roads, burning tires, and, in one case, occupying a supermarket. Top MST leaders promised that occupations are going to come in the Pontal do Paranapanema region of Sao Paulo, which, as *EIR* has warned, the MST is targetting to set up as a separate "republic."

Opening another front, 700 wives of junior military officers protested in Brasilia April 4, demanding long-delayed salary increases for their husbands. They chose the monthly changing of the flag ceremony in Brasilia, which drew 3,500 people, for their demonstration of pots, whistles, and banners. Many were wearing black T-shirts embossed with the warning: "We Have Nothing To Lose." Among the nastier slogans seen, were: "I prefer any regime to dying of hunger under this democracy," and "We are not going to die of hunger with a gun in our hands." The Air Force, Navy, and Army Commands subsequently issued statement supporting the urgency of wage increases for the troops, which have not been given for years.

At the same time, over 900,000 public workers in Brazil are threatening a national strike, unless they are given substantial wage hikes. Planning Minister Guido Mantega told the unions on April 6 that the government would increase the amount budgeted for wage increases, but the unions say that is still only half of what they are demanding. Meetings are to be held on April 18, to vote on whether to strike.

Brazil's Finance Minister Backs IMF Against Argentina

"The IMF helped Argentina and Brazil," Finance Minister Antonio Palocci told Argentina's *La Nacion* on April 7. *La Nacion* has never been known as a fiercely nationalist newspaper, but even it could not miss the irony of how "more Fundie than the Fund," Palocci, a longtime radical Trotskyite-turned-Finance Minister, sounded in his exclusive interview. *La Nacion* identified Paloccio as the second most powerful person in the Lula da Silva government—if not the most powerful.

"Considering that both countries are large debtors, is a joint negotiation out of the question?" *La Nacion*'s correspondent in Brasilia, Luis Esnal, asked Palocci. His reply: "The debts of the two countries have a different dynamic.... What we could do, is discuss some points in common, such as how to strengthen our relations with the IMF. The IMF helped Argentina and Brazil overcome their difficulties and begin to grow. We are, and have to see ourselves, as members of the Fund."

La Nacion insisted: "Brazil is praised by the IMF, but its economy doesn't grow. Isn't this a pressure to adopt a policy more 'à la Argentina'?" Said Palocci "No, we are very sure that respecting contracts and managing the debt adequately is the correct way for Brazil."

As for the Copacabana Act signed by Presidents Lula da Silva and Nestor Kirchner on March 16, Palocci said he considers it a good document, "because it reaffirms the commitment to fiscal equilibrium, the administration of debts, and the importance of economic growth." But, as *La Nacion* noted, he made no mention of Argentina's demand that growth take precedence over the fiscal surplus, as also asserted in the Copacabana Act.

Palocci also insisted, fanatically, that "Brazil is not seeking alternatives. We have no 'Plan B' " ready for when Brazil's Wall Street-driven economic policy fails.

He may not, but others in Brazil have a different idea.

Brazil-Bolivia Natural-Gas-Processing Complex Agreed Upon

At the conclusion of the visit to Brazil by Bolivia's Foreign Minister Juan Ignacio Siles, and Mines and Hydrocarbons Minister Antonio Aranibar Quiroga, the two governments announced that they had reached agreement on the "fundamental importance" of creating a bi-national natural-gas chemical complex on their border, an important part of which would be located within Bolivia, where the majority of the gas fields in this region are found. Brazil's Foreign Ministry reported that the idea is to create "a center of regional development," in which Bolivia will be able to add greater value—i.e., industrialization—to its enormous gas reserves. It was agreed that a Bi-National Executive Commission is to be established, to work out the details.

The catch is that the governments insist the project must be "economically viable" under today's dominant monetarist criteria, and thus, private interests must build the complex, not government agencies.

It was also agreed during the visit that the Brazilian Cooperation Agency will send a technical team into Bolivia in the coming weeks, to help Bolivia utilize its natural gas in residences and vehicles. One of the most explosive political issues in the country, is the demand that Bolivia's enormous natural gas reserves not just be exported to earn dollars to pay the foreign debt.

A Classic Example of Vulture Fund Looting Schemes

During proceedings April 2 in the court of New York Federal Judge Thomas Griesa, Jonathan Blackman, lawyer for the Argentine government, revealed that NML Ltd., which sued Argentina for payment on a \$172-million investment, "is the same as the infamous Elliot Associates." Griesa had demanded that the owners of NML be identified, after the vulture fund had liens placed on 20 Argentine diplomatic properties in Washington, D.C. and Maryland. "If someone were to be declared in contempt of court, who would it be?" Griesa asked. "An office in the Cayman Islands?"

Elliot Associates became notorious for its actions against the Peruvian government in the late 1990s, when it was restructuring its debt. Having gotten a favorable ruling from a Belgian court on its claim that under the *pari passu* clause, which states that all creditors have equal rights, Elliot Associates initiated action to have all Peruvian government funds abroad be seized, until Peru paid Elliot Associates the full face value on a \$58-million bond which it had bought for \$11 million. Like vulture fund kingpin Kenneth Dart, Elliot makes a practice of suing governments involved in debt restructuring, in order to make a financial killing.

In the case of Argentina, its NML, Ltd. purchased the \$172 million worth of bonds in November 2003, *only two days before filing suit against the Kirchner government for repayment!!*

Bankers Demand More 'Flexibility' from Chile's Labor Force

Charles Dallara, head of the Washington, D.C.-based Institute for International Finance (IIF), told the April 5 issue of the Chilean magazine *Que Pasa*, that Chile is a "very good market," among emerging markets. But, the current government isn't implementing sufficient "reforms," and should be doing more in the area of privatizations. Chile's labor force and trade-union movement have already been ripped apart by the IMF/World Bank "labor flexibility" program, which does away with benefits and any structures that might pose resistance to genocide, but Dallara demanded more be done to make the labor force more "flexible," or the private sector will continue to be reluctant to invest.

Cardinal Approves 'Good Violence' of Gibson Film for Children

Cardinal Juan Sandoval Iniguez, the Archbishop of Guadalajara, argues that youth see plenty of "bad" violence, so now they should see some "good" violence, i.e., the blood-drenched Mel Gibson movie, "The Passion of the Christ." In his words, as reported by the Mexican daily *El Norte* on March 29: "I continue to recommend it. The film is a sermon very faithful to the Gospel.... There are films with a lot of senseless violence, and this is violence against an innocent person who saves us. This they should see so that they also understand how far human evil can go."

In September 2003, Presidential candidate Lyndon LaRouche issued a warning that international Synarchist forces were targetting Cardinal Sandoval—whose family background in the Cristero War is well-known—in an attempt to whip up a Cristero War atmosphere in Mexico, to thus "provoke religious war in Mexico as a way of destroying that nation." The Gibson movie which Cardinal Sandoval recommends will, of course, contribute to exactly that environment.

Western European News Digest

European Source: Iraq May Be Biggest Military Blunder Ever

"This may be the greatest military blunder in history," commented a senior European expert on military affairs and military history, on the American-British invasion and occupation of Iraq. Speaking to *EIR*, he said, "First of all, I never thought they would be so stupid as to invade Iraq. Then, once I saw the wheels turning for an invasion, I warned it would be like the French in Vietnam, at Dien Bien Phu, in 1954. What is now unfolding, is worse than Dien Bien Phu."

He said that if something drastic is not done to change the trajectory of Anglo-American policy toward Iraq, "what we will likely see is three Afghanistans, with Iraq splitting up into Kurdish, Sunni, and Shi'ite parts. This will turn the whole region into a boiling cauldron."

The source has no doubt that U.S. Vice President Dick Cheney and his neo-con friends are the architects of the entire policy in and around Iraq. "They acted out of a combination of incompetence and lying, when they insisted that American forces would be greeted as liberators, when Iraq was invaded. Yes, it was a lie, but one they believed." He said the neo-cons were now in a desperate mood, because if there is regime change in Washington, "several of them will go to jail."

As desperate as they are, he thinks the neo-cons' options for more escalations in the world strategic situation, beyond Iraq, are unlikely, both because this is an election year when the Bush White House has promised to get out of Iraq, and because so much energy and manpower are being absorbed by the Iraqi mess. The one thing that could change all this, would be

"mega-terrorism," which could inject new energy into the neo-cons' activities.

The source does not see Israel's Sharon "bailing out the neo-cons," by launching some military adventure in the region, beyond what he is absorbed in doing in the occupied territories, because he doesn't have support for hitting Iran or Syria. However, here too, "an act of mega-terrorism, where 500 Israelis are killed, would change everything."

British Queen Promotes New 'Entente Cordiale'

"Vive L'Entente Cordiale" ("Long live the Entente Cordiale!"), exclaimed Britain's Queen Elizabeth II, in a banquet speech delivered in Paris April 5, on the occasion of a state visit with Royal Consort Prince Philip to France, to celebrate the 100th anniversary of the April 8, 1904 signing of the Entente Cordiale alliance between Britain and France. The Queen spoke with pride of King Edward VII, "my great-grandfather," in bringing about this Entente.

As *EIR* has reported, King Edward VII, the arch-geopolitical manipulator, conceived the Entente Cordiale not only as an Anglo-French alliance against Germany, but as one key moment, in a process of "divide and rule" throughout Europe, to impede any possibility of a community of principle among the nations of Eurasia. Through these manipulations, Edward VII brought about World War I, in which some 1 million Britons and 1.5 million Frenchmen died, in addition to millions more victims of the mass slaughter—German and Austrian, Russian, and others.

The state visit is designed to repair Anglo-French relations, badly damaged by the Iraq war and by nasty attacks on French President Jacques Chirac by Britain's Prime Minister Tony Blair in past months. Her Majesty exclaimed yesterday: "We cannot allow the political tensions of the moment, no matter what resentments they raise on either side, to divide us in the long term." She said that Britain and France are "natural 21st-century partners," and that the current commemoration of the Entente could "contribute to a new era in Franco-British partnership."

A "new Entente" is not likely to go very far. French Defense Minister Alliot-Marie, on the occasion, said the Entente Cordiale belongs to another historical era, and that France's leading foreign partner today is Germany.

Meanwhile, Russian state television April 5 broadcast a feature story on the anniversary. After showing Elizabeth II arriving in Paris, the story shifted to newsreel clips from the lead-up to World War I. The narrator said that no other event in the first years of the 20th century did so much to set the course of history for 100 years, nor was so disastrous for Russia. Recalling that Russia was brought into the alliance with France and England in 1907, after the British had first teamed up with Japan to smash Russia in the Russo-Japanese War, the piece concluded with shots of brutal World War I trench warfare in snow and mud.

Powell Admission Provokes Reaction in U.K.

Top officials in the British Labour Party, the smaller Liberal Democrats, and Australia's Labor Party have seized on the admission by U.S. Secretary of State Colin Powell that his February 2003 address to the UN Security Council, purporting to prove that Iraq had weapons of mass destruction, was not based on "solid" intelligence.

The strongest statement came from Menzies Campbell, foreign affairs spokesman of the Liberal Democrats, who said, "The cat is out of the bag. The certainty with which Colin Powell lectured the Security Council ... was overwhelming. Now we have every reason to believe that the information upon which he was relying does not stand up."

Labour Party MP Doug Henderson has demanded an explanation to Parliament. Australian Labour Party Foreign Affairs spokesman, Kevin Rudd, again accused Prime Minister John Howard of misleading the Australians about the need for war.

Howard is to go before a Parliamentary committee, but has said he would not disclose classified information.

***Vanity Fair* Revelations 'Damning for Blair'**

According to an article in the May *Vanity Fair*, excerpted in the London *Observer* of April 4, President George W. Bush asked British Prime Minister Tony Blair on Sept. 20, 2001 to help overthrow Iraqi leader Saddam Hussein. Quoted in the article is former British Ambassador to the U.S. Sir Christopher Meyer, who attended a dinner with Bush and Blair in Washington, nine days after 9/11. He reported that when Bush asked Blair to support the removal of Saddam from power, Blair responded that the U.S. should not be distracted from al-Qaeda and Afghanistan. Bush replied: "I agree with you, Tony. We must deal with this first. But when we have dealt with Afghanistan, we must come back to Iraq." Meyer says that Blair "said nothing to demur."

The *Observer* points out that, besides further confirmation of the Richard Clarke charges that the Administration was fixated on Iraq, the revelations will be damning for Blair, who repeatedly claimed that the decision was not made to invade Iraq until all alternatives had failed.

The *Vanity Fair* article also carries excerpts from the diaries of former British International Development Secretary Clare Short, who said that Blair rejected her calls for a Cabinet debate on Iraq in July 2002, even while he was sending memos to Bush outlining his conditions for joining in a war. The article quotes a senior official from Vice President Dick Cheney's office, who had read a transcript of a Bush/Blair telephone call from that week: "The way it read was, come what may, Saddam was going to go; they said they were going forward, they were going to take out the regime, and they were doing the right thing."

The article confirms, however, that Blair insisted on Bush's going to the UN (against Cheney's advice), for fear that otherwise, Blair would be dumped by his own party. An adviser to French President Jacques Chirac is reported to have told Bush to proceed to war based on UN Resolution 1441, rather than going to the UN again, or face a breach between the two nations, but Blair forced the issue of an appeal to the UN.

Spain Sticks to Troop Withdrawal

Spanish Defense Minister-designate Jose Bono met on April 5 with U.S. Secretary of Defense Donald Rumsfeld at the Pentagon, to transmit the message that the new government of Spain will be a loyal ally of the United States, despite its disagreement with the U.S. on Iraq, and its decision to pull Spanish troops out of Iraq.

Bono explained to Rumsfeld that the Spanish government feels obliged to fulfill the promise it gave to voters, announcing that the government wants to withdraw its 1,300 troops from Iraq, if the UN has not taken over control in Iraq by June 30. Bono underlined that this policy would not mean a weakening of the government's intent to fight against terrorism, pointing out that the new government will double the Spanish contingent in Afghanistan by August.

Meanwhile, incoming Foreign Minister Angel Moratinos warned that "Spain will not accept changes that are purely cosmetic." *El Pais* reported April 7 that the question of the withdrawal of troops from Iraq is becoming more delicate by the day, given the mess on the ground there. High-level Spanish military, reported *El Pais*, blame the U.S. for the recent incidents in Najaf, and claim that pro-consul Paul Bremer gave the order to detain Mustafa Al Yacoubi, the representative of the radical Imam Muktada al Sadr in the Shi'ite city Najaf, without informing the Spanish General, Fulgencio Coll. The U.S. then spread the rumor that he was arrested by the Spanish military.

Russia and the CIS News Digest

Russia Calls for Cessation of Hostilities in Iraq

The Russian Foreign Ministry issued an official statement April 9, which called the situation in Iraq "an ever more alarming, spreading crisis." Citing reports of intensified combat "between coalition forces and the resistance," the statement focussed on the humanitarian situation—especially the deaths and wounding of civilians, bombing of hospitals, mosques, and residential buildings, and acute shortages of food and medicine in Fallujah.

"Under UN Security Council Resolution 1483," the Russian statement noted, "the occupying powers are obliged to observe the relevant points of international humanitarian law. In particular, this means that the indiscriminate and disproportionate use of force is impermissible. Russia calls for a cessation of combat and for restraint. The onrushing humanitarian catastrophe in Iraqi cities must be prevented and further escalation of the conflict in Iraq must not be permitted."

At his weekly briefing on April 8, Foreign Ministry spokesman A. Yakovenko had expressed "extreme concern" about the Iraq escalation. He added, "We believe that it is now important to stop this spiral of violence. For that to be done, the Iraqis should certainly themselves decide their fate. We believe that it is necessary, without delay, to do everything possible for Iraqis to gain sovereignty over their state. Naturally, the United Nations should play a key role in an Iraqi settlement."

Pressed on the question of the U.S. keeping troops in Iraq past June 30, Yakovenko repeated that an Iraq government must be legitimate and that an "appropriate" UN Security Council resolution is needed. He did not spell out what it should say, except to add that such a resolution "will have to contain provisions that would regulate military presence in Iraq."

The same day, Deputy Foreign Minister Yuri Fedotov stated that the sovereignty handed to Iraqis on June 30 "must be real power, not just a token transfer." Criticizing the U.S. action of invading to remove Saddam Hussein in the first place, Fedotov said that Iraq has now become "a hotbed of terrorism."

The State Duma and the Federation Council, the two houses of the Russian Federal Assembly, on April 7, adopted a resolution calling for Russian government action to stabilize Iraq and get power shifted to "a legitimately elected government." The statement said the situation in Iraq was going "according to the worst possible scenario," and would produce "the most unpredictable and irreversible consequences for the Iraqi state and its peoples, as well as for security throughout the region," if some actions were not taken immediately to change the direction of events.

Putin Meets NATO Leader; Speaks with Bush by Phone

Russian President Vladimir Putin met in the Kremlin April 8 with NATO General Secretary Jaap de Hoop Scheffer, as Russian officials continued to express consternation about NATO's expansion up to the country's borders. Putin made a big point that the mutual interest in "fighting terrorism" is not helped by NATO's expansion: "That expansion could not prevent the terrorist acts in Madrid nor help solve the problem of rebuilding Afghanistan."

Putin's diplomacy with NATO, and that of Defense Minister Sergei Ivanov during last week's visit to the United States, has come under heavy fire within Russia. Former Defense Ministry official Gen. Leonid Ivashov wrote articles for both *Nezavisimaya Gazeta* and *Sovetskaya Rossiya*, charging that Putin and Ivanov were allowing Russia to be encircled.

Also on April 8, Putin spoke with President George W. Bush by telephone (at the U.S. side's initiative), touching on the situations in Iraq, Kosova and Afghanistan, according to the official announcement.

Russian Defense Minister in the United States

Russian Defense Minister Sergei Ivanov visited Norfolk, Virginia, and Washington, D.C., the week of April 5. In an op-ed for the *New York Times* of April 7, Ivanov once again criticized actions around the expansion of NATO by seven new members: "Russia's military and political leadership has good reason to be concerned about the integration of Estonia, Latvia, and Lithuania, particularly if NATO decides to create large military bases in those countries. The alliance is gaining greater ability to control and monitor Russian territory. We cannot turn a blind eye as NATO's air and military bases get much closer to cities and defense complexes in European Russia."

Because neither the Baltic countries nor Slovenia, another one of the new members, have signed the Conventional Forces in Europe Treaty, Ivanov said, "There is thus no treaty prohibition against NATO's stationing any amount of heavy weaponry in those countries." In order for Russia-NATO discussions to move ahead, he concluded, "our partners in the Russia-NATO council must show that they take seriously our concerns about the alliance's approach to our borders."

In response to a question from *EIR News Service*, Ivanov at an April 6 press conference expressed grave concern over U.S. consideration of introducing low-yield nuclear weapons as bunker-busters. "We are aware of these plans, and we sometimes discuss the issue in our talks with the Pentagon," Ivanov said. "We approach these plans with a great deal of caution. You don't want to let the genie out of the bottle. It is better to use conventional weapons in dealing with underground bunkers. I believe such a proposal is dangerous. It can sharply lower the threshold for the use of nuclear weapons."

He also indicated that such the production of such small nuclear weapons might also increase the danger of proliferation to terrorists. "During the NATO-Russia conference, we discussed the possibility of developing new weapons, including non-lethal weapons. But we can get along without nuclear weapons," he said.

Leaders of Germany, France Visit Russia

German Chancellor Gerhard Schroeder visited Moscow for several hours April 2, for talks with President Vladimir Putin on Russian relations with the EU and other international matters. A three-way meeting of Putin, Schroeder, and President Jacques Chirac of France, which would have brought together leading opponents of the invasion of Iraq a year ago, was cancelled because Chirac arrived one day later than planned, for his own Russia visit.

Nonetheless, Russian press reported that State Duma Foreign Affairs Committee head Konstantin Kosachov went out of his way to try and douse rumors of an emergent "Moscow-Paris-Berlin triangle." *Nezavisimaya Gazeta* wrote that the three leaders, each having been re-elected to a second term, are now in a position to "undertake some large-scale, maybe unexpected, joint initiatives and actions."

After talks in Moscow, Chirac on April 4 became the first Western statesman allowed to visit Krasnoznamensk, control center of all Russian spy satellites and a center for military space technology R&D. Stepped up cooperation on space research was announced, including the start of construction of a special new launch pad for Russia Soyuz vehicles at the French launch site in Kourou, this summer.

Putin proposed to Chirac, that France and other European nations enter a joint project with Russia, for the development of a "European missile defense system."

Economics Minister Nervous and Pessimistic

Nobody expected a scandal at the conference on Competitiveness and Modernization of Economy, held April 7 at the

Higher Economic School in Moscow. But Minister of Economic Development and Trade German Gref, when he took the podium, appeared to be in a highly agitated state of anxiety. Gref had just returned from talks with European Union officials in Brussels. After a keynote speech on "structural reform" by Russia's new—and now sole—Deputy Prime Minister, Alexander Zhukov, Gref started to speak, downed two whole glasses of water, and burst out, "This has been a remarkable morning for me. I learned why our government has only one Deputy Prime Minister. He has told us everything and now the ministers can just throw their speeches away. But I am not going to do this, though some people think that the ministers are not supposed to have their own ideas." Gref's presentation, which followed, was disjointed and featured exclamations like "Competition, competition, competition!" and angry remarks about Zhukov's trying to "throw me off balance." His incoherence reminded observers about his months-long disappearance for unspecified medical problems, last year, when it appeared he had cracked under the strain of his job.

The ongoing reorganization of the Russian government, mandated by President Putin for implementation by the new Prime Minister Mikhail Fradkov, has given Gref and Finance Minister Kudrin more responsibility, but less power. In particular, Putin at every opportunity is demanding pledges from Gref and others to ensure that the poverty rate be cut in half within three years; but, at the same time, it is widely believed that the tax reform presented by Zhukov and others—reduced employer contributions to the funding of pensions and other social benefits are involved, but disagreements remain on how these would be compensated—are likely to have an opposite effect.

Bombings in North Caucasus and Georgia

There was an assassination attempt on Murat Zyazikov, the President of Ingushetia, on April 6. Ingushetia borders with Chechnya in the North Caucasus region of southern Russia. As the President's motorcade was travelling between two towns, a small Zhiguli car sped up along the shoulder, then veered in front of Zyazikov's limo and blew up. A spokesman for the Ingushetian Prosecutor's Office said there were two suicide bombers in the small car, according to *Strana.ru*. The *Vesti-TV* news program reported that Zyazikov was saved by the heavy armor on his Mercedes and the skillful driving of his security people.

In Tbilisi, Georgia, on April 6, Gen. Alexander Studenikin, commander of the Russian Group of Forces in Georgia, was wounded by a bomb that went off as he walked in front of his residential quarters, accompanied by two soldiers. Hospital officials said his life is not in danger, *RIA Novosti* reported.

Armenian Opposition Wants 'Regime Change'

Turning down a government coalition offer for non-partisan dialogue to avoid destabilization of the country, Armenia's two main opposition groups, the Justice bloc and the National Unity Party, announced a mass protest wave, to begin on April 9 aimed at forcing President Robert Kocharian to resign. Leaders of both groups called on supporters to take to the streets of the capital Yerevan, daily, for the removal from office of Kocharian, whom they charge with rigging the elections of 2003. Press coverage in Russia and Armenia is drawing parallels with the escalation of protests in Georgia at the end of last year, which brought down President Eduard Shevardnadze.

The unrest in Armenia is raising special concern in its two most important military and political allies, Russia and Iran.

Mideast News Digest

Crumbling Iraqi Council Calls for Ceasefire

The U.S.-appointed Iraqi Governing Council is losing members, as the military conflict, particularly in Fallujah, reaches

"genocidal" proportions. The IGC members—to whom the occupation will "transfer" power on June 30—have been totally discredited by their de facto acceptance of the U.S. military operations against civilians. One IGC member called the operation against Sunni Muslim militants in Fallujah "genocide," after doctors there reported 450 deaths and 1,000 injured this week. The IGC was consulted about the military operation against Sunni insurgents in Fallujah and Shia militia elsewhere in the country, according to the April 10 report by *BBC's* Caroline Hawley in Baghdad.

One Sunni Muslim member of the IGC, Ghazi Ajil al-Yawer, said he was ready to resign if the U.S. did not seek a peaceful solution to the crisis in Fallujah. "How can a superpower like the U.S. put itself in a state of war with a small city like Fallujah? This is genocide," he told *Agence France Presse* news agency on April 9. The Iraqi interim Human Rights Minister, Abdel Basit Turki, and a member of the Iraqi Governing Council's rotating presidency, Iyad Allawi, both resigned on April 9 without giving a reason for their decision.

Fallujah Ceasefire Collapses in 90 Minutes

Iraq occupation viceroy Paul Bremer held a press conference about noon Iraqi time, on April 9, announcing a unilateral ceasefire, to allow for delegations to enter Fallujah for talks, for humanitarian aid to be taken in, and for wounded Iraqis to be taken out. However, though one American-appointed Iraqi Governing Council (IGC) member said the ceasefire would last for 24 hours, it barely lasted 90 minutes, and *Al Jazeera* reported from Fallujah that the city was still under heavy bombardment, with civilians fleeing the city for their lives.

The ceasefire attempt came after leading IGC member Adnan Pachachi denounced the U.S. military actions, in front of Bremer. Pachachi said the American forces have exerted "collective punishment" on the city's residents, for the killing of four Americans and the mutilation of their bodies, the previous week. Collective punishment, a hallmark of Nazi policies, is outlawed under international law.

Bremer agreed to the idea of a ceasefire, and the leader of the Fallujah city government announced it in a statement. The negotiations were to deal with compensation for damages, as well as how to deal with those responsible for the killings last week.

Bremer did agree, but Brig. Gen. Mark Kimmitt reportedly was opposed, and for some reason, the planned meetings seem not to have taken place. Indeed, newspapers in the U.S. were quoting U.S. soldiers in Fallujah April 9, who said they received no order for a ceasefire.

Several other negotiations are being reported. One set of talks is being led by Mohammed Mahdi al Mudarisi, a member of the Marja (the religious leadership of Shi'ite Grand Ayatollah Ali Al-Sistani), who has received delegations from Muqtada al-Sadr's group and from the IGC. Presumably, one of the issues being discussed is the arrest warrant for al-Sadr. Leading Iraqis have insisted that such a matter should be taken up by a future, legitimate Iraqi government.

Iranian news outlets are playing up the negotiation efforts led by Shi'ite IGC member Abdel Aziz al-Hakim, in Najaf, with the followers of al-Sadr. A wire from the Iranian news service, *IRNA* April 9, reported that a team of elders had been assigned by al-Hakim, to seek a negotiated solution. The leader of the team, Sheikh Hamid as-Saedi, told *IRNA* that progress was being made. "We hope that the current negotiations which will go on in the next days will lead the country to tranquility," he stated.

Powell Confesses: False Intelligence in Pro-War Speech

Secretary of State Colin Powell has finally acknowledged that the intelligence he was fed for the February 2003 UN

Security Council speech, where he made the case for an imminent threat from Iraq's weapons of mass destruction, was garbage. Talking to the press on his way back from the NATO meeting on April 2, Powell pointed to the evidence of mobile chemical and biological labs as "the most dramatic" element of his speech. He said he'd been told there were four independent sources for the story, but "now it appears not to be the case that it was solid." He said that the commission set up to examine this "will look into these matters to see whether or not the intelligence agency had a basis for the confidence ... placed in the intelligence at that time."

Hamas, Palestinian Authority Draft 'National Plan'

Following weeks of discussion within the leadership of the Palestinian National Authority (PNA), almost all Palestinian factions and groups drafted an unprecedented "national plan" aimed at defining cooperation among the groups, especially in the context of Israeli Prime Minister Ariel Sharon's plan for Israel's unilateral disengagement from the Gaza Strip in the Palestine occupied territories, *Ha'aretz* reported April 8.

Drafted at a meeting of the "Monitoring Committee of the National and Islamic Organizations," which included among its participants: Abdel Aziz Rantisi of Hamas, Ahmed Halas of Fatah, and representatives from the Islamic Jihad and other, smaller armed political factions, the plan is a significant move to dispel fears of a civil war breaking out among Palestinian factions. Indeed, the document comes at a time when Palestinian President Yasser Arafat has called for Hamas to be brought into new leadership body encompassing all Palestinian groups.

Commenting on Israel's so-called disengagement plan, the document states, "Any unilateral withdrawal won't bring about stability so long as it is not part of an overall process of ending the occupation and evacuating the settlements.... The national and Islamic forces regard the withdrawal of the occupation forces and the settlers from any part of occupied Palestinian land as an achievement for our people's struggle and its Intifada.

"The forces support acceptance of security and administrative responsibility by the PNA in evacuated territories in the context of 'an agreed national plan,' but they vehemently oppose, and warn against, any attempt to pay Israel for the withdrawal or to turn [the withdrawal] into an alternative to the fulfillment of Israel's international obligations, or granting false legitimacy to the separation fence, or to the annexation or expansion of Israel's presence in the West Bank, or avoiding full withdrawal from all the territories occupied in 1967."

The plan calls on the Arab states and international community not to deal with Israel over the disengagement plan "since it is completely contradictory to international legitimacy and its foundations."

The National Plan is described by the sides as "a unification of all the forces, to translate the achievements of the intifada into political facts and to deal with the unilateral steps of the Israeli government."

The document defines the joint strategic goals of the organizations as "ending the Israeli occupation of the territories captured on June 5, 1967, and evacuation of the settlements and settlers from those territories, the establishment of an independent state with full sovereignty, and its capital in Jerusalem, on the areas of the aggression of June 5, and full sovereignty in Arab Jerusalem's neighborhoods, and over the Christian and Islamic holy sites." The document refers to the right of return as "preservation of the rights of Palestinian refugees to return to their homes according to UN Resolution 194."

The document calls the Palestine Liberation Organization the sole legitimate representative of the Palestinian people and "the national framework unifying the Palestinians in their homeland and outside it."

The document details joint tactical goals for the Palestinians in the coming period, including halting construction of the separation fence and removing those sections already built; Israeli redeployment to pre-intifada lines; lifting of closures on the Palestinian cities and villages; dismantling the checkpoints; ending the siege of Yasser Arafat; freeing Popular Front leader Ahmed Sa'adat and Fuad Shubeiki from detention in Jericho; reopening the Palestinian institutions in Jerusalem; and seeking international protection for the Palestinian people.

For further background on this story, see this week's [InDepth](#).

Israeli Police Desecrate Mosque in Jerusalem

Israeli police fired tear gas into a crowd of hundreds of people who were seeking refuge in al-Aqsa mosque on al-Haram al-Sharif (Temple Mount) in Jerusalem April 2, and then blockaded the doors so that no one could leave. This followed an incident where hundreds of Israeli forces, using rubber bullets, riot batons, tear gas, and stun grenades to drive several hundred Palestinians into the mosque, ostensibly because they had thrown rocks at police. Initially, the police even barred the removal of wounded from the mosque by paramedics.

Between nine and 14 people were arrested, and more than 20 were wounded by the Israelis. The Islamic Trust, which administers the Al Aqsa Mosque compound, negotiated with police to release the Palestinians, who were held for two hours by the police.

The police claimed that one of the reasons for their action—the most violent in recent history at this the third-most holy site in Islam—was that the worshippers were stoning people trying to pray at the Western Wall (sometimes called the Wailing Wall). But statements from religious authorities and witnesses indicate this was a police riot: Shmuel Rabinovich, chief rabbi of the Western Wall, said police rushed in and evacuated the plaza after a single stone fell in the plaza below the compound. Adnan Husseini, director of the Islamic Waqf, which oversees the compound, said "No one threw stones" until after police had stormed the compound. They [the police] started doing this every Friday to scare elderly worshippers as younger ones are already banned. This is a flagrant violation of freedom of worship."

Tsoris Plagues Sharon's Washington Visit

A stormy Israeli Cabinet meeting April 4, indicates that Prime Minister Ariel Sharon has not succeeded in quelling opposition from the far right wing in his own government to the Gaza withdrawal plan, and to his upcoming meeting with George W. Bush on April 14, which is still scheduled.

Sources close to Israeli intelligence told *EIR* last week that Sharon believes that his assassination of Hamas leader Sheikh Ahmed Yassin, and his expectation that Bush will deliver a "gift" to Sharon in the form of a *written agreement* that Israel will not have to return to the 1967 borders in any final agreement with the Palestinians, had silenced the right wing and settlers' movement critics of the Gaza withdrawal.

But, at the April 4 Cabinet meeting, Tourism Minister Benny Elon, the lunatic who works most closely with the American Christian Zionist fundies and neo-cons, demanded that Sharon reveal the terms of the Gaza withdrawal immediately, so that Elon of the far right National Union Party, could decide whether to leave the coalition. Effi Eitam of the National Religious Party joined in, saying that Sharon's behavior is "unacceptable," because his Gaza plan has not been approved by his own government. Sharon blasted Eitam for criticizing him, and said, "if you don't like it in the government, you can get out."

Ha'aretz reported on April 9 that Sharon is expecting that his coalition with the National Religious Party and the National

Union will collapse, but has been in secret talks with the right wing of the Labor Party to join a new coalition government.

Asia News Digest

Three Leading Taiwan Officials Resign

The Taiwan intelligence chief, Tsai Chao-ming, resigned March 31, claiming that he was taking the blame for the pre-election assassination attempt on President Chen Shui-bian. That attempt is still raising questions, however, along with other events surrounding the minuscule victory margin for Chen in the March 20 election.

Then, Interior Minister Yu Chung-hsien resigned on April 4, followed by the Chief of the Police, Chang Si-liang, both for the same ostensible reason, even as mass demonstrations against the election outcome continue across the country.

Official U.S. Representative to Taiwan Is Fired

Therese Shaheen, the director of the American Institute in Taiwan (AIT), abruptly resigned on April 7, effective immediately. U.S. State Department sources reported that she had been told to resign or be fired. State Department spokesman Adam Ereli denied reports in the *Washington Times* that China had demanded her dismissal.

Shaheen has promoted a policy of unstated support for Taiwan independence, by saying that independence is "one option"—contrary to the official U.S. policy of support for one-China. The head of the Taipei office of the AIT, Douglas Paal, encouraged the Bush Administration to oppose the provocative referendum policy adopted by Taiwan President Chen Shui-bian. President Bush did, in fact, publicly attack the referendum as destabilizing to the region.

U.S. Considers Deployment in Malacca Straits

The United States is considering deploying Marines and special operations forces on high-speed vessels along the Straits of Malacca, allegedly to flush out terrorists along one of the busiest international waterways, U.S. Pacific Commander Adm. Thomas Fargo told Congress April 5. Fargo told Congressional budget hearings that the potential deployment along the narrow straits straddling Malaysia, Singapore, and Indonesia would be part of Washington's new counterterrorism initiative to help Southeast Asia. He said that a "Regional Maritime Security Initiative" is being devised by the U.S. military to combat transnational threats like proliferation, terrorism, trafficking in humans and drugs, and piracy. In the hearings Fargo claimed, based on just-concluded meetings with Singapore: "There is very large, widespread support for this initiative." However, his announcement was rejected out of hand by both Malaysia and Indonesia.

Fargo declared that Southeast Asia is a "crucial front" in the U.S. war on terrorism. "Destabilization of the governments of this region, moderate, secular, and legitimately elected, and with large Muslim populations, would result in decades of danger and chaos," he said.

Malaysia: 'U.S. Cannot Deploy Forces in Straits'

Malaysia's Deputy Prime Minister and Defense Minister Najib Razak challenged U.S. Pacific Commander Adm. Thomas Fargo's testimony to Congress calling for the U.S. to patrol the Malacca Straits under the rubric of the U.S.-proposed Regional Maritime Security Initiative. "The U.S. will not be allowed to deploy its Marines and special operations forces in the Straits of Malacca," Najib said on April 5, insisting that security in the waterway is the joint responsibility of Malaysia and Indonesia.

Najib said that U.S. battleships could traverse the straits, but their operations would require the approval of Malaysia and Indonesia, adding that such an initiative posed a threat to Malaysia's sovereignty. "We have good relations with their armed forces in terms of cooperation in training and engineering, but their intention raises the issue of our sovereignty," he said.

Indonesia's Foreign Affairs spokesman Marty Natalegawa made a similar statement, arguing that Indonesia has suffered two of the most devastating terror bombings, in Bali and Jakarta, and that Jakarta rejects the U.S. initiative to deploy its Marines in the Malacca Straits, calling it an infringement of the country's sovereignty. "States, even the most powerful ones, cannot willy-nilly send their forces to where they want, under the guise of combatting terrorism," Natalegawa told Malaysia's *New Straits Times* April 5. "What is paramount here is that efforts to combat terrorism must be done as a cooperative endeavour, and an effort which is consistent with respect for sovereignty," he said.

Natalegawa particularly criticized the way the announcement was made. "We are all one in combatting terror. There is no question about it. Our common wish is to tackle this threat, including possible acts of terror in international waters or national waters," he said, but added: "Hearing from the international media does not quite seem to be very conducive to having good communication on this sort of thing."

U.S. Undermining Reconciliation in Myanmar

The *Washington Post* published another attack on peaceful reconciliation in Myanmar on April 5. Editorial Page editor Fred Hiatt, quoting Sen. Mitch McConnell (R-Ky) and similar Congressional yahoos, argued for slapping tougher sanctions on Myanmar, just at the point that Prime Minister Khin Nyunt, along with UN envoy Razali Ismail and former Indonesian Foreign Minister Ali Alatas, two of Southeast Asia's most distinguished diplomats, are engaged in creating the context in which National League for Democracy leader Aung San Suu Kyi, her associates, multiple ethnic groups, and the ruling military-led State Peace and Development Council, can agree on the framework for convening a national convention. As of now, these talks are moving toward Aung San Suu Kyi's direct participation in talks, perhaps by mid-April.

Hiatt flaunts his ignorance of Myanmar's history with a gratuitous comparison to South Africa, calling for sanctions, saying, "If it worked in South Africa, it will work in Myanmar." Hiatt relies on this bogus assertion to slam prominent scholars, such as Georgetown Prof. David Steinberg, who has contributed to bringing the situation to this hopeful phase.

New Sri Lankan Government Formed by President's Party

Sri Lankan President Chandrika Kumaratunga called elections because of her objections to the broad concessions offered to the Liberation Tigers of Tamil Eelam (Tamil Tigers) by Prime Minister Ranil Wickremesinghe, who was negotiating for the government in the peace talks with the Tigers. The Freedom Alliance (FA), the President's party, won 46% of the seats in parliamentary elections on April 2, over the 38% of former Prime Minister Wickremesinghe's United National Party (UNP), forcing Wickremesinghe to step down. Kumaratunga, rather than finding allies from the small parties to form a majority government, on April 5, appointed a member of her Cabinet, Mahindra Rajapakse, to head a minority government.

The Tamil Tigers, considering the victory of the President's party as inimical to their interests, threatened to return to war if not granted self-rule in the Tamil-majority areas. However, the new Prime Minister Rajapakse, interestingly, openly supported the former Prime Minister's efforts to make concessions, opposing President Kumaratunga on that issue, and yet still won the appointment as the new Prime Minister from the President. New talks with the Tigers will be scheduled soon, according to the President's office.

Maoist Rebels Continue Deadly Attacks in Nepal

Maoist rebels continued deadly attacks in Nepal, while political demonstrations erupted in the capital Kathmandu.

Nine soldiers were killed on April 5 in two separate raids on villages in Nepal, after a week of raids by hundreds of rebels left dozens on each side dead. The rebels have called for a three-day strike across Nepal.

In Kathmandu, the political parties have been demonstrating across the city for five days as of April 5, confronting police, demanding that King Gyanendra fire the royalist cabinet and appoint an all-party government, which they insist is necessary to fight the rebellion.

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