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This Week You Need To Know

LaRouche International Webcast:

The 'LaRouche Doctrine' Is the Key to Peace

Here is a transcript of Lyndon LaRouche's opening remarks to an international webcast, broadcast from Washington, D.C. on April 30. Subheads have been added.

This is going to be very hard stuff, and it has to go out. And it will go out naturally over the web network, because we're at a very serious point of crisis, and virtually no one who is in ostensibly leading positions as a candidate, or incumbent President, or so forth, in the United States, is qualified at all, even to think about what's in front of us, let alone deal with it.

Kerry, who's a guy I don't dislike, he's got certain qualifications, but he's frankly been a disaster on the issue of Southwest Asia, the Iraq crisis, and on the economy. President Bush? I don't know where he is. I don't think he knows where he is sometimes, even where he's sitting.

And we have a mess.

The problem today is, at this moment—as you probably notice some of the data coming out of Europe—the financial crisis has reached a point of maturity which I'm not surprised by, but it's happening: The system is breaking down. It is *crumbling*. We do not have, yet, a collapse in the full sense of the term, but we have a process of crumbling around the world, today, and yesterday, and so forth, which is extremely ominous.

There are some people who have been talking about postponing the crisis until after the November elections: *That will not happen*. Of that, we can be sure. The crisis is here. It can not be postponed. This is May. You're not going to postpone this crisis, until November. It's coming on. It probably is coming on, before the summer arrives. And no one in the United States, in a position of leadership—there are some people in the woodwork; there are some people who are staff people; some people in government, who would be prepared to act appropriately—but we don't have a President, or a leading *candidate* for President in the form of Kerry, who is qualified emotionally or intellectually to do the things that are absolutely indispensable, without compromise, to deal with, first of all the monetary-financial crisis, the economic crisis, or to deal with the situation in Iraq.

I can guarantee you, neither of them—the White House nor Kerry—as long as they're advised by the people who are advising them now, will do anything that is even approximately *intelligent*, about the issue in Iraq, the region generally, or about the economic situation. It's just not going to happen.

The 'LaRouche Doctrine' for Southwest Asia

I've made a proposal on this question of Southwest Asia, which will work. A number of people from various countries around the world, leading people, have proposed that I take certain things into account. Some of them will probably, in the question-and-answer session, today, pose those questions to me; and I shall respond to them. But, I can assure you, that there can be no compromises, with what I have proposed. I have not proposed too much. I've proposed a minimal approach to getting this situation in Iraq and adjoining countries under control. People think that this is a matter of negotiating a contract. People are trying to put their two cents in, in a sense: their condition, their condition, their condition. Forget it! Forget contracts! What we need for the area, there, is, we need a form of agreement which follows precisely the guidelines of the 1648 Treaty of Westphalia, which brought a long period of religious warfare to an end. We're now dealing with an area which has been reduced to religious warfare and to related conflicts in the Middle East, as it's called. You are not going to deal with that kind of situation, by making a contract agreement, like a bunch of dumb lawyers, Washington lawyers, coming in and trying to bargain points.

Don't try to do this the way that President Clinton goofed the negotiations at Camp David, on Israeli-Palestinian peace. Get that out of your mind! It is not going to work. As a matter of fact, there is going to be *no* solution for the crisis in Southwest Asia, *unless we can adopt it as my doctrine, by name*. Because nobody else has the credibility to do what has to be done—that is, no candidate, no other spokesman for the United States—has the credibility to make that proffer, and no one can be trusted to carry it through.

The same thing is true on the question of the economic crisis. No one, in the United States, in a leading position, apart from my leading position, is prepared to even consider doing the *absolute minimal* things, that have to be done, to prevent this nation, and many of the nations of the world, from collapsing, into a deeper depression—far deeper, far worse—than 1929-33. It's coming on now.

Now, the problem is that I am blocked out from official discussion, with whole channels of people, who should be talking to me, about precisely these questions. I have the expertise, I have the qualifications; they don't. If they're serious about saving the country and dealing with the problem, they would talk with me. Why don't they talk? Well, some of them do, in indirect ways. But they don't talk directly. We don't get into a dialogue. What does that mean?

There are people, in the system, certain financier interests in particular—people typified by Lazard Frères, typified by Felix Rohatyn, and similar types—whose approach to the world financial crisis today, is to follow the guidelines that were carried out by the man who put Hitler into power in Germany: Hjalmar Schacht. What is being proposed, as you see in the imposition of conditionalities toward Argentina—the new ones, the so-called "vulture funds"—are exactly a forecast of what these people *intend to do* to the people of the United States, as well as other countries, as this crisis becomes worse. Everything will be cut, except the interest payments to the bankers, as was done by Schacht and company, over the period 1929-33, in response to the onrush of what had been known to be, at that time, as an onrushing, general world depression.

People will die, if these bankers have their way. These bankers, and the interests they are associated with, control the Republican and Democratic Party election machines. They are presently controlling Senator Kerry. They control the people on whose lap President Bush sits, to take orders.

These people are determined to keep me out of the situation, because they know what my message is. My message is to follow the precedent of Franklin Roosevelt's dealing with the world depression, both in his election campaign in 1932, and in his Presidency, from March 1933 on. My commitment is to say, that the government is not efficient or morally competent, unless we're able to carry out the instruction of the Preamble of our Constitution: to defend the sovereignty of our nation, to defend the general welfare of all of our people, and to promote the security and welfare of our posterity.

Those are the three requirements of the President of the United States, above all. None of the candidates I'm dealing with in

the United States, or their circles, are prepared to accept that. As a matter of fact, that means, that if I'm President, and the crash hits with full force, or has hit, I am going to do pretty much what Franklin Roosevelt did: I'm going to put the bankrupt system into bankruptcy reorganization; to keep everything functioning that must function, for our people, for our security, and for growth. And that means, the bankers are going to have to take a back seat. They're going to have to get in line, like everybody else. The people of the United States come first.

And the test of the quality of a President of the United States, for a situation like this, is to look at the people who are the poorest, who are the least privileged: And if you can't do something for them, you're not going to do something for the nation.

A Sick Nation

We have a very sick nation, politically, right now. Over the period since 1977, you will observe that there has been a decline in the physical standard of living, of people in the lower 80% of family-income brackets. Politics has, more and more, been turned over to a smaller section of the population: the upper 20%, which some call the suburban strata. The older people, who are now in their fifties and sixties, who are generally running most of the places in the country, who are controlling the Democratic Party machines, who think in terms of the interests of the Baby-Boomer generation, with their fantasy-life, with their comfort zones, and that sort of thing. Not the future. And therefore, this generation *will not*, of its own accord, respond, on its own initiative, appropriately to this situation.

The United States, which has the oldest Constitution surviving on this planet today—and it's the oldest because it's the best—but, if we fail that Constitution, in a time of crisis, now, we won't have a Constitution. We won't have a nation.

So, the test has come: Can we do it now?

And the decision must not lie with the upper 20% of family-income brackets. The decision must not lie with the bankers, who would like to impose the Schachtian methods used by the man who put Hitler into power, Hjalmar Schacht, against the United States and other nations, today; the people who would enforce the collection procedure against Argentina, which means mass murder; the people who are cutting the health care of senior citizens, because they think we have too many of them—and doing more and more, each time. They're reclassifying prescription drugs, as "over the counter" drugs, so the insurance companies won't have to support your prescriptions. This is the kind of thing that's going on: And nobody's doing anything in government effectively, to stop it.

So therefore, the question is: Will the people of the United States, stop waiting to be *bought* to vote? Will they stop waiting, until they get *approval* to vote? Will the people of the United States, the 80% in the lower family-income brackets, mobilize themselves to say, "*We* are the majority in this country! *We* are the ones, whose requirements have to be met. *We* are going to turn out to vote, whether you pay us to go to the polls, or not! We are going to vote the way we think our interests determine, the interests of our country. We're going to go, we're going to throw you bums out, who will not pay any attention to our concerns." And the people need a candidate, like Roosevelt, who will say to the "forgotten man and woman" of our country: "Have courage, come out and vote. I'm your man!"

That's the *only* way we're going to deal with this depression. It's the only way we're going to deal with the situation in Southwest Asia, including Iraq.

Don't believe that the United Nations will step in to save the situation in Iraq. It will not! Forget it! Don't say, "Go to the United Nations and give them the power." They can't do it, and won't do it! Kofi Annan may have the intention to do something, but he doesn't have the power to do anything. He does not have the resources to do what's required.

I do. Because I think I can have the resources of the people of Iraq, as well, to help us get out of this mess.

Don't think that somebody in Europe is going to stop this. Don't think that someone in Europe is going to come to the rescue of the international financial-monetary system. They won't. There's no one there with the guts to do it, in a leading position of power. Their culture says, "Don't do it." European culture is based on the British system of independent central banking systems: *They will not overturn the principle of independent central banking systems*. They're not capable of doing it constitutionally. The only way Europe could do that, *is on the initiative of the United States*, the United States government—as we bailed Europe out, at the end of World War II, with the Bretton Woods system, which was backed by the U.S. dollar, and backed by the design, provided by Roosevelt in the 1944 Bretton Woods agreements.

Those are the *only way*, that this world is going to be put in shape. No one else can do it, except the United States, because there's no authority outside the United States which is both *competent* and *willing* to do it. We have to do it. We have to mobilize our country. Don't try to find an alternative: It doesn't exist. Either we, as a nation, get back on our feet, and meet *our* responsibilities, *or there isn't anything for this planet, except the threat of a dark age*.

A Right-Wing Turn

Now, let me give you some indication of what the problem is, an historical indication—some of you are not old enough to have had the experience that I've had; there're a couple of people in the room, who do. But, that's about it. The experience is, coming out of the Depression and the Second World War; coming back from military service to the United States, and finding that the people whom we had fought against, the people behind Hitler, were coming back into power, in the United Kingdom and the United States. It was a right-wing turn, in which most of the people in my generation capitulated. They capitulated out of cowardice—even people who had fought in war, suddenly showed cowardice and capitulated, to fear of the right wing, to fear of the FBI, to fear of what the Truman Administration represented.

We were somewhat saved from the evils of Trumanism, by the Eisenhower election. And two terms of Eisenhower gave a period of relative stability and security in the country—some relief from the right-wing ravaging that was going on. This turned many people of my generation, who themselves were cowards: They fled into suburbia. They went for tech jobs, in classified employment—that is, security classified employment. They sought jobs as engineers and technicians, and so forth. They were determined to become rich in suburbia, and forget the poor behind them. They raised their children, their pretty children, through things like funny schools you saw on television.

And the children were told, "Don't tell the truth. Be careful what you say. Your father might lose his job. Don't express opinions which contradict those of your teachers. You might get the family into trouble." So, what happened is, the generation which was born in the post-war period, and came to young adulthood in the middle of the 1960s, were trained to be *sophists*: not to believe in truth, but to believe in being overheard saying something that was advantageous to your career.

So, then, we were hit with the Missile Crisis. Everybody found God in a beer can, for about four or five days. They were convinced we were going to all be *fried*. Thermonuclear weapons, the missiles were going to come in on us, on the Soviet Union, on Europe, and so forth: We were all going to be fried! There was this famous novel out of Australia by Nevil Shute, called *On the Beach*, where the last people were dying of radioactivity, the last people on the planet, where the radioactivity finally overtook them. That was the state of affairs.

You had messes in Europe, but you had, also, the assassination of Kennedy! All of these things were done, by the right wing! A right wing, today, typified by Vice President Cheney. They did it to us! The people who were the so-called Baby-Boomers, the children who had been taught to become *sophists*, during the 1950s, who didn't believe in truth, who believed

in what was advantageous to be overheard believing. The people who were controlled by polls: The latest poll was supposed to tell you *what to believe!* They'd say, "I don't know what to believe today. I haven't seen the polls, yet." This was the kind of society.

And therefore, we trained a Baby-Boomer generation to flee, from that which they didn't have the courage to remember. And the right wing took over. It really took over with the Vietnam War, the Indo-China War. They took over with Nixon. Nixon, in 1966, met with the Ku Klux Klan in Biloxi, Mississippi, and that was called the "Southern Strategy." Bit by bit, the Democrats of that Southern Strategy inclination, left the Democratic Party, and went over to the Republican Party (or who knows where).

1971-72, we destroyed the world economy. It was started by George Shultz, as an adviser, indirectly, but as an adviser nonetheless, to Nixon, who shut down the monetary system that had saved us in the post-war period. 1972, Shultz, at the Azores Conference, was the key negotiator, who set up the floating-exchange-rate system, which has plunged the world as a whole into the present financial crisis. And so forth, and so on.

Cheney's 'Perpetual War'

So, we've been in that kind of process. Now, you have—what does Cheney represent? Cheney represents what he says he represents. What he said he represented in 1989-1992, when he was Secretary of Defense, under George Bush I. He said he was for *perpetual war*. He said he was for preventive nuclear war, with mini-nukes: That is, low radioactive yield, but high potential bombs, missiles. He tried to get it through. At that time, people said "no." He was checked. He kept on with his program, the extreme right-wing program today.

The policy of the United States, under a Cheney Administration, which is what you have—you don't have a Bush Administration! You have a Cheney Administration! You have a dummy sitting on the knee of a Vice President Cheney, who's controlled by strings from his wife! Who is worse than Cheney is! Worse than he is: She's the clever one; he's the dumb brute, who's holding the strings on the President, the marionette.

So, what we have today, is a commitment, that if Cheney were reelected, as Vice President, we are looking at—not an Iraq War; not a mess in Afghanistan, which is getting worse by the day—we are looking at an attack on Syria, an attack on Iraq, nuclear weapons thrown at North Korea; eventually, a war against China. We're looking at that kind of world: A world which is depressed, by a great financial crisis, *worse* than that of the 1930s, that kind of condition.

These are the pre-conditions for a dark age. And my problem is, I'm looking at our people, our nation; I recognize *the responsibility we have as a nation*, for the sake of humanity as a whole. Once again, as under Roosevelt, the job has come to us. We must provide the decisive margin of leadership, to save the world from Hell, the kind of Hell that Hitler represented back then. We have to do it, again. And, as far as I can see, looking around me, among my so-called rivals for the Presidency and others, I see no one with the competence or the guts to do the job.

I also see an American people, the lower 80% of the family-income brackets of this nation, unwilling to get out, and fight for themselves. They no longer believe in voting! You get 15-20% turnout in votes, elections, in districts. What does that tell you about the American people? They have no confidence that their vote means anything. They vote, if they're paid to turn out. They turn out for local issues, not for national issues. Not for issues on which the fate of the nation depends.

Therefore, my job, and your job is to help me change that. Under Kerry, under Bush, at present—maybe we can change Kerry; I've certainly been trying to do it. If he's nominated, we got to do something with him, and I've got to do it. But, if we don't make those changes, if we don't get the average voter out, *to fight for his and her own vital interests, for this*

nation, this nation is not going to make it, and the world is not going to make it! Oh, human beings will be around, but we're going to go through some special kind of Hell. Because the time came, when the responsibility was passed to us, and there were not enough people there to respond, to save the nation.

You know, people ask me, they say, "What chance do you have of being elected?" I say, "I have a better chance of being elected, than you have of surviving if I'm not!" And that's a fact. It's not an exaggeration. Those are realities.

But, the Baby-Boomer says, "No-o-o! No! It's not like that! We have our comfort zones! Our comfort zones say that what you say, will not exist! Our comfort zones say, there will be no financial crisis! There will be difficulties—of course. But we will manage them."

"Yes, we are not going to pull out of Iraq. We're not going to announce our military operations against the Iraqi people as over, as ceased. We're not going to do that! We're gonna come up with something. We're gonna rearrange the chairs! But, this is not a real crisis, that we have to take a sudden action on. We're not going to say things that George Bush would call unpatriotic." And he's not even a patriot! He doesn't know what patriotism is! Wouldn't understand the word.

The World Depends on Us

So, that's the situation: We're faced with that kind of problem. And, if we can not mobilize enough people in this nation—not because they got permission from the polls; not because they're bought to go out to the polls; not because the *Washington Post* tells them it's all right to vote for me, or something like that: If they can not stand up on *their own hind legs, and fight for themselves*, and do the thing that can work in fighting for themselves, in making sure that they don't choose people on what the pollsters say, but they choose people on what those people are going to do, to solve the problems that this nation has.

And it's not just all the little things that count. Yes, there are many little things that need to be fixed, and I've addressed many of them in the course of this campaign. But, the essential thing: *Are you willing to save the human race, from what threatens it now?* What threatens it now, are not the local issues. What threatens us on the local issues: We don't have the *means* to deal the local issues! We don't have the *willingness* to deal with them. What threatens us, *we lack the will at the top*, to take the kind of decision, which will lead the world out of this mess. If the United States were to follow my leadership, we would have support that we need from Europe; the United Nations would play a role, which we would assist in giving it, in the matter of Iraq; we would find a way to deal with this world financial crisis—I know how to deal with it. But, these are the decisions that have to be made! And they have to be made *here*, in the United States, first of all, because *no other part of the world is capable of making the decision on its own to do the job, if we don't do it!*

The world depends upon the United States, with all of the faults we've acquired. We have the oldest constitution on this planet, and *that is not an accident*. It's the oldest, *because it's the best*. It's the Constitution that worked, when every other part of the world *failed*. And, if we stick to that tested Constitution, and use the Executive Branch of government, as the Executive branch was *intended* to be used, when this Constitution was framed; if we applied the leadership, which the Europeans who helped make us possible, intended, when they intended to create in this country, on this continent, a new nation, which would be a beacon for freedom for the rest of the world, for similar kinds of republics.

That never happened: The French Revolution and other things prevented it. There were improvements in Europe, and so forth. But, the kind of nation, which we were constituted to become, which the greatest Europeans, who supported us, *intended we should become*, no other nation on this planet has acquired that kind of constitutional character. We, with all our faults, still have that.

The President of the United States, if he's competent, and understands that, is capable of leading the American people, to inspire other people, in other parts of the world, not to become part of an American empire, but to cooperate with us, in finding solutions to the problems that face us, now. And there are solutions. The question is, does the willingness exist to apply those solutions? *This must come from the United States. It must come from the leadership of the United States.*

And, I'm saying to the world, right now, via this broadcast, this webcast, and otherwise: "You better turn to me, buddy. Because this is your last shot. If I go, *you don't have anything else, that's capable of leading the United States, in a fighting position, now.*" And, if we don't have somebody, in a leading position in the United States, in the Presidency, who's steering this country's leading role in the world, there's no hope for Europe, there's no hope for the United Nations, or from it; and there's no hope for the world at large.

This planet is on the verge of going into a new dark age. We don't have to go there. It's not inevitable. We have a choice. But, if we don't provide the leadership, *from the United States*, to get the rest of the world to move in the necessary direction, there *is* going to be a dark age, for all humanity. And that, we could discuss.

Latest From LaRouche

I Was a Guest at Belshazzar's Feast

by Lyndon H. LaRouche, Jr.

The moment came, among the estimated several thousand guests gathered there, during a moment of the scheduled events which immediately preceded President George Bush's short address, when I suddenly realized what I was actually experiencing. At that moment, remembered music flowed into my mind: Robert Schumann's Opus 57 setting of Heinrich Heine's "Belshazzar's Feast."

It was the din which did it.

On Saturday evening, I was a guest, among several thousand press, political dignitaries, former U.S. officials, and others present, for The Annual Dinner of the White House Correspondents' Association, held at the Washington Hilton Hotel. The proceedings began before six o'clock in the evening, circulating and chatting in the hospitality rooms of the press groups, until a movement, through security, into the large auditorium when the dinner was to be served, and the President and Jay Leno, among others, to speak.

That process continued up into the time the dinner was being served to the guests—that by means of an impressive performance of the relevant hotel staff. All had been amiable. The guests whom I met, some new personal acquaintances, some old, were intelligent, sometimes ranked as important figures in national and international affairs, and a fair ration, with something truly important to say, even in the bustle of that occasion.

Then, it happened. Everything was drowning in the great, grey, rolling fog of the meaningless crowd-sound, throughout the dinner period. This virtually drowned out all events during the period from the introduction of the persons at the head of the table, until the toast to the President. I was suddenly overtaken by a sense of the unreality of the situation in which I found myself. The thought surged up: "I am a spectator at Belshazzar's Feast."

One of my associates responded to my muttered statement of that fact: "That solves the problem of a lead for the briefing."

The immediately ensuing developments solidified that sensation. The President gave one of his better "rubber chicken" addresses, and Jay Leno was pretty much a disappointment, until his punch-line which virtually concluded the proceedings, when he made a reference to Secretary Powell's recent surgery with the magic punch-line of the evening: "Semi-colon Powell." That closing remark by Leno concluded the festivities on a note of national strategic irrelevance which I found appropriate to the prevalent state of mind of the Washington, D.C. public-opinion-shaping establishment today.

The handwriting was, indeed, being written on the walls.

I had walked into the Washington Hilton among the earliest arrivals. I was guided through the labyrinth of hospitality rooms, meeting some of my happier acquaintances by handshake, and with brief exchanges, others by eye-contact across a crowded area. As the crowd thickened, I become increasingly aware of a certain quality of irrelevancy of the world-outlook expressed among what should be a very large sampling of the Washington press and related establishment. Some had important, and fairly accurate views on particular matters, but, with rare, and important exceptions, virtually no sense of reality concerning the really big things that threaten the very existence of the U.S. today: the presently onrushing global monetary-financial collapse, and the actual, global-strategic implications of the escalating warfare in Iraq. By the time the din settled in, during the dinner, a sense of being in a re-enactment of Belshazzar's Feast took over. I could see the virtual handwriting on The Wall of the halls of today's Babylon, the wall of current world history.

Poor President Bush, with his "rubber chicken" address, saw nothing. That did not surprise me. Neither, it seemed, did most among the thousands gathered in that room that night. I thought of Heine's poem, and tried to drown out the cacophony with a memory of Schumann's setting of the poem to song.

The U.S. press and related parts of the governmental establishment, in general, are living in a "fish-bowl" of mutually reinforcing delusions which are taken among most of them for "accepted views of current reality." Belshazzar is the emperor, after all. Bush is not the emperor, but more like flotsam buffeted by the currents of sophistry within the intellectual fish-bowl in which he lives, the Washington mass-media fish-bowl. Like self-doomed ancient Athens, the U.S. which I know otherwise to be typified by what I saw and heard last night, is living in that kind of self-consoling state of mass delusion which captured the attention of Heine's view of Belshazzar's Feast.

Our job is, as Heine and Schumann tried in their time, to play our part in freeing this nation, and much of the rest of the world besides, from the fateful tyranny that "fish-bowl" of mass delusion.

Links to articles from *Executive Intelligence Review**

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Historical Perspective:

Dien Bien Phu: The French Empire Dies in Vietnam

by Gail G. Billington

Fifty years ago, for 55 days, from March 13 to May 8, 1954, a small town in Northeast Vietnam was the scene of a battle between the forces of the French colonial occupying power and those of the pro-independence Viet Minh, led by Ho Chi Minh and his senior general, Vo Nguyen Giap. The stage for the battle was ... Dien Bien Phu... The battle ... would go down in history books as one of the decisive battles of the 20th Century, and the lessons learned, as well as those not learned from that bitter engagement, would reshape the military posture of the world's major powers.

Feature:

No Peace Plan Works Without Lyndon LaRouche

by Nancy Spannaus

No one but Democratic Presidential pre-candidate Lyndon LaRouche has the intellectual or emotional qualifications to push through a workable peace plan for Iraq, and Southwest Asia. Therefore, if the U.S. population, in particular, wants to avoid a New Dark Age, people had better begin to turn to LaRouche now, because he is their 'last shot.'

Interview: Lyndon H. LaRouche, Jr.

'LaRouche Doctrine' Is the Key To Peace in Southwest Asia

Democratic Presidential candidate Lyndon LaRouche gave this videotaped interview to **Hussein Askary**, Arabic correspondent for EIR, on April 24, 2004. The interview is currently in production as a DVD, in both English and Arabic, and will be available soon from the LaRouche in 2004 campaign committee.

Book Review

America's Turn From Republic to Empire

by Carl Osgood

Sorrows of Empire: Militarism, Secrecy and the End of the Republic

by Chalmers Johnson

New York: Metropolitan Books, 2004

381 pages, Hardbound, \$25

'American leaders now like to compare themselves to imperial Romans, even though they do not know much Roman history,' writes Chalmers Johnson in his new book *Sorrows of Empire*. 'The main lesson for the United States ought to be how the Roman Republic evolved into an empire, in the process destroying its system of elections for its two consuls (its chief executives), rendering the Roman senate impotent, ending forever the occasional popular assemblies and legislative comitia that were the heart of republican life, and ushering in permanent military dictatorship.'

- **Interview: Steve Robinson**

'They're Saving Money on the Backs Of the Returning Combat Soldiers'

Steve Robinson, a retired U.S. Army Ranger and veteran of both the first Gulf War and the 1991 'Operation Provide Comfort' in northern Iraq, is the Executive Director of the National Gulf War Resource Center (www.ngwrc.org), an advocate for veterans and military families. He was interviewed by Carl Osgood on April 21.

- **VA Losing the Ability To Care 'For Him Who Has Borne the Battle'**

by Linda Everett

As U.S. military involvement in Iraq and Afghanistan continues, the number of new veterans needing medical care and other services through the Department of Veteran Affairs (VA) facilities, escalates. As of December 2003, some 10,000 new veterans from U.S. military actions in Iraq were being treated by the VA. ... How prepared is the nation to care for them and for the nearly 27 million other veterans of World War II, the Korea, Vietnam, and (first) Gulf Wars—who together represent 13% of the population?

- **'CARES': Wartime Rationing, Not Wartime Care**

The VA rationing plan euphemistically called CARES (Capital Realignment for Enhanced Services) has as its alleged goal, to assess veteran healthcare needs and to 'enhance' delivery of healthcare services in the geographic areas most populated by a shifting veteran population in the decades to come.

Science and Technology:

Lessons of Chernobyl: Nuclear Power Is Safe

by Zbigniew Jaworowski, M.D., Ph.D., D.Sc.

A nuclear scientist looks back at the notorious April 1986 accident and its effects, with particular reference to thyroid cancer.

Economics:

Enron, Parmalat, Shell Oil: Who Will Be Next?

by Lothar Komp

'Shell shock' has hit the British Isles. The almost 100-year-old British-Dutch oil giant, Royal Dutch Shell, with 115,000 workers worldwide and an annual turnover of 35 billion euros, has had to acknowledge, in a series of reports, that it has pulled the wool over the eyes of its shareholders and creditors for years.

International:

Can We Learn the Lessons From the Genocide in Rwanda?

by Uwe Friecke

The world is commemorating the horrible end-phase of the war in Rwanda, ten years ago, when hundreds of thousands of Rwandans lost their lives. The United Nations, the Rwandan government, and many so-called experts have defined as genocide only the events between April and July of 1994, and insist that the discussion be limited to what happened inside the government-controlled area of Rwanda during that period.

- **Chronology of War, Genocide**
- **Interview: Honore' Ngbanda:**
'Habyarimana's Killers Caused Rwanda Genocide'

Honore' Ngbanda was formerly the Defense Minister of Zaire (now called the Democratic Republic of Congo), in the last days of the government of President Mobutu Sese Seko. He is the author of a book, *Ainsi sonne le glas, les derniers jours du Marechal Mubutu* (So comes the end, the last days of Marshal Mobutu)...

Former Diplomats Warn: Blair, Bush To Fail

by Mary and Mark Burdman

Fifty-two former ambassadors and other high-level former senior diplomatic officials of the United Kingdom, have written a harshly critical open letter to Prime Minister Tony Blair, to express their 'deepening concern' about the policies Blair is following in 'the Arab-Israeli problem,' and in Iraq, 'in close co-operation with the United States.' The ambassadors warn that 'there is no case for supporting policies which are doomed to failure.'

Iraq 'On-the-Ground' Reality Is Demanding LaRouche Doctrine

by Muriel Mirak-Weissbach

After a disastrous April in Iraq, in which the U.S.-led occupying Coalition killed thousands of Iraqis and lost hundreds of its own soldiers without achieving any objective, Coalition government officials and their allies were growing desperate to transfer some image of 'sovereignty' to 'the Iraqis.' But only one really workable approach was on the table: the LaRouche Doctrine—including an immediate announcement of withdrawal of occupying forces—outlined by Presidential candidate Lyndon LaRouche...

Australian LaRouche Forces Battle Against a Synarchist Police State

by Allen Douglas

The Liberal Party government of Prime Minister John Howard has in recent years transformed Australia, juridically, into a near-replica of Nazi Germany. Police state laws have been passed, of a magnitude and at a tempo far surpassing any nominal concern with 'terrorism,' while dissidents in the nation's intelligence agencies have been purged. Concentration camps in the desert have been established—although only illegal immigrants have thus far been interned—and police have carried out dead-of-night raids against members of the nation's substantial Muslim population. A climate of fear is setting in, resembling the 'Red Scares' era in the United States...

Turmoil On Southwest Asia's Northeast Flank

by Rachel Douglas

LaRouche put a point on the matter in his April 24 interview with Hussein Askary: 'If someone is to destabilize Transcaucasia, including the

problems between Azerbaijan and Armenia and Iran, then you could not possibly maintain a secure Middle East security policy.'

National:

Pennsylvania Primary Inspires Fight To Bring In LaRouche

by Phil Valenti and Nancy Spannaus

...[W]hile the population was engaged by the LaRouche in dialogue over the crucial leadership role of the candidate, the endorsement of LaRouche for President by Pennsylvania State Rep. Harold James (D-Phila) directly challenged the Democratic Party's corrupt decision to try to exclude the only FDR Democrat from the political process. ...

California Moves Against Diebold Touch-Screen Voting Machines

by Edward Spannaus

In a major blow against the touch-screen voting swindle—a scam which many fear will be used to steal the November Presidential election—California Secretary of State Kevin Shelley on April 30 barred the use of Diebold touch-screen voting machines in four counties, and asked the state's Attorney General to pursue criminal and civil proceedings against Diebold, citing its 'fraudulent actions.' Shelley also decertified all touchscreen systems in the state until additional security measures are put in place.

U.S. Economic/Financial News

Thirty-Year Mortgage Rates Rise Above Six Percent

Interest rates on 30-year mortgages rose 17 basis points to 6.01% during the week ended April 23, according the Mortgage Bankers Association. Thirty-year mortgage rates have risen half a percentage point in the past year, and have now passed the "psychologically key 6% level for the first time this year," Reuters said April 28. The MBA's refinancing index—a measure of demand for mortgage refinancing—fell 5.8% to 2,043 for the week, the fifth consecutive week it has fallen. Refinancings accounted for 44% of the week's activity. Adjustable Rate Mortgages, which initially offer lower rates (currently 3.67%) than 30-year fixed-rate loans accounted for 33% of the home loans processed by lenders during the week.

Regulatory Changes Planned for Fannie and Freddie

The Office of Federal Housing Oversight Board (OFHEO) is drafting rules to allow it to put Fannie Mae or Freddie Mac into a "liquidating conservatorship" so it could wind them down, liquidating assets and paying creditors, should such a move be necessary, the *Wall Street Journal* reported April 28. The Treasury Department is considering ways it could restrict the two companies' borrowing, which have ballooned to \$1.7 trillion in recent years, making them among the world's largest debtors. Meanwhile, the Dept. of Housing and Urban Development is taking a tougher stand in holding them to their "mission" of helping more low- and moderate-income people buy houses, and is considering more vigorous enforcement of its approval power on new financial products the companies develop. Fed governor Ben Bernanke said last week that higher interest rates could imperil Fannie's and Freddie's risk-management strategies. The Bush Administration is determined to bury the idea that the U.S. government stands behind the two companies, the *Journal* said.

Highly Leveraged Bond Market Facing Huge Blowout

The U.S. bond market is in its most highly leveraged condition in history. Even a small upward movement in U.S. interest rates, organized by Fed chairman Alan Greenspan, could set off a de-leveraging process that would bring down the house of cards.

Many financial institutions—commercial banks, investment banks, hedge funds—have borrowed money on the international markets at the London Interbank Offered Rate (LIBOR), which is hovering around 1.25%. They then turned around and bought 5- or 10-year U.S. Treasury bonds, the latter of which had been paying 3.75%. They earned a spread of 2.5%, which looked like a sure bet. In these trades, called the "carry trade," they were borrowing very short-term money, and investing it long-term, for 10 year.

In 1990, the Net Borrowing by Primary Dealers—borrowing by bond-market players to buy U.S. Treasury securities—was negligible, less than \$50 billion. It rose to \$400 billion by March 2001 and then exploded to almost \$800 billion by March 2004. *The amount of money borrowed to play the Treasury bond market is five times that borrowed to play the stock market.*

Such a highly leveraged bond market can have catastrophic consequences, as happened in 1994 (see below). For instance, just on April 2 of this year, when the Bush team released its faked jobs report, those investors who were engaged in the carry trade, and had borrowed money to buy Treasury bonds, lost three-quarters of all the profits they had made between Jan. 1 and April 1. More losses are in store.

Fears of '94-Style Bond Market Massacre, Only Bigger

Fears of a new bond market crash, far worse than that of 1994, are haunting Wall Street. Then, interest rates were 3%, and Fed chairman Alan Greenspan moved them up to 6%. But after the first few increases of interest rates by small increments, all hell broke loose.

There are eerie parallels between then and now. In an April 13 article in *Bloomberg.com*, entitled, "What if 2004 is Really Like 1994?" Caroline Baum draws out the comparison:

"Both periods saw the U.S. economy emerge from a recession that was technically shallow ... yet devastating in terms of job losses and disappointing in terms of ensuing job gains. Both periods came on the heels of extended monetary policy accommodation, with the funds rate below the rate of inflation. Both periods witnessed soaring industrial commodity prices."

Further, "The 'carry trade' was the rage in 1994, just as it is now. Ensured of cheap financing by the Fed—the funds rate was 3 percent from September 1992 until February 1994—leveraged accounts, including banks, bond dealers and hedge funds, took advantage of it, borrowing at a low rate of interest, buying higher yielding Treasury notes and pocketing the difference, a positive carry."

Then, in February 1994, the Fed started to raise interest rates, at first by small amounts, which nonetheless totally upset this leveraged paper's equilibrium. During the course of 1994, the total return on long-term U.S. Treasury bonds (including price change and coupon income) plummeted 11.97%, the steepest single-year fall recorded since 1926.

But ominously, today the market is much more leveraged. In 1994, the Net Borrowing by Primary Dealers in Treasuries stood at less than \$200 billion; today it is almost \$800 billion.

Fed Considers How To Handle Looming Bond Market Crash

On April 1, Federal Reserve Board Governor Donald L. Kohn delivered a presentation, "Monetary Policy and Imbalances," at Widener University in Pennsylvania, which assessed what would happen if the Federal Reserve were to start raising interest rates. Kohn looked at the effects on all the markets that had been fed with easy money, most especially, the over-

leveraged U.S. bond market. As could be expected, Kohn presented a placid picture that likely all would work out well, but two paragraphs at the end of his speech jump out:

"Investors, too, must be aware that short-term rates, and hence the opportunity cost of their longer-term investments, will increase. Borrowing short and lending long is risky and not a sure-fire way to eternally high profits. Investors are unlikely to be able to exit from these bets before the market starts to adjust; *it is highly probable that many folks in similar circumstances will be trying to squeeze through the same door at the same time, in which case prices could adjust sharply.*

"[R]egulators of financial institutions should strive to ensure that these institutions have risk-management systems in place that help to assess and control vulnerability to potential adjustments in interest rates and asset prices. In doing so, supervisors reinforce market discipline. *Banking supervisors at the Federal Reserve, for example, in the course of the ongoing examination process, have been paying close attention to the sorts of vulnerabilities we have reviewed and have been discussing these risks with the commercial banks they oversee*" (emphasis added).

Of course, at the point of a crisis, "risk-management systems" are worthless. But if the Fed is already telling its supervisors to examine these "sorts of vulnerabilities," they doubtless are simultaneously putting other measures—which they will not discuss publicly—into place. These other measures have zero chance of success.

Lyndon LaRouche noted that you could increase interest rates under a regulated economy, but you can't do it under this deregulated economy. An increase of 3.5% should blow up the system.

New Home Foreclosures Soar in Chicago, S.F. Bay Area

The number of homes entering the foreclosure process in the Chicago metro area remains extremely high, amid relaxed loan qualification standards as well as rising long-term unemployment. "We're seeing an average of 508 new filings per week for the month of March and the first two weeks of April," said foreclosures.com president Alexis McGee. "That's almost double the normal historic baseline of 260 per week for the six Chicago metro counties." Lenders hooked many people into getting mortgage loans they really couldn't afford.

Meanwhile, in California, mortgage defaults show that many homeowners are in "financial distress." In eight of nine San Francisco Bay Area counties, 4,654 default notices were filed in the first three months of 2004; and in Los Angeles, 1,872 in March alone.

Number of Jobless Without Benefits Climbs; Congress Punts

The number of unemployed workers who have exhausted their jobless benefits and receive no other assistance, jumped to nearly 1.5 million, as of April 30, according to a reported released April 26, by the Center on Budget and Policy Priorities. According to its analysis, the number of Americans exhausting their regular state unemployment benefits in March without qualifying for any additional Federal unemployment assistance, surpassed the record high that was set only two months ago, in January 2004. In March, about 354,000 more jobless workers used up their regular benefits without being able to receive additional Federal aid—the highest monthly level ever, according to Labor Department statistics going back to 1971.

Moreover, since Dec. 20, 2003 a whopping 1.47 million unemployed workers will have exhausted their state jobless benefits—without receiving extra aid, through the end of April. This is also a record number of such unemployed during a four-month period.

Yet, the April 2 phony jobs "recovery" report, showed a worsening in both the number and proportion of long-term unemployed workers. The number of Americans out of work at least 27 weeks, rose to 1.988 million in March, at the same time that a purported 308,000 jobs were created. The proportion of the unemployed who are "long-term unemployed" increased to 23.9%—nearly one in four; this is the largest ratio in more than 20 years.

Congress failed to even renew the Temporary Extended Unemployment Compensation (TEUC) program, which provided up to 13 weeks of Federally funded benefits to jobless workers who have run out of state-funded benefits, when it lapsed on Dec. 20.

Cheney-Bush Team Pushes Steep Hikes in Insurance Costs to Workers

On April 23, the Administration's Equal Employment Opportunity Administration put out a new rule allowing employers to terminate company retirement-plan health benefits to their retirees who are 65 and qualify for Medicare. Now a feature of the Medicare Reform Act rammed through by House Majority Leader Tom DeLay and company is becoming clear in a national survey of employers reported in *USA Today* on April 26: Employers who offer health insurance plans to current employees, can more than triple the deductibles those employees pay for each medical event.

"Sharply higher health insurance deductibles to hit workers in the next two years," wrote *USA Today*, reporting that 73% of employers in the national survey already plan to "offer" to their workers the Health Savings Accounts called for in the Medicare Reform Act. This is "a major market change," which will "shift the cost of health care to workers," the paper forecast. The current national average health-insurance deductible, for an individual under employer group health-insurance plans, is \$300. But under the provision for Health Savings Accounts in DeLay's Medicare Act, these accounts "must be coupled with insurance policies with annual deductibles of at least \$1,000 for individuals." The employer "offering" the Health Savings Accounts privilege to employees can set the deductible higher than that, and 40% of them plan to do so.

World Economic News

Gordon Brown: Housing Bubble? What Housing Bubble?

Speaking at the spring meeting of the International Monetary Fund in Washington, D.C., British Chancellor of the Exchequer Gordon Brown addressed the gigantic housing bubble in Britain, by babbling, "While house prices have certainly risen, as everybody knows, what is also the case is that people's debt servicing payments, mortgage payments as a share of their income, are still far lower than they were 10 years ago."

The IMF had just warned in its annual World Economic Outlook that a fall in housing prices in Britain was the single biggest threat to the country's economy. British fund manager Tony Dye and others had weighed in on the subject, and were covered extensively in the British press.

According to *BBC News* April 25, a survey released April 19 reported the reality that Brown cannot stand: the average price of a home in Britain has risen to 184,582 pounds (\$325,000) a 50% rise from the start of 2002.

Rothschild Leaving Gold Trading and London Gold Fix

N.M. Rothschild & Sons is withdrawing from commodities trading, including gold, and will be withdrawing from the twice-daily London Gold Fixing, the bank said in an April 14 regulatory announcement. Rothschild has hosted and chaired

the gold-fix meetings since 1919, and has been a player in the gold market for two centuries. Rothschild is the last of the London gold pool banks to remain independent; the rest were all swallowed up by big banks, such that the group now includes Deutsche Bank, HSBC, Scotia Bank of Canada, and Société Générale. Any replacement for Rothschild in the pool must be a market-making member of the London Bullion Market Association, and the likely suspects include AIG, Barclays, Goldman Sachs's J Aron, JP Morgan Chase, and UBS, according to wire reports.

In March, European central banks reached an agreement under which they may sell up to 500 million tons a year of gold between them, up from the 400-ton limit agreed to in 1999.

Taken together, these developments suggest that the gold carry trade and the gold derivatives market may be ready to blow.

United States News Digest

Senator Lautenberg: Cheney Is the Lead Chickenhawk

Senator Frank Lautenberg (D-NJ), in a speech on the floor of the U.S. Senate, declared, "We know who the chickenhawks are. They talk tough on national defense and military issues and cast aspersions on others, but when it was their turn to serve, they were A-W-O-L from courage."

To underscore his point, Lautenberg defined a chickenhawk as "having the shriek of a hawk, but the backbone of a chicken, and now the chickenhawks are squawking about Senator Kerry. The lead chickenhawk against Senator Kerry is the Vice President." He recalled Vice President Dick Cheney's claim that he had "other priorities" at the time of the Vietnam War, so he did not serve.

To drive the point home, Lautenberg pulled out a large drawing of a chicken dressed up as a war hawk!

According to radio reports, pandemonium broke out in response to this octogenarian, World War II veteran Lautenberg's intervention, with Sen. John "Bullmoose" McCain jumping to Cheney's rescue, and demanding that the issue of service in Vietnam be dropped from the rhetoric of the campaign.

Rumsfeld-Cheney Transformation Doctrine Killing U.S. Troops

The May 3 issue of *Newsweek* reports that one out of four soldiers killed in Iraq has died unnecessarily, and that they would be alive today if they had had armored vehicles. This is according to a study being circulated in the Pentagon, which reports that of 789 total Coalition deaths as of April 15, there were 142 killed by land mines or improvised explosive devices, and 48 others died in rocket-propelled grenade attacks. Almost all were killed while in unarmored vehicles. Thousands more were injured, many with serious wounds, while travelling in unprotected vehicles.

The Army is 1,800 short of its requirements for armored Humvees, *Newsweek* says, and it notes that troops are trying to improvise to get more protection, but Humvees which are modified with armor, can't take the extra weight, and their transmissions and suspensions systems fail. Soldiers in Iraq are complaining that Defense Secretary Rumsfeld and the top brass "have been too reluctant to modify their long-term plans for a lighter military"—a core tenet of Rumsfeld's and Veep Dick Cheney's utopian plans for a lighter, more mobile imperial fighting force, and their assumption that heavier, armored vehicles are a relic of the past.

Meanwhile, *Stars & Stripes* reported, on April 25, that the House Armed Services Committee called Defense Dept. acquisition officials into a hearing last week, to ask them why armor needed to protect U.S. troops is so slow in getting to Iraq. Unarmored Humvees weren't designed for the type of fighting being experienced in Iraq, said the commander of the 1st Armored Division. "They were supposed to be behind the lines." The commander describes Iraq as a "non-linear battlefield," with threats coming from all directions. "It's 24-7, 365 [days], 360 degrees," he said.

Pentagon leaders haven't addressed the requests for additional armor kits, so that production will shut down on April 30. As well, says Rep. Duncan Hunter (R-Calif), the Bush Administration has not earmarked sufficient funds in its 2005 budget to provide for the Army's need for armor, Humvees and add-on kits.

9/11 Commission Rejects GOP Demands on Gorelick

The National Commission on Terrorist Attacks Upon the United States, also known as the 9/11 Commission, rejected a demand, on April 25, from 11 Republican Senators, that it call Commission member Jamie Gorelick to testify as a witness in front of it. The Senators, led by Kit Bond (R-Mo), argued that any report by the Commission "will be incomplete without public testimony by Ms. Gorelick about her activities while serving as Deputy Attorney General." This followed Attorney General John Ashcroft's effort to disrupt the Commission's work, by falsely charging that Gorelick was largely responsible for allowing the 9/11 attacks to take place, because she "built the wall" that separated intelligence from law enforcement.

Indicating that they are looking for any pretext to discredit Commission findings damaging to the Bush Administration, Sen. John Cornyn (R-Texas) stated: "By refusing to require this key testimony, the Commission administers a self-inflicted wound, which further puts its judgment and impartiality in doubt."

Negroponte Grilled on Administration's Iraq Plans

John Negroponte, the Bush Administration's nominee to become Ambassador to Iraq, was grilled by members of the Senate Foreign Relations Committee, during his confirmation hearing on April 27, as to whether the Bush Administration has a policy for Iraq, and if so, what it is. The members of the committee present made clear from the outset that they intend to support his nomination when they vote on April 29, but the Senators, still angry over the Administration's refusal to send any official to testify at the previous week's hearings on Iraq, seized upon Negroponte's presence to try to get some answers on policy. The skepticism and fear over the insane contradictions of the Bush Administration schemes for Iraq was bipartisan—as was the lack of any answer to what is to be done.

"American credibility in the world, progress in our war on terrorism, relationships with our allies, and the future of the Middle East depend on a positive outcome in Iraq," committee chairman Sen. Richard Lugar (R-Ind) stated in opening the hearing. He asked how Negroponte would ensure that the people named to the new government of Iraq would be acceptable to the Iraqis? How did they intend to get a UN resolution through the Security Council, this time? Who will be in charge: the U.S. military or the U.S. Embassy? Who decides, if the Iraqi government opposes military action which the U.S. military views as necessary?

His fellow Republican, Chuck Hagel of Nebraska, began by lecturing Negroponte on the urgency of the U.S. forging alliances with "our Muslim allies" and the United Nations, if there were to be success in the Middle East. What would it take to get France, Russia, and Germany to help? And what powers is the interim Iraqi government to have? Do they have sovereignty, or do they not have sovereignty? "If a country doesn't have the sovereignty to make national security decisions for itself and military commitments, then I'm not sure I would define it as a sovereign government," he said.

Senators Joe Biden (D-Del) and Sam Brownback (R-Kan.) went after the de-Baathification policy as a colossal failure. Biden also wanted to know who will control the reconstruction funds—the Embassy or the Pentagon—in a situation where

almost 50% of those funds are reportedly being siphoned off to corruption and security costs?

Cheney Praises Churchill, Trashes Kerry

In a lengthy speech to Westminster College in Fulton, Missouri, where British Prime Minister Winston Churchill had given his Iron Curtain speech 58 years ago, Vice President Dick Cheney cast himself and President Bush as following the tradition of the Churchill-Truman cold warriors. Without a mention of the Churchill-FDR alliance against the Nazis, Cheney lauded the Churchill-Truman drive against "imperial communism."

He then went into a lengthy defense of the Bush Administration's War on Terror, citing the policy of pre-emptive war, and repeating his frequent mantra about new terror attacks to be expected inside the U.S. "We have to assume they will make further attempts inside the United States, especially in an election year," Cheney warned. No mention of the lack of weapons of mass destruction, or of the simmering insurgency against Americans in Iraq, or the chaos in Afghanistan. In his typically lying fashion, Cheney claimed victory was in process.

The Vice President then turned to trashing Senator Kerry. Bush, he lied, is "calm and deliberate, comfortable with responsibility...." Kerry, on the other hand, has trouble "making decisions and standing by them." He proceeded to outline known flip-flops on Kerry's part.

After Cheney's speech, the president of Westminster College issued a notice to students and faculty rebuking Cheney for his "Kerry bashing." Fletcher Lamkin, a former administrator at West Point, said the "content and tone" of the speech was not what was expected, as it was supposed to be on foreign policy. Democratic candidate John Kerry accepted an invitation from the college to speak there April 30.

Carpetbagger Contractors Fined Millions for Fraud

Led by Dick Cheney's Halliburton, 10 companies that were awarded \$7 billion in U.S. government contracts for Iraq "reconstruction," have paid more than \$300 million in penalties since 2000 to settle allegations of bid-rigging, fraud, delivery of faulty military parts and environmental damage.

For example, the Cheney-Bush team is paying more than \$780 million to one British firm convicted of fraud on three Federal construction projects and banned from U.S. government work during 2002, according to government documents reviewed by Associated Press. A Virginia-based company convicted of rigging bids for U.S.-funded projects in Egypt, won Iraq contracts worth hundreds of millions of dollars. Plus, a third company found guilty of environmental violations and bid-rigging won U.S. Army approval for a subcontract to clear an Iraqi harbor. Seven other firms with Iraq contracts have agreed to pay financial penalties without admitting wrongdoing. Combined, the 10 companies have paid fines to resolve 30 alleged violations in the past four years—six of which paid penalties more than once. Yet, the firms have been awarded \$7 billion in Iraq contracts.

The Cheney-Bush Administration had repealed regulations enacted by the Clinton Administration that allowed officials to bar new government work for companies convicted or penalized during the previous three years. The new rules were suspended during the Bush administration's first three months in office, and revoked in December 2001.

Punished contractors include:

* HALLIBURTON paid \$2 million in 2002 to settle charges it falsely boosted costs on a maintenance contract at now-closed Fort Ord in California

- * BECHTEL paid more than \$110,000 to the EPA and the Energy Department in 2000 and 2001 over safety and environmental violations; three of its subcontractors have been fined more than \$86 million.
- * AMEC, a British firm that paid \$1.2 million in fines for contract fraud on projects in California and Missouri, debarred for one year in 2002.
- * American International Contractors Inc. paid \$4.7 million in fines in 2000 after pleading guilty to bid-rigging on a U.S.-funded water project in Egypt.
- * Fluor Corp. paid \$8.5 million to the Defense Department in 2001 to settle charges of improperly billing.
- * Great Lakes Dredge & Dock Co. paid a \$969,000 fine in 2002 for environmental damage in the Florida Keys.
- * Northrop Grumman Corp. paid \$191.7 million in the past four years, including a 2000 case over faulty military replacement parts.

Special Prosecutor Appointed in Files Theft Case

The Justice Department has opened a criminal investigation of the theft of sensitive Democratic files from the Senate Judiciary Committee computer system, and has appointed the U.S. Attorney in Manhattan, David Kelly, to head the probe. Democrats on the Committee, along with three Republicans, had pushed for the appointment of a special prosecutor who could conduct an aggressive investigation, free of influence from Washington.

Over a period of 18 months, two Republican staffers downloaded close to 5,000 files covering Democratic tactics in opposing President Bush's judicial nominees, and some of the documents were leaked to right-groups groups and publications.

This is the third case which the Justice Department has assigned to a special prosecutor; the others are the Valerie Plame leak case, and an investigation into prosecutorial misconduct in the Detroit "al-Qaeda sleeper cell" case.

Ibero-American News Digest

Brazil: Record Surplus, Record Unemployment

The Brazilian Central Bank proudly announced April 22 that the public sector as a whole (Federal, states, municipalities, and the state companies) obtained a record primary surplus (revenues minus expenditures, excluding debt payments) in the month of March: R\$10.3 billion, or some US\$3.4 billion. In the first quarter, the public-sector primary surplus hit R\$20.5 billion. Put another way: the public sector removed US\$6.8 billion from the economy in March—an amount equal to a stunning 5.41% of GNP—for debt payments, the largest amount since 1991.

The day before, it was announced that unemployment in metropolitan Sao Paulo, the industrial powerhouse of the country, hit a record 20.6% in March, a level only hit in three other months since the statistical series began in January 1985. The average income of those still employed, meanwhile, dropped by 3.3% in March, the second consecutive month it fell.

There are now officially 2 million unemployed in Sao Paulo. Industry, where the greatest job losses occurred, lost 87,000 jobs in March. And it was the *food* industry which suffered one of the biggest drops, reflecting the collapse of the most basic consumption.

While "this fiscal squeezing...[is] information to be celebrated by the financial market," *Folha de Sao Paulo* wrote April 22, it is also one of the reasons for the increase of unemployment. "This is because the money collected in taxes and saved for interest payments, is not being invested in public works or social projects which could revive the economy or generate jobs."

Paulo Pereira da Silva, president of the Forca Sindical trade union federation stated reality more starkly yet: Brazil is "bordering on social chaos," with one out of every five workers out of a job, he said. "This is the result of a government which bends before the speculators, and turns its back upon the workers."

Land Mines in Rio Slum Reveal Extent of Drug Empire

Drug-traffickers in the slums of Rio de Janeiro constitute a "parallel government" within this second-largest city of Brazil, warned Rio Archbishop, Cardinal Eusebio Scheid, at the conclusion of the annual meeting of the Roman Catholic National Bishop's Council (CNBB) on April 22. The city authorities cannot confront the problem without the help of the Federal government, Cardinal Scheid said, referencing the shooting war which broke out between rival drug gangs in Rocinha, one of the largest of Rio's slums, on April 9. The Cardinal named the infamous "Red Command," the leading drug gang nationally, which is behind many of the brutal prison uprisings which frequently occur in Brazil.

Police trying to retake control of the slum announced on April 20 that they had found an "incredible arsenal" stashed near the home of one of the traffickers—including eight land mines, the first time such weaponry has been found in the hands of drug traffickers. Defense Minister Jose Viegas announced that the Ministry is investigating where the traffickers got hold of them. More than 160 grenades, and 30,000 bullets of various calibers were found in the arms stash.

World Bank to Argentina: Banks Come First, Let People Die

World Bank chief James Wolfensohn was just one of several voices, from the IMF, U.S. Treasury, and European Union, who are threatening Argentina to either increase its primary budget surplus (PBI), or lose needed investments. Everybody wants to have social programs to help the poor, Wolfensohn said on April 22, but debt "obligations" come first. Argentina is like the irresponsible individual who doesn't want to pay his credit cards, or his mortgage, and uses that money to send his kids to college instead, he charged. Of course, he added, "telling the world to go to hell," is a very politically popular thing to do.

Leading up to last weekend's annual meeting of the IMF and World Bank, similar statements came from IMF acting Managing Director Anne Krueger (who argued that if Turkey can generate a 6.5% PBI, why can't Argentina?), U.S. Treasury Undersecretary John Taylor, and Irish Finance Minister Charlie McCreevy. Speaking April 25 for all European Finance Ministers, at the IMF meeting, McCreevy said that Argentina "should aspire to a more ambitious primary fiscal surplus in the coming years, as well as a more ambitious effort on structural reforms, in the medium term."

Argentine President Nestor Kirchner, however, remains adamant that his government will not raise the PBI above its current rate of 3% of gross domestic product. Cabinet Chief of Staff Alberto Fernandez told Radio Mitre April 21 that the surplus "will be used for Argentina's social development and to favor and promote development," because "there are still many things that need to be done."

Kirchner: Infrastructure Is an Investment, Not a 'Cost'

Speaking before a number of national and international companies bidding for four multimillion dollar contracts to revamp and maintain the national highway system on April 22, Argentine President Nestor Kirchner declared that spending on public works is not a cost, but an investment which feeds into greater economic growth, as reported in *La Nacion* April 23. "This is the Argentina we want to build, with millions of pesos for public investment. To have more infrastructure is fundamental for the growth of any country. For some, this is a cost, an expense, but for us, it means investment and jobs," he said.

Brazil Proposes Tri-National Gas Development Project

Citing the petrochemical complex which Brazil and Bolivia are building on their mutual border, scheduled to go into operation in 2009, as a model, Brazilian Mines and Energy Minister Dilma Rousseff proposed on April 26 that Argentina, Bolivia, and Brazil create a tri-national gas development project. Speaking at the Fourth Latin American and Caribbean Gas and Mining Conference, Rousseff pointed to the "great advantages in our integration, both with respect to [natural] gas supplies, and to economic development which integration can offer to all three countries."

Brazil's proposal comes in the midst of growing regional tensions between Chile on the one side, and Argentina and Bolivia on the other, over energy. Due to its own energy crisis, Argentina has reduced its natural gas exports to Chile by 15%. The Chilean government is screaming that Argentina has failed to live up to international commitments, and is threatening to impose anti-dumping sanctions on Argentine imports. Joaquin Lavín, head of the right-wing Chilean opposition, is demanding that the government of President Ricardo Lagos show a "much harsher" response to both Argentina and Bolivia. Bolivian President Carlos Mesa just signed a deal with Argentina to provide that country with 4 mn. cubic meters of natural gas a day, for six months, on the condition that "not one molecule" of that gas be exported to Chile. As a result of this, all trade and economic talks between these two countries have now been halted.

U.S. Embassy Reported Out To Topple Bolivian President

High-level military sources in La Paz, Bolivia report that the U.S. Embassy there is pressing for a "constitutional" coup against President Carlos Mesa, only six months after he took office in the wake of a popular uprising which drove his predecessor, Gonzalo Sanchez de Lozada, out. The pretext is that Mesa is said to have brought "recalcitrant leftists" and people close to coca-producer Evo Morales into his government. The U.S. Embassy reportedly does not want a military coup, but wishes to see Mesa replaced by the head of the Senate, whom they "suggest" could then call new elections.

Should that occur, the sources add, Bolivia would likely become unsalvageably polarized between poor supporters of the George Soros-linked narcoterrorist leader Evo Morales, and middle-class and wealthy backers of the World Bank's favorite privatizer in Bolivia, Jorge Quiroga. Quiroga, a U.S.-educated yuppie, served as interim President from July 2001-August 2002, after then-President Hugo Banzer developed terminal cancer.

Since taking office last October, Mesa has been caught between mass protests led by Morales and crew, demanding economic relief, and Bush Administration ultimata that he make no concessions, either on coca eradication, or free trade economic policy. As soon as Mesa came in—before he had made any concessions to the popular uprisings he faces—neo-conservatives in Washington added Bolivia to the regional "axis of evil" they have invented of Lula da Silva's Brazil, Hugo Chavez's Venezuela, Fidel Castro's Cuba, and Nestor Kirchner's Argentina.

This Bush team operation is not a strategy for stability, but will hand the country over to Evo Morales and crew. Given the current conditions of advanced economic devastation, should Mesa be driven out, as the U.S. Embassy reportedly envisions, it could detonate not only civil war in Bolivia, but throughout South American, a war in which the Andean

nations of Bolivia, Peru, Ecuador, Colombia, and Venezuela would be reduced to ungovernable regions run by narco-terrorists.

Mob Violence, Demands for Separation, Erupt in Peru

As strikes, marches, and protests against the Toledo government's IMF policies spread across Peru, a protest in one of the poorest areas of Peru, near the border with Bolivia, exploded into bestial violence and demands for separation from Peru altogether.

Aymara Indians and area farmers in Ilave, Puno, had been protesting the lack of any attention from local, regional, or central government authorities since April 2, demanding the mayor of the town, in particular, be removed from office for corruption. On April 26, mobs moved into a meeting of the mayor and supporters, and seized and bound the mayor and three councilmen. Dragged out, the mayor was beaten to death and hung. Fifty policemen in the town were also cornered in their headquarters by the mob, but were eventually rescued by forces sent in from outside to disperse the mob. The leader of the protest is reported to have been jailed in 1996 for terrorism.

As of April 29, some 2,000 Aymara Indians had gathered in Ilave, and were demanding the formation of an independent "Aymara nation," in coordination with their Aymara neighbors in Bolivia.

Sendero Runs 'Human Rights' Campaign To Free Jailed Terrorists

The narco-terrorist Sendero Luminoso (Shining Path) of Peru, one of the most bestial forces ever to operate in the Americas, is demanding that the Human Rights Court of the Organization of American States (OAS) and the Human Rights Commission of the United Nations take up their defense, to force the weakened Toledo government to release hundreds of their fellow-terrorists from prison. Manuel Fajardo, lawyer for Sendero's imprisoned "president" Abimael Guzman, insists that the rights of the defense in Peru have been "unduly restricted," and has gone to UN headquarters in Geneva to plead for a visit from the UN high commissioner and intercession on his client's behalf.

Police Gen. Marcos Miyashiro, head of Peru's anti-terrorism agency, known as Dircote, has warned that Sendero is exploiting loopholes in Peru's anti-terrorist legislation to try to force an international ruling from the OAS human rights court "through which all the terrorist prisoners are going to be freed."

Western European News Digest

Italian Parliamentary Press Agency Covers 'LaRouche Doctrine'

The official press agency of the Italian Parliament, Agenparl, featured key elements of Lyndon H. LaRouche's "LaRouche Doctrine" for Southwest Asia. Agenparl, published in Rome and distributed to all Italian government and parliamentary offices, has covered LaRouche's "proposal for action" for Iraq under the title, "Bush adopts the doctrine of the Democrat LaRouche to overcome the impasse in Iraq."

Agenparl wrote: "A few days after the circulation of the "LaRouche Doctrine," the Bush Administration announced a shift, that is, an inversion of the de-Ba'athification policy till now followed in Iraq. Paul Bremer decided to reintegrate Iraqi generals and to reconstitute the Army. The need to rebuild the Iraqi armed forces is a central aspect of the proposal of Lyndon LaRouche." The report continues almost verbatim, on the "LaRouche Doctrine" and LaRouche's recent TV interview with Hussein Askari.

Berlin Hosts Diplomatic Events Related to Southwest Asia

German Chancellor Gerhardt Schroeder met with visiting Israeli President Moshe Katsav, and Deputy Prime Minister of the United Arab Emirates Sheik Hamdan bin Zayed Al Nahyan, April 28, which was followed by a meeting another meeting with the "Road Map Four": the United States, United Nations, Russia, and the European Union in Berlin.

Schroeder also discussed the Israel-Palestine and Iraq situations with Turkish Prime Minister Erdogan, whom he met for the inauguration of the German-Turkish Trade Chamber in Cologne, April 27. From the Israeli and Jewish organizations' side, numerous senior officials attending the OSCE international conference on anti-Semitism, hosted by the German Foreign Ministry, will confer with German and European officials on this occasion.

In Brussels, April 27, Russian Foreign Minister Lavrov conferred on Iraq and the Israeli-Palestine conflict with three leading European union politicians: EU Commission envoys Patten and Solana, as well as Irish Foreign Minister Cowen. (rap)

Spanish Prime Minister's Makes First State Visit to Morocco

Prime Minister Jose Luis Zapatero was warmly received on his first official overseas visit to Morocco, April 24, to underline Spain's determination to open a new chapter in the bilateral relations, *El Pais* reported April 25. The Prime Minister was received in an extremely cordial atmosphere by Moroccan King Mohammed VI in Casablanca.

Their joint communique said that their six-hour meeting served to "inaugurate a new era of profound understanding and bilateral cooperation." Both agreed that the principal issues of the "new strategic relations" will be their common fight against terrorism, in favor of a policy of mutually beneficial development. The Moroccan King announced that he will visit Spain before this summer. The two also agreed to "avoid" at all costs, a return to the tensions which Spain and Morocco had undergone in recent years. In their press conference, Zapatero, referred to the "new era" in bilateral strategic relations, saying: "We must agree on common objectives and common progress. The King stressed the dialogue between the two countries is based on "reciprocal loyalty."

The two governments have created four working groups to on the anti-terror fight, economic relations, investment, and immigration.

Zapatero Embraces 'European Option'

Spanish Prime Minister Jose Luis Rodriguez Zapatero's second official visit was with Germany's Chancellor Gerhardt Schroeder in Berlin April 28, accompanied by his Foreign Minister Miguel Angel Moratinos. In a joint press conference, Schroeder stressed that Spain would be coming back "to the heart of Europe," and will play a key role in the construction of Europe, centered around the Paris/Berlin axis. Schroeder stated, that he could imagine that in the future, under appropriate circumstances, Paris and Berlin could organize summits together with Madrid.

Zapatero underlined that "progress of the EU will be one of the fundamental tasks of the new Spanish government.... I presented to the Spanish people a 'European option.' This option is the recognition that France and Germany are the motor of the EU. For me, there is no old or new Europe, there is only one united Europe." He added that the Spain is "very grateful for the attitude Germany has always taken in recent years.

Schroeder said: "The new government seems to create a new dynamic for European integration and we noted this with

great satisfaction.... I told [French President Jacques] Chirac that Spain should be integrated in the formulation of European initiatives in the future. I don't think this will be a problem.... It is perfectly possible that there would be a tripartite summit with Spain, as there was with Great Britain."

Regarding Iraq, Zapatero reiterated the will of his government not to participate "in any military, but [only] political cooperation with Iraq," and that this will be coordinated with Germany, France, and the USA. France, Spain, and Germany will move jointly in the UN Security Council to support the peace plan worked out by Lakhdar Brahimi.

Spain's Prime Minister Meets with Chirac in Paris

From Berlin, Spain's new Prime Minister Zapatero, proceeded to Paris for a meeting with French President Jacques Chirac. Chirac emphasized very positively the fact that Spain will "focus on the new European construction. This is the same focus supported by the big European countries, in particular, France and Germany." Chirac gave Zapatero a guarantee that from now on Spain will receive a different and preferential treatment as part of the German-French axis."

"One thing we decided," said Chirac, "is that from now on, we will have a constant and daily cooperation between the ministers of the three governments [Germany, France, and Spain]." Chirac noted that Spain could become a dynamic motor of peace and solidarity in the Euro-Mediterranean framework. Both statesmen stressed the need for intensive cooperation against terrorism.

French President Addresses 300 Journalists on Iraq Exit

In an April 29 press conference to 300 journalists, French President Jacques Chirac stated that there will be no solution for Iraq without a rapid transfer of responsibility to the UN, and of sovereignty to the Iraqi people. Indirectly responding to the U.S. proposal for limited sovereignty in Iraq, Chirac said: "What would be a disaster is a solution based on an ambiguity which basically goes along the line of, well, okay, the UN goes ahead, but in reality, things have not changed, and the Coalition will keep the real power."

Chirac said he was convinced that Europe will approve the proposals of special UN envoy Lakhdar Brahimi concerning the formation of a provisional government in Iraq. However, he was less certain that those propositions would translate "into an international decision which is sufficiently clear and firm, so that it can be adopted by the UN Security Council and serve as the basis for a political, economic, and social reconstruction of Iraq."

"Europe would do well, if it speaks with one single voice on Iraq," Chirac said, referring to the events of last year. According to *El Pais*, French government sources have signalled that France will not send troops to Iraq "no matter what happens," even if the UN approves a resolution which legitimates a transitional government. The real objective is dialogue.

In background discussions, French sources expressed concern about the degradation of security conditions in Iraq, which is the result of the "grave error" committed by the Bush Administration of having dissolved the Iraqi Army. This has left 500,000 people with military training out in the streets, along with millions of family members in despair or rebellion, leading to a context which becomes more and more hostile." Bloody offensives like the one conducted in Fallujah by American forces will solve nothing. France made clear that it supports the installation of a "credible" government in Baghdad. Legitimacy can only be given by the voters.

El Pais April 30 reported that French Defense Minister Michele Alliot Marie visited Qatar, Oman, Abu Dhabi, and Jordan the previous week, to discuss how to accelerate the reconstruction of Iraq.

NATO Nixes Wider Iraq Role Under Current Conditions

NATO Secretary General Jaap de Hoop Scheffer said NATO would not agree to playing a wider role in Iraq except under conditions drastically different from those at present, according to Reuters April 26. Speaking in Norway, Scheffer said, "If there is a sovereign, legitimate Iraqi government with full powers after June 30, and that government would direct a request to NATO, and if that request would be made on the basis of a new UN Security Council resolution, giving a specific mandate to a stabilization force, then I think NATO allies could enter in that discussion."

Britain Sees No Need for More Troops to Iraq

Asked if Great Britain were planning to send more troops to Iraq, as urgently requested by the Bush Administration from some country—any country—willing to do so, Bush's nearest and dearest ally, Prime Minister Tony Blair, answered that the number of British troops now deployed is deemed "sufficient." Throwing a sop to his buddy, Bush, Blair conceded that the question of troops is under constant review. Blair was joined at his April 27 London press conference by Italian Prime Minister Silvio Berlusconi, who is also facing stiff opposition at home for his support for the Iraq war on April 27 in London.

Two More Iraq Coalition Partners May Soon Pull Out

Two other participants in the "Coalition of the Willing" may soon quit the U.S.-led coalition in Iraq: Public pressure is building on Slovakia and Bulgaria. Although Bulgarian President Georgi Parvanov, during a visit to Iraq this weekend, reassured the Americans that the Bulgarian contingent would stay, 13 soldiers made headlines to the contrary by quitting their service in Iraq the same weekend. Broadly covered by Bulgarian media, the 13 charge that they no longer see any sense in their mission; there is increasingly the risk of losing one's life for a meaningless mission, especially as they have not been trained, nor equipped for heavy armed clashes of the type the coalition contingents have been exposed to in recent weeks.

Bulgarian Foreign Minister Solomon Pasi has already indicated certain changes in the official position supporting the war, by declaring in Sofia on April 24, that Bulgaria is working for a new UN Security Council resolution.

In Slovakia, momentum has been building in the wake of the recent Presidential elections, won by an opposition candidate, Ivan Gasparovic, to force out the pro-Bush minority government of Prime Minister Mikulas Dzurinda.

Russia and the CIS News Digest

Russia and European Union Sign Accord

Russian Foreign Minister Sergei Lavrov and European Union officials, meeting in Luxembourg April 27, as the Russia-EU Permanent Council, signed an accord extending the Russia-EU Partnership and Cooperation Agreement to the 10 new members of the EU, joining on May 1. Most of the new members are major trading partners of Russia, and three of them, the Baltic countries (Latvia, Lithuania, and Estonia), are former republics of the Soviet Union. An accompanying joint statement took up disputed issues, including increased trade quotas and anti-dumping exceptions for Russian chemicals and steel industry exports to the new members; duty-free transit between Kaliningrad and the rest of Russia, across Lithuania and Latvia; and the rights of the Russian-speaking population within EU member states.

This last point was phrased vaguely as "commitment to the protection of human rights and the protection of minorities,"

without mention of Estonia or Latvia, which have been the scene of large demonstrations protesting language discrimination against Russian-speaking schoolchildren. Lavrov suggested that more specific guarantees would be required, in order for the State Duma to ratify the accord.

Irish Foreign Minister Brian Cowen, speaking for the EU, said that the two sides could now "look forward to a productive summit in May, and to bringing EU-Russia partnership to a new level." Russian Deputy Foreign Minister Vladimir Chizhov, who conducted the negotiations, spoke somewhat cautiously, telling NTV's Itogi program on April 27, "We advocate a Europe without dividing lines and the European Union, at least in words, holds the same view.... The EU has worked out a new concept, 'Wider Europe—New Neighborhood,' that covers the countries that will be the closest geographical neighbors of EU—Belarus, Ukraine, Moldova, as well as the countries of Northern Africa and the Eastern Mediterranean. We have frankly warned our partners that if it turns out to be a new edition of the concept of creating 'limitrophs,' that is, buffer states, a concept that appeared 100 years ago, nothing will come out of it, as history has proved. Russia does not see itself either as an object or a subject of such policy. Our relations with the EU are based on the principles of strategic partners. Naturally, Russia, being a growing economic power, will compete with the EU."

Russian press coverage of the signing featured headlines like "Europe Backs Down," appearing in *Vedomosti* and *Gazeta*. The latter asserted that potential Russian trade losses from the EU's expansion had been cut in half from the often cited estimate of 150-300 million euros annually. Neither officials, nor press took note of the systemic world financial and economic crisis, which threatens the very functioning of the EU as well as the national economies within it.

Russia Exercises UN Veto on Cyprus

For the first time in a decade, Russia has exercised its right of veto as a permanent member of the United Nations Security Council. On April 22, Russia blocked a resolution on security guarantees for Cyprus, in the event of reunification of its Greek and Turkish zones, which was the subject of an April 24 referendum. Russian diplomats called the resolution an attempt to influence the vote. As it turned out, people in the Turkish part of the island voted in favor of reunification, but a large majority vote against it prevailed in the Greek zone. Thus, internationally recognized Greek Cyprus will enter the EU alone. This is the option preferred by Russian corporations, which have major operations in the Greek part of Cyprus—a big center of offshore, including criminal, financial flows.

Russian Foreign Ministry Rebuffs Sharon Threat to Arafat

Alexander Yakovenko, spokesman for the Russian Foreign Ministry, expressed official concern about "Israeli Prime Minister Ariel Sharon's statement that he is free from his former promise not to physically hurt [Palestinian leader Yasser] Arafat," Pravda.ru reported April 24. "We would like to confirm Russia's resolute position on the inadmissibility of such threats against the legal Palestinian leader, acknowledged by the international community," Yakovenko said. "We call on the Israeli leadership to observe international law, including provisions of the 4th Geneva convention, and to resume political dialogue with the Palestinian authorities on the basis of the road map worked out by Russia, the USA, EU and UN."

Glazyev Holds Conference of His Movement

Former Russian Presidential candidate Sergei Glazyev presided April 24, over a conference of the public organization he had established earlier this year, under the name of "Rodina"—meaning "Homeland," the same as the name of the electoral coalition Glazyev led to a strong showing in the December 2003 State Duma elections. Dmitri Rogozin and other members of Rodina in the Duma, however, worked with members of the Kremlin staff to split Rodina over the issue of Glazyev's independent Presidential campaign. He was kicked out of the chairmanship of the Rodina group in the Duma, and Rogozin obtained from the Justice Ministry exclusive rights to use "Rodina" as the name of a public organization.

The April 24 meeting renamed the Glazyev-led movement as the "For a Worthy Life" public organization. It will have a newspaper, and a youth movement.

In an interview with Gazeta.ru on the eve of the conference, Glazyev said he was in no rush to turn "For a Worthy Life" into a political party. He said that party-building is practically futile just now, in the face of the Kremlin's readiness to use the resources of the state against any opposition. At the same time, Glazyev said, he wants this public movement to be open both to Rodina supporters and to others, who might not have joined Rodina. There continues to be speculation that a whole wing of the Communist Party will ally with Glazyev.

Immediately after the brutal suppression of his campaign for the March 14 Presidential election, and his ouster from leadership of the Rodina group in the Duma, Glazyev spoke openly about quitting politics, as such, and perhaps working only in the framework of the Academy of Sciences. But now he has returned to work at the Duma, telling Gazeta.ru he feels both personal and "collective" (with other elected members of Rodina) responsibility to promote legislation for implementing Rodina's program.

Glazyev also voiced his view, that the much-vaunted grip of Russian President Vladimir Putin and his circle on power is not absolute. "I think the system that has come into being," Glazyev said to Gazeta.ru, "will prove non-viable at the first threats to its authority. The authoritarian style of decision-making, and the concentration of power in the hands of one person, leads to bureaucratic sclerosis and the loss of governability.... For all the outward appearance of a strengthening of power, in reality it is decaying. There are no checks or mechanisms of responsibility. Therefore, this system seems to me to be non-viable."

Old U.S. Intelligence Report Provokes Furor in Russia

Tendentious reporting of a four-year-old U.S. National Intelligence Council report, recently declassified and posted on the Central Intelligence Agency web site www.cia.gov, touched off a flood of press articles and comments by political figures in Russia starting April 28. The report, titled "Global Trends 2015: A Dialogue About the Future with Non-Government Experts," was written in December 2000, after 15 months of deliberation. Regarding Russia, the NIC document expands on different aspects of the country's weakness, including the statement: "Between now and 2015, Moscow will be challenged even more than today, to adjust its expectations for world leadership to its dramatically reduced resources. Whether the country can make the transition in adjusting ends to means remains an open and critical question," and, "Many Russian futures are possible, ranging from political resurgence to dissolution."

The mention of "dissolution" was grabbed up by Russian media, who attached specifics to it, which are not in the report. Pravda.ru headlined, "CIA analysts predict: Russia will disintegrate into five-eight states, while the U.S. will prosper." *Komsomolskaya Pravda*, under the headline, "By 2015, there will be eight states in place of Russia," printed a map of what their borders might be. Radio Ekho Moskvyy, Strana.ru, and other media devoted space to debating the "CIA forecast," as if it were a fresh intervention. Speaker of the State Duma Boris Gryzlov was quoted on RBC.ru, "I completely rule out a threat that Russia will disintegrate," and pointed out that Executive Branch power, in particular, has been strengthened in the past four years.

A CIA spokeswoman told Russian journalists that the report does not reflect current evaluations and does not talk about "five to eight states." That there would be such a scenario is quite plausible to Russians, who have heard about Zbigniew Brzezinski's prospectus for splitting Russia into three parts, or the Clifford Gaddy-Fiona Hill thesis in *The Siberian Curse*, that Russia will lose Siberia and the North, if it does not agree to dismantle its urban settlements there.

Uzbekistan Links Ouster of Soros to Georgia Activities

The government of Uzbekistan, which shut down George Soros's Open Society Institute in Tashkent in April, initiated its new registration requirements for NGOs after the ouster of Georgian President Eduard Shevardnadze in a "democracy" operation late last year. Shevardnadze, who has close ties to Uzbekistan President Islam Karimov, had accused Soros of funding the uprising. The *Moscow Times* reported April 24 that "Western officials" in Tashkent are saying the government "fears that international organizations are training opposition forces to stage a Georgia-style revolution." However, the OSI was the only foundation whose registration was not renewed. The new regulations require foreign organizations to register with the Justice Ministry rather than the Foreign Ministry, and that they must provide detailed financial records and notification of planned seminars.

U.S. State Department spokesman Richard Boucher voiced support for Soros, saying that, "the United States is disappointed that the government of Uzbekistan decided last week not to renew the registration of OSI.... This jeopardizes valuable [U.S.] assistance programs." Boucher said that OSI's projects are "fully consistent" with the 2002 U.S.-Uzbekistan Strategic Partnership Framework, which agreed to "strengthen democratic institutions" in Uzbekistan. Uzbekistan's Foreign Ministry spokesman Ilkhom Zakirov commented, "If Soros was not accredited, that means the foundation's activity in Uzbekistan is undesirable."

Southwest Asia News Digest

Leading Iraqi Islamic Scholar Endorses 'LaRouche Doctrine'

Iraq's leading Sunni scholar and political leader, Sheikh Ahmed Al-Kubaisi, endorsed Lyndon LaRouche's "LaRouche Doctrine" as a viable solution for Iraq and Southwest Asia. Dr. Ahmed al-Kubaisi, leading Sunni religious personality and chairman of the United Iraqi Patriotic Movement, in discussions with EIR April 28 said: "Convey in my name, Ahmed al-Kubaisi, Iraqi Islamic scholar and chairman of the United Iraqi Patriotic Movement, that I support Mr. LaRouche's proposals for a new U.S. policy in Iraq and the region, which he has called the 'LaRouche Doctrine.' "

Al-Kubaisi also said that *Al-Sa'a*, a twice-weekly newspaper in Iraq, which is the official publication of his movement, will publish the Arabic text of the "LaRouche Doctrine."

Al-Kubaisi, who often cites LaRouche in his prayer sermons, lectures, and television interviews, has recently called LaRouche "the living conscience of the U.S." He established the United Iraqi Patriotic Movement immediately after the Anglo-American invasion of Iraq in April 2003.

Al-Kubaisi was born in Al-Anbar, the western Iraqi governorate which includes Al-Falluja, in 1934. He is a leading "Sunni" scholar not only in Iraq but throughout the Arab world. He has also been chairman of the Iraqi Scholars Association, chairman and founder of the Islamic Studies faculty at the University of Emirates, chairman of the Sharia department in the Iraqi Jurisdiction College, member of the Supreme Council of the Islamic University in Al-Medina-Saudi Arabia, and permanent guest of a popular Islamic Sharia television program on Dubai television.

The United Iraqi Patriotic Movement, al-Kubaisi says, is open for all Iraqis: Muslims, Christians, and Jews.

Brahimi Warns Against U.S. and Israeli Policies

On ABC-TV's "This Week" April 25, UN envoy to Iraq, Lakhdar Brahimi, warned in blunt terms that the U.S. occupation of Iraq is causing unprecedented hatred and bitterness against America. He said, "what I hear [in Iraq] is that these Americans who are occupying us are the Americans who are giving blanket support to Israel to do whatever they like."

Asked how he responds to this, Brahimi said, "That is my problem. I have no answer to their questions about the situation in the Middle East.... I think there is unanimity in the Arab world, and indeed in much of the rest of the world, that the Israeli policy is wrong, that Israeli policy is brutal, repressive, and that they are not interested in peace, no matter what you seem to believe in America." At the State Dept. briefing on April 27, spokesman Richard Boucher was asked about Brahimi's statements, and the government of Israel's protest against them, to which Boucher replied that, "we don't agree with him [Brahimi]."

Congressman Calls on Bush Admin. To Stop Israel Wall

Rep. Henry Hyde (R-Ill) has made a formal complaint to the Bush Administration protesting Israeli Prime Minister Ariel Sharon's "apartheid wall" between Israel and the Palestinian lands, *Ha'aretz* reported April 29.

Hyde, along with many Christian groups, including the U.S. Conference of Catholic Bishops, is calling on the Bush Administration to stop construction of parts of the fence. Hyde, considered a friend of Israel, begins his letter to Secretary of State Colin Powell with warm words. "As you know, I am a staunch supporter of Israel. Throughout their struggle with terrorism...."

But then he lashes out at the wall: "I am writing to express my concerns over the plight and security of Christians in the Holy Land.... If the Christian character of Jerusalem is not preserved, I fear that important religious sites will become museums for commercial purposes and will no longer be maintained as places of spiritual worship shared by billions across the world.

"I am asking to you to persuade the Israeli government to take meaningful steps to alleviate the suffering of the Christian community and their institutions...."

Hyde concludes with a demand: "Lastly, the Administration should encourage Israel to return to negotiations with the Holy See regarding the final status issues of the Fundamental Agreement between the Holy See and the State of Israel."

Bush's Iraq 'Folly' Scored by *Times* Columnist; Advice Offered

Veteran journalist Nicholas Kristof wrote in his *New York Times* op-ed column April 28, *"I've been quiet on Iraq lately because it's so tempting—but rather unhelpful—to rant one more time about President Bush's folly in launching this war. It's far harder to figure out what to do now that he's gotten us chest-deep in the mire. I'm not certain that we can make a success out of Iraq, and the question John Kerry posed in 1971 is still a fair one: 'How do you ask a man to be the last man to die for a mistake?'... Yet rushing out would be a mistake. If we give up on Iraq, it will collapse into civil war,... There are a few steps we can take that offer some hope of a turnaround for our occupation:"*

* Temporarily increase troop strength by 25,000.

* "Stick to the June 30 transition and give Iraqis full sovereignty." Limited sovereignty risks inflaming Iraqi nationalism.

* Don't rush in to attack Falluja or Najaf. We made Sadr a hero by closing his newspaper; "our best hope for destroying him is to leave him alone...."

* "Dump Ahmad Chalabi and other carpetbaggers. They are American stooges who undermine the legitimacy of any government they are in.... Dawa and SCIRI [Shi'a parties] want a stable Iraq even more than we do."

* "Disentangle ourselves from Ariel Sharon, that bloodstained figure embraced by President Bush as 'a man of peace.' By assassinating Hamas leaders and threatening to do the same to Yassir Arafat, Mr. Sharon is undermining our efforts in Iraq. Mr. Bush squandered our legitimacy in Iraq when he and Mr. Sharon chummily gave away Palestinian rights this month."

* "Bring back the most professional and least political Ba'athist generals. Iraq's most desperate need now is for security, and we need them."

Mr. Bush is starting to move on a few of these issues, but he needs to act more decisively on each. Only then would we have some hope of staunching the sacrifice of young soldiers...."

Kristof, reportedly a friend of former President George H.W. Bush, ends the column with the poignant lines of English poet Wilfred Owen, on the fate of Britain's young men in World War I: "The pallor of girls' brows shall be their pall; /Their flowers the tenderness of patient minds. /And each slow dusk a drawing-down of blinds."

Chicago Univ. Law Prof: 'Bring Back the Baathists'

"Bring Back the Baathists," writes University of Chicago Law Prof. Eric Posner in an op-ed accompanying Kristof's (see above). He quotes Iraqi National Congress head Ahmad Chalabi's criticism that Bremer's new policy on Baathists is like "allowing Nazis into the German government immediately after World War II," and says that's exactly what we did. Any other policy would have left Germany and Japan unable to function. Some of the biggest war criminals were tried and punished, but "most others were eventually given amnesty and went to work on reconstruction."

Sistani Adviser Rejects Occupation Constitution; Wants UN Role in Elections

The current crisis in Iraq is rooted in the interim constitution that came out of negotiations between the Coalition Provisional Authority and the Transitional Governing Council in almost complete secrecy, says Hussain al-Shahristani, the senior adviser to Shiite Grand Ayatollah Ali al-Sistani, in an op-ed in the *Wall Street Journal* on April 29. The Sistani adviser calls for UN help in forging a viable transitional government by July 1, to be followed immediately by an election process, and debate over a new constitution.

Arguing against the interim constitution, al-Shahristani says that document "is in fact a full-fledged constitution that commits Iraq to many important decisions that should have been left to debate ... in a legitimately elected assembly." In this document, the Coalition authority and the Transitional government made laws binding on any future government, and required that any new constitution could be rejected by a two-thirds majority of any three of the 18 provinces. Rejection would mean a dissolution of the national assembly and new elections. "This veto provision could potentially throw the political process into a paralyzing and self-defeating cycle of elections and redrafting," says al-Shahristani.

The issues of Kurdish autonomy, minority rights, and majority rule require all constituencies to work together, he said. "In this process, Iraqis require the help of the UN, which alone has the legitimacy for handling a political situation as complex and difficult as Iraq."

"If Iraqis are to reject the path of armed uprising proposed by the Fallujah fighters and Muqtada al-Sadr, they must have the prospect of realizing their legitimate political aims through the democratic process. This means reaching out to all respected community leaders, political stakeholders, and Iraqis who have real influence in the country, to establish an administration that can assume power from the CPA on July 1, 2004.... This must be immediately followed by rigorous and visible preparation for the election of a national assembly."

Al-Shahristani is identified as a member of the National Academy of Science and was a political prisoner in Iraq for 10 years.

Gen. Odom Echoes 'LaRouche Doctrine': Pull Out Now

In an echo of the widely circulated "LaRouche Doctrine" on Southwest Asia, retired Army Gen. William Odom urged an immediate pull-out from Iraq, writing in the *Wall Street Journal* April 28. It would be delusional, asserts General Odom, to "stay the course" in Iraq; keeping troops there would increase hatred of the U.S., likely threatening to destabilize the region and jeopardizing international relations as the U.S. becomes more isolated. The U.S. should withdraw troops from Iraq as rapidly as possible, he said, for the sake of American security and economic interests.

"We have failed," Odom declared. "The issue is how high a price we're going to pay.... Less, by getting out sooner, or more, by getting out later?"

Yet, on the negative side, Odom claims the results of Iraq elections would not resemble democracy. Buying into the Cheneyac "Clash of Civilizations," Odom warns of "a highly illiberal democracy, inspired by Islamic culture, extremely hostile to the West, and probably quite willing ... to fund terrorist organizations." "Anybody that's pro-American cannot gain legitimacy," he says.

Odom's proposal, is for the UN and America's European allies to take charge of the political and security arrangements in Iraq, along with a unilateral declaration that the U.S. forces would leave even if no one else agrees to come in.

Odom directed the National Security Agency under former President Reagan, and served on President Carter's National Security Council staff.

Asia News Digest

Bloodiest Day in Thailand's Muslim South

Security forces clashed with suspected Muslim rebels in southern Thailand April 28, leaving at least 127 dead, in the bloodiest day in the history of the troubled region, officials said. Armed groups launched coordinated dawn attacks at 10 police stations and security checkpoints in the provinces of Yala, Pattani, and Singkhla near the Malaysian border. The attackers were mostly teenagers, armed with machetes and a few guns. Television provided gruesome evidence of the scene.

Militants also seized a mosque outside Pattani provincial town, where 32-28 were killed when troops stormed the building after a six-hour standoff.

Pattani Police Chief Maj. Gen. Paitoon Pattansophon told Associated Press that clashes took place in at least five places in Pattani province. Armored personnel carriers patrolled streets while helicopters hovered overhead.

U.S. Building Airstrip Next to Pakistan Borders

Heavy equipment flown in from Germany by C-130 transport planes is being used to build a full-fledged airstrip in Afghanistan's Paktika province, right next to Pakistan's tribal agency of South Waziristan. According to the U.S. Ambassador to Kabul, Zalmay Khalilzad, this is the area where Osama bin Laden and his commanders are hiding. Pakistan

made an effort in March to nab foreign terrorists in South Waziristan by carrying out a military operation. The operation which did not yield much, ended with the signing of the Wana Agreement, which provided amnesty to all locals if the foreign terrorists surrender to the Pakistani Army by April 30. Pakistani troops remain stationed in South Waziristan and will remain there until the foreign terrorists turn themselves in.

But the American move to build the airstrip so close to the Pakistani border has made Islamabad very uneasy. The building of the airstrip indicates that the Americans are eager to chase down the Taliban and al-Qaeda militants. It is likely that a plane taking off so close to the border will overfly Pakistani territory. The U.S. maintains a very close satellite surveillance over the area already. In the future, Islamabad is afraid, the airstrip will narrow down the response time and make U.S. troops available for quick surgical operations inside Pakistan. Islamabad worries that Washington would inform Pakistan only after carrying out such surgical operations. Islamabad is also aware that Washington wants Osama bin Laden by July.

Myanmar's Suu Kyi Meets With Party Leaders

All nine members of Myanmar's National League for Democracy (NLD), headed by Aung San Suu Kyi, have met with Suu Kyi at her home to discuss the constitutional convention to be held in May, a NLD party source told the AFP April 28. The NLD's vice chairman Tin Oo, who was brought from house arrest to attend the talks. The discussion reportedly ran for about 3 1/2 hours. This was the first full attendance meeting of the leadership body since the crackdown last May, when Suu Kyi's caravan was attacked during a political tour of the north.

"We have not yet made any decisions with regard to [attending] the national convention which is tentatively set for May 17," a source told the AFP. "We will meet again before we make a decision."

NLD Secretary U Lwin said that Aung San Suu Kyi was in good health and spirits. "She is in a good mood," he said. He also said the opposition party would not make a decision whether to attend until all nine had discussed the issue. "We have had only one chance to meet with Daw Suu (in late August, 2003), and we have constantly asked to see her again, because all nine of us need to meet to make decisions with regard to the national convention."

AFP reports U.S. President George W. Bush speaking with Thai Prime Minister Shinawatra about Suu Kyi on April 25.

U.S. Troops Train in Northeast India

About 100 U.S. infantrymen from Second Battalion of the First Infantry Regiment, and the Alaska-based 172nd Stryker Brigade were engaged in a 20-day (March 29-April 17), jungle-warfare training exercise with India's 9 Rajput Battalion at Veirengte in the northeastern Indian state of Mizoram. The training took place at the Counter-Insurgency Jungle Warfare School (CIJWS). The school is considered one of the most prestigious training institutions of its kind in the world. Troops belonging to Russia, France, and Vietnam, among others, have requested enrollment in CIJWS.

According to David Wisecarver, commanding officer of the U.S. troops at Veirengte, the United States does not have a facility appropriate for training in jungle warfare and those who got trained in Mizoram will be imparting their knowledge on jungle warfare to the U.S. troops based at home.

Last September, Indian and American troops had carried out a high-altitude mountain war exercise in Ladakh in the disputed Indian state of Jammu and Kashmir bordering China's Tibet province. The Mizoram exercise took place not far from the Indo-Chinese border. However, Beijing has not expressed publicly any anxiety over the Indo-U.S. exercises.

China Bank Head Sees Danger of Interest-Rate Changes

In his written speech to the International Monetary and Finance Committee meeting on April 24 in Washington, People's Bank of China Governor Zhou Xiaochuan warned that despite movement "toward recovery," the global economy relies excessively on conditions in certain individual countries. For example, great uncertainty remains, as to whether the U.S. economy has entered a period of stable growth, Zhou added.

World economic trends are being put at increasing risk due to uncertainties in "macroeconomic policy adjustments"—especially interest rate-changes—by the major industrial nations, Zhou said. If an interest-rate hike is not well-timed, or if it is not executed with proper intensity, the result might be a short-term upheaval in financial markets, which would, in turn, adversely affect the global recovery, Zhou declared, as reported by Xinhua.

Since the Dubai meeting last September, world economic vulnerabilities have by no means been entirely eliminated, Zhou said. Geopolitical confrontation persists, and debt remains a very conspicuous problem in some emerging markets, he warned.

Zhou also called for policy coordination and cooperation among nations, and for the industrialized nations to take responsibility, including for "gradually improving external account conditions"—a clear reference to the U.S.

Thailand Freezes Privatization Under Labor Pressure

Thailand's Prime Minister Thaksin Shinawatra overturned a deal reached between labor and the state power company to stop the privatization of power and water; a three-day strike is planned. The dramatic move came soon after the resignation of the entire board of the Electricity Generating Authority of Thailand (EGAT), due to their inability to overcome labor-organized public resistance to the privatization of the state-owned power industry. The new board on April 24 voted down the government's plan to sell EGAT shares on the market. The cabinet will have the final say, but it is expected to approve at least a year-long freeze. The labor movement said the two-month long protest by state energy workers would continue, and culminate in a partial work stoppage. "We demand nothing short of a cabinet resolution ending the privatization plan for electricity and water utilities," said EGAT labor leader Sirichai Main-ngam.

"The board's move was generally seen as a retreat by the government, which has been under pressure to shelve privatization plans for the state energy giant," wrote the Bangkok daily, *The Nation*. After the meeting of the new EGAT board (which is government-appointed), the EGAT Labor Association and the EGAT executives signed a pact declaring their joint stand against privatizing state enterprises providing key utility services—primarily electricity and tap water. The two parties also agreed that the 1999 State Enterprises Act, which has been criticized by opponents of privatization for containing loopholes that could allow foreigners to gain control over state enterprises should be replaced. Energy Minister Prommin Leertsuridej acknowledged the joint declarations, which also call for the participation of the labor side in future major decisions, but did not confirm full government agreement.

Malaysia To Lead OIC Group in Meeting with Quartet

Malaysia will lead a delegation from the Organization of Islamic Conference (OIC) to meet the Quartet on the Palestine situation, *New Straits Times* of Kuala Lumpur reported April 25. Malaysian Foreign Minister Syed Hamid Albar said he had spoken with Russian Foreign Minister Sergei Lavrov, who was encouraging and had a letter from Tony Blair agreeing to the meeting which will take place in about two weeks. He did not announce the OIC delegation, but *New Straits Times* reports that it will include Monaco, Palestine, Turkey and Senegal.

The communique from the OIC meeting, held in mid-April in Malaysia, called for the U.S. President to reverse his support for Israeli Prime Minister Ariel Sharon's plan to keep the settlements and deny the right of return for the Palestinians.

Malaysia will also host a meeting of the Nonaligned Movement (NAM) on May 13. The main agenda at the NAM talks would be the Palestine crisis and the Iraqi war.

Mahathir Calls for New Bretton Woods

Former Malaysian Prime Minister Mahathir Mohamad, speaking at the Boao Forum in China, called for a new Bretton Woods meeting and a return to the gold standard. Mahathir asked: "Should Asian economies be held captive to the movement's of the U.S Dollar? It is time to get away from the dollar as a medium of exchange and consider a special trading currency for Asia, if not the world." He said a return to the gold standard should be seriously studies, to deal with the "woes of many countries that are suffering purely from the greenback's volatility. He said this would take a "concerted global effort", adding that "we should discuss this as they did at Bretton Woods years ago."

Washington, Karzai Ready to Embrace (Most of) Taliban

Coincident with the visible upsurge of violence in recent weeks in southern Afghanistan, three U.S. Marines were ambushed by anti-U.S and anti-Kabul insurgents. The incident occurred a day after Afghan Interim President Hamid Karzai had urged second-level Taliban leaders and militia to join the government and become a part of the new arrangement. While visiting Kandahar, where an attempt was made on his life about 19 months ago, Karzai told the Kandaharis that only a handful of Taliban leaders, who had joined hands with al-Qaeda, will not be allowed to join the mainstream. Karzai's statement is a clear shift from the position the U.S. had taken in recent months. Washington has consistently accused the Taliban ideology as repressive and pre-historic, and cited the Taliban lifestyle as barbaric and anti-woman. Washington had painted the Taliban as ogres to justify its eradication which began in the winter of 2001 following the 9/11 incident.

Now, Washington has come a full circle and realized that eradication of the Taliban is neither possible nor "politically convenient." Moreover, President Bush would like to show to the American people that he has tamed Afghanistan. Therefore, it seems that Washington and Kabul have come to the conclusion that it would be the best for all to embrace most of the Taliban members.

Africa News Digest

Chirac Proposes To Rescue Niger River Basin Population

"Can one still save the 110 million people living in the river basin of the Niger, the third-largest river in Africa?" asked *Le Figaro*, about a mini-summit on April 26, which French President Jacques Chirac organized in Paris? The summit, with seven African heads of state and two international organizations, addressed the urgent question of how to stop the Niger River Basin from going dry, due to severe dry seasons and to silt buildup. Among the leaders present, all of them members of the Authority of the Niger Basin (ABN), were Presidents Mamadou Tandja of Niger, Mathieu Kerekou of Benin and Amadou Toumani Toure of Mali.

All have signed the Declaration of Paris, establishing the principles of "good governance for the durable and shared development" of the basin. "The Niger is an essential store of wealth," Chirac told the current head of ABN, Mamadou Tandja. "One must treat it with prudence, wisdom, and respect."

The challenge is great: In the next 15 years, the population will almost double, to 200 million. The situation has massively

deteriorated over the past 30 years, which is causing profound social tensions. "Water, unequally distributed, and inevitably desired, generates conflicts and antagonism," stated Chirac. "Today, only 20% of that land can be irrigated, but usable surface area could double, thanks to new water infrastructure."

The model for this project is the Nile or Senegal management authority. Several projects are currently being studied, mainly dams, such as those of Taoussa in Mali or Kandaji in Niger, which cost approximately \$200 million each. The World Bank, African Development Bank, and Islamic Development Bank are interested in the projects, with all the problems that these institutions bring. For the time being, no major financing has been found. Even the Quai d'Orsay (Foreign Ministry) has let it be known that while "participation was excellent," it is still at the level of good intentions.

France confirmed its participation in the project with 10 million euros, and EU Commission President Romano Prodi, who attended the summit, pledged on behalf of the Commission a contribution of up to \$500 million.

Harbingers of a New Rwanda-Backed War in DR Congo

"Signs of the launching of a third war in the Democratic Republic of Congo are visible in South Kivu Province" is the headline of an April 21 article on Digitalcongo.net. It reports that the head of the Rwandan Army, Gen. James Kabarebe, recently issued an ultimatum to the UN military mission in Congo (MONUC), demanding that the UN deploy its forces to secure Rwandan frontiers against armed bands from Congo, or else his army would exercise "the right of pursuit." He then said on radio that his forces were going back into Congo because MONUC has shown its inability to secure Rwanda's borders. The complaint, *EIR* notes, is like Hitler's "border incidents" excuse for invading Poland in 1939.

The story cites a Kinshasa NGO, the Observatory of Conflicts for Peace in Africa of the Great Lakes (OCPAGL), according to which, Digitalcongo writes, "The decision of the chief of staff of the Congolese army to put Kalehe Territory back under the command of the 10th Military Region provoked a massive influx of Rwandan soldiers."

Citing OCPAGL, the story reports a March 26 meeting in Mukwija (near Bukavu) of Congolese leaders allied to Rwanda "for the purpose of drawing up the options for launching the third war." At the meeting, according to OCPAGL, it was claimed that 15,000 Rwandan soldiers have infiltrated and settled in Rutsuru, and another 7,000 in Idjwi in Kalehe Territory.

OCPAGL also claims there is a commando in Bukavu to assassinate Gen. Mbuza Mabe as a pretext for sparking a massacre of the civilian population, and that Bukavu and all of South Kivu province is a volcano requiring steps to "disarm the bomb."

There were planning meetings similar to that of March 26, on April 9 and 10 in Gisenyi and Kitshanga, according to a Digitalcongo story of April 23. From the former, chaired by North Kivu Governor Eugene Serufuli, Digitalcongo has a document saying in part, "[President] Joseph Kabila must leave power.... you of TPD [All for Development (!)] and RCD-Goma [Rally for Congolese Democracy-Goma], rest assured, you will achieve power in DR Congo.... Remain calm; we have three cards to play...."

World Leaders Celebrate South Africa's Freedom Anniversary

Re-elected South African President Thabo Mbeki was inaugurated before at least 38 heads of state and a crowd of 60,000 people in April 27, as South Africa marked its first decade of freedom and democracy. Those attending included the presidents of Nigeria, DR Congo, Zimbabwe, and Namibia. From Europe and the U.S. came 14 heads of state, and 27 ministerial delegations. The U.S. delegation was headed by Alphonso Jackson, Secretary of Housing and Urban

Development. Britain sent Deputy Prime Minister John Prescott. Brazil's President Lula da Silva; the Vice Presidents from India, China, and Iran; and a special envoy from the Vatican were also present.

Nelson Mandela was greeted by wild cheering, ululation, and singing, in celebration of 10 years of freedom from the bestial apartheid system, overthrown in 1994. F.W. De Klerk, the last white President of South Africa, also attended.

Mbeki Dumps Buthelezi, Retains Anti-Growth Finance Minister

South African President Thabo Mbeki announced extensive changes in his cabinet April 28, one day after his inauguration. He replaced the Zulu nationalist Mangosuthu Buthelezi, who has endangered the unity of the country, as Home Affairs Minister. Mbeki's African National Congress (ANC) won a plurality in Buthelezi's home province of KwaZulu-Natal for the first time, in the general elections that returned Mbeki to power.

But Mbeki did not replace Finance Minister Trevor Manuel, characterized (in a gross understatement) by the *Washington Post* April 29, as associated with "restrained fiscal policies and market-based management of the economy." Manuel is keeping interest rates unnecessarily high, on the pretext of fighting inflation, thereby intensifying poverty by restraining constructive activity.

The ANC alliance with the largely white New Nationalist Party was confirmed through the appointment of its head, Martinus van Schalkwyk, as Minister of Environmental Affairs and Tourism.

This Week in History

May 3-9, 1803

Meriwether Lewis Prepares to Lead the Corps of Discovery

On May 7, 1803, Meriwether Lewis left Lancaster, Pennsylvania and headed for Philadelphia. He was halfway through his mission to equip the Corps of Discovery for its journey to the Pacific, and to become skilled in the scientific techniques he would need to ensure the success of the expedition. His route led from President Jefferson's White House through Harpers Ferry, the new Federal Arsenal founded in 1796, and then north to Lancaster, which had served as the "Workshop of the American Revolution," and was a center of science and technology, second only to Philadelphia.

President Jefferson had written to many of his friends in the American Philosophical Society, founded by Benjamin Franklin in 1743, to promote American scientific development, asking them to assist Lewis. Lewis in turn, during the course of his preparations for the unknown conditions ahead, showed himself to be a very skilled planner. He developed improvements in technology which were useful not only to the expedition, but also to the new nation.

Meriwether Lewis had not been chosen to lead the expedition to the Pacific because he was President Jefferson's secretary, on the contrary, he was chosen by Jefferson to be his secretary because, as Jefferson wrote to Lewis' commanding officer, he needed someone who possessed a knowledge of both the Army and the "Western Country." Jefferson, on becoming President, pulled Lewis out of the Army and into the White House because he already intended to implement the long-planned expedition up the Missouri River to the Pacific.

Lewis had joined the Virginia Militia at the age of 20 in 1794, in response to President Washington's call for troops to quell

the Whiskey Rebellion in Western Pennsylvania. In May of the next year, he transferred into the regular U.S. Army, serving in Gen. Anthony Wayne's American Legion in the Northwest Territory. He was present at the Treaty of Greenville, which made peace with the Midwest Indian tribes, thus forcing the British Army to at last withdraw from their base at Detroit, as was stipulated 10 years earlier, at the end of America's War for Independence. The British had kept their Indian allies in front of Detroit as a screen, claiming that they could not give up the post because no American had come to claim it.

Anthony Wayne considered Meriwether Lewis to be one of his most promising young officers, and regularly sent him on difficult missions from the new American post at Detroit through the wilderness to Pittsburgh and back. While serving under Wayne, Lewis was transferred into the Chosen Rifle Company of sharpshooters, under the command of his future fast friend and expedition co-leader, William Clark. In 1797, Lewis commanded an infantry company which was stationed at Fort Pickering on the Chickasaw Bluffs, overlooking the Mississippi. There, in Cherokee country, Lewis continued to study Indian customs and languages, as he had done earlier in the land of the Wyandot and Shawnee.

In 1800, he was promoted to captain, and appointed regimental paymaster. Far from being a sedentary assignment, the position required regular tours of small frontier garrisons located in the future states of Ohio, Indiana, Kentucky, and West Virginia. On one such trip, Lewis gained valuable experience by taking a 21-foot keelboat and a dugout canoe down the Ohio River. By the time President Jefferson's Feb. 23, 1801 letter, asking Lewis to come to the White House, arrived at Detroit, Lewis was indeed familiar with both the Army and the "Western Country."

On March 15, 1803, after extensive discussions with Jefferson, Lewis left Washington for Harpers Ferry. He had already designed what he called an "iron canoe," which would be used when the Missouri River narrowed to the point that the larger wooden boat he designed for the early part of the trip could no longer be used. Lewis had to stay a month in Harpers Ferry supervising the canoe's construction and conducting experiments. He wrote triumphantly to Jefferson that the canoe's folding ribs of wrought iron weighed only 44 pounds, making it very easy to carry over portages; but that those same ribs, covered with animal hides, would float 1,770 pounds of cargo and crew. When finished, the ribs were packed in waterproof canvas and shipped to Pittsburgh. They were not unpacked until needed at the Great Falls of the Missouri River in June 1805.

Except for powdered soup, Lewis planned to take no extensive food supplies on the expedition, so the Corps would have to live off their hunting ability. The firearms they took with them were, therefore, crucial, and Lewis made sure that they were of top quality and of differing types, so that if one model could not stand up under rough conditions, another two or three might. Although the Army regularly used muskets, Lewis had the advantage of having used rifles in his sharpshooter company. He ordered a hybrid type from the Harpers Ferry Arsenal, which was like the famed Pennsylvania rifle, but with a shorter barrel. It became, with only two minor modifications, Model 1803, the first regulation rifle for the U.S. Army.

Lewis also helped develop a creative way to carry the large amount of gunpowder that his men would need. He had his 176 pounds of gunpowder put up in 52 water-tight lead canisters which could be melted down and molded into exactly the right number of rifle balls required by the amount of powder in each canister. Preparing even for the eventuality of running out of powder, Lewis purchased, with money from his own pocket, one of the new air rifles, which had just come on the market.

Once work on other aspects of the expedition's gear was well underway at Harpers Ferry, Lewis made his way to Lancaster, Pa., where he was to be trained in surveying and mapmaking. Lancaster had been an early center of research and development, into both the long rifle and the steamboat. William Henry, a close collaborator of Benjamin Franklin, had excelled in both, and had trained young Robert Fulton, who was now in France conducting his steamboat experiments. Less than a year after the Corps of Discovery returned to St. Louis, in September 1806, Fulton would make his first successful steamboat run up the Hudson. And by 1811, a Fulton-designed steamboat, built by Nicholas Roosevelt in Pittsburgh, would be sailing on the western waters explored by Lewis and Clark.

In Lancaster, Lewis bought a number of Pennsylvania long rifles, and worked with Andrew Ellicott, one of America's leading astronomers and mathematicians, who had also collaborated with William Henry. After serving in the American Revolution, Ellicott had helped to run the western part of the Mason-Dixon line. He also served on the commission to locate the northern and western boundaries of Pennsylvania, and, later, ran the southwestern border of New York State. He then succeeded Pierre L'Enfant as surveyor of the national capital at Washington, D.C.

Lewis began his course of study, and reported to Jefferson on April 20 that, "I have commenced, under his direction, my observations &c to perfect myself in the use and application of the instruments." It was decided that the "indispensably necessary" instruments needed for the expedition were two sextants, an artificial horizon or two, a good Arnold's watch or chronometer surveyor's compass with a ball and socket and two-pole chain, and a set of plotting instruments. Becoming proficient in surveying took longer than either Jefferson or Lewis had thought, but, by May 7, Lewis felt competent enough to embark on the next leg of his journey. He entered a stagecoach and travelled at the previously unheard-of speed of five to seven miles an hour down the Lancaster Turnpike, America's first gravel road, toward his meetings with scientists and merchants of Philadelphia.

— *Pamela Lowry*

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