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This Week You Need To Know

"A VOTE FOR BUSH-CHENEY IS A VOTE FOR — PERPETUAL WAR AND ECONOMIC HELL"

Lyndon LaRouche issued the following statement Sept. 20, 2004, through the LaRouche Political Action Committee (LPAC). LaRouche, who was a candidate for the Democratic Party Presidential nomination in 2004, has endorsed John Kerry and John Edwards, and is aggressively campaigning for a landslide Democratic Party victory on Nov. 2.

"Over the course of the past 72 hours, I have conferred with some leading Western European statesmen, and I can tell you that they are self-deluded in the extreme. They believe that they can 'live' with a second Bush-Cheney term in office in the United States. They are insane. They fail to realize that Bush and Cheney are not prepared to 'live' with them. Bush is a stooge of Cheney and the forces behind Cheney, who are committed to a new string of wars that will soon engulf the entire planet, if they are not stopped, through a landslide defeat on Nov. 2. If you are mad enough to want wars against Iran, North Korea, Syria, China, the Caucasus region of Russia—perpetual wars that, like the Thirty Years' War of the 17th century, wipe out whole populations—then vote for Bush and Cheney.

"If you want a viable alternative, then follow my lead: Vote for John Kerry. The alternative is too horrific to even contemplate. A John Kerry, elected into the White House by my methods, mobilizing the lower-80%-income households on behalf of a radical change in policy, back to policies associated with Franklin Roosevelt's bankruptcy reorganization/economic recovery, will function as President.

"A Bush-Cheney reelection by a terrorized, manipulated American electorate would bring on not only perpetual wars all over the planet: It would bring about the biggest economic collapse in modern history. This week, my PAC is issuing a pamphlet, documenting the total collapse of the physical economy of the United States, and outlining the emergency steps that can and must be taken to rebuild America out of the present state of worse-than-Great Depression misery. We included a list of existing legislation, before the U.S. Congress, that would get this process going. All this legislation has been stalled by the Bush-Cheney White House, and by their Congressional hatchetmen like Tom DeLay (R-Texas).

"You, the American people, must fight for these policies, as if your very lives and the lives of your children and grandchildren depended on it—because they do!

"Don't allow your own fears to self-delude you into believing that George W. Bush is the President of the United States. He is a mental case. Don't ask what Bush is thinking because he can't. Ask what Cheney is thinking, and the people who stand behind Cheney. They are the ones promoting policies of endless war and economic looting.

"I know that many of you harbor these same views, and are deeply concerned that John Kerry and John Edwards, so far, have failed to address these issues in such a blunt and straightforward fashion as I am accustomed to doing. I know that this is John Kerry's election to lose, unless he begins to speak his mind, and ignore the counsel of cowardly campaign advisors.

But I must also speak to you bluntly: The United States and the world will not survive a reelection of Bush and Cheney. It is that simple. John Kerry's shortcomings can be overcome—if you, the American people, take responsibility for your own destiny, and decisively vote Bush and Cheney out of office. The fate of the United States, indeed, the fate of the entire world, is in your hands. Do not shirk that responsibility."

Latest From LaRouche

LaRouche Interviewed on IRIB Iran Radio

Lyndon LaRouche was interviewed on Sept. 11 by Mehdi Diba for the Islamic Republic of Iran Broadcasting (IRIB), which broadcasts from Tehran. It airs in English in the Asian subcontinent, Europe, and the United States.

MEHDI DIBA: Hello. Mr. LaRouche, how do you do?

LYNDON LAROUCHE: Pretty good.

DIBA: It's a pleasure to be able to talk to you again, with Iranian English radio. Mr. Lyndon LaRouche, thank you very much again, to join us in this interview.

LAROUCHE: Thank you. I'm glad to be with you.

DIBA: Mr. LaRouche, I would like to begin by asking about the Franklin spy case. As you know, most people have heard about the Franklin spy case in [the past] weeks and days, who have passed classified documents to Israelis. And there are some investigations by the FBI in this regard.

My question is that, what is the need to pass classified documents from Washington to Israel? When design is, regime of Israel and the U.S. are two close allies?

LAROUCHE: Well, I think the Franklin part, is, in a sense, an accidental feature of the whole case, which came up, while the main case was already under investigation. The leaking of the information on the Franklin case came from inside the Administration itself. And the purpose was, to defeat those neo-conservatives, who were on the verge of cooperating with the Sharon government, or perhaps Netanyahu, for an attack on the nuclear stations in Iran, which would probably be a nuclear attack. They might use, you know, one of these special types of micro-effect nuclear weapons, for a high-impact attack.

So therefore, the realization in the saner elements of the establishment here, that this is insane—just as the more reluctant recognition that this place, the game that was played in Beslan with Russia, was also insane—says, "Hold off. Expose the connection, which is a rotten connection—it always has been rotten—between people like AIPAC, the lobby in the United States, and the right wing in Israel, the right wing of the Likud—this thing must be held in check now, so that we do not have an action condoned by the Bush Administration, which would cause all kinds of hell for the world, for years to come."

And so, therefore, there was actually an honest motivation, which was an institutional reflex, from among saner circles within the institutions of government here, which caused the thing to be leaked. And what's happening now, is that Ashcroft and others are trying to do everything possible to prevent this from being developed further.

DIBA: Mr. LaRouche, as I've understood, the FBI was informed about the Franklin spy case. But, why was the story broken at this special time, when we don't have more than two months to the Presidential election in 2004 in the U.S.?

LAROUCHE: As I say, it was not really an election campaign issue. It was a much more deep issue. The issue was: Prevent the spread of what is already an impossible situation, created by what's happened in Afghanistan, and what's happened in Iraq, under Bush. Afghanistan is a worse mess than it was, when Bush went in there. Far worse.

Iraq has become a focal point of a threatened split of Iraq into a group of micro-states, which some idiots want to create. This would involve all kinds of involvement. It involves a threat to Iran; it involves a threat to Syria; a threat to the Arab world in general. And also, has now already begun to engage Turkey, in a posture about the danger of a split-off of the Kurdish section in Northern Iraq, into a real security problem for Turkey.

And so, we have a situation, which combined with Brzezinski and others targetting the areas around Chechnya—the whole Caucasus region around Chechnya—creates a general danger of putting the whole world into a kind of extended, thermonuclear-armed, asymmetric warfare.

So that those of us who understand what's going on, strategically, do not pick on isolated issues, like the Franklin case, or something like that, as isolated. We treat this as part of a strategic effort, to prevent all hell from busting loose on this planet.

DIBA: You've called some people within the U.S. Administration, as "culpable instruments." Who are exactly these people? And the subsuming intent of these "culpable elements" within the U.S. institutions?

LAROUCHE: We have typical—you have Lewis Libby, who is the chief of staff of Vice President Cheney. Lewis Libby was long the lawyer for Marc Rich, operating out of Zug, Switzerland, who is part of the Kalmanowitch operation. Which is this right-wing Israeli and related forces, which have been running these kinds of things around the world for a long time.

This crowd, in the United States, is typified by the circles associated with Cheney primarily, but also Rumsfeld, as an also-ran with Cheney: But, these people come from a special group—goes back to Sen. Henry Jackson, in the United States, who was a key part of forming this thing; Richard Perle; Bill Kristol, and Irving Kristol before him. Richard Perle is one of the most notorious figures. One of the most dangerous figures is Michael Ledeen. Paul Wolfowitz is a protégé of this. The Office of Special Plans, which is a nest of this thing, inside the Administration.

So, all over the place, you have this group which are called here "neo-conservatives," which I've got referred to as "the Children of Satan." And these fellows are a very significant part. They're not the only danger of instability in the United States, and internationally, but they are the leading edge, together with Tony Blair in London: They're the leading edge of the problem, strategically, globally.

DIBA: Mr. LaRouche, to which group are these neo-conservatives affiliated? To which right-wing party, or to Jewish right-wing party?

LAROUCHE: Well, it's the right wing. There are certain Jewish elements, who are tied to this Likud. This is a phenomenon—if you read the literature, for example, there's a very important couple of books by Rabbi Arthur Hertzberg, here, a friend of mine, who has written about this, from his experience, as a rabbi in dealing with Israel: about the turn that occurred toward the end of the '60s and beginning of the '70s. And this produced an element, which is tied also to religious crazies in the United States—I mean the Jewish religious crazies are not normal Jews: They're crazy. And this is a very important element with Sharon, and with Netanyahu, in Israel and in the United States. And these are people who are being

used. They are not the source of the problem: They are an *instrument* of the problem.

But the source of the problem lies inside the establishment, inside Britain and the United States. The kind of elements that go with Tony Blair, today, for example.

For example: Tony Blair is a liberal imperialist, a Fabian liberal imperialist. And he represents the contemporary, leading imperialist threat, right-wing threat, from Britain, even though he's supposed to be a Labour Party representative. They correspond to this group we call the "neo-conservatives," here in the United States. They're all the same thing. They have a global plan of empire, in their mind. And one of their things, which was developed by Brzezinski, together with his sidekick Huntington, was to actually target Islam, as the first target for global, religious, ethnic warfare. And this global, ethnic, religious warfare is their agenda, and they use the Israeli factor, the right-wing Israeli factor, as a key weapon, like a hand-grenade in the whole Southwest Asia region, as part of their program.

But, this does not come from inside this Israeli group. The Israeli group, which is on a self-destructive course, if you look at the state of Israel today: Israel is about to be destroyed by its own hand, if it doesn't stop. And so, this is a hand-grenade thrown by these Anglo-American forces, into the situation, which now results in the threats we experience in the whole region.

DIBA: Mr. LaRouche, there has been an escalation in terrorist acts, in the past few weeks. And the most dangerous one, was seen in Russia. Is there any relationship between these terrorist activities around the world?

LAROCHE: Oh yes, sure! This is what is the most dangerous strategic development. Because, what you have—Russia knows, and Putin knows, the establishment of Russia knows, that the events in Transcaucasia, the instability is a long-range policy. I actually produced a film on this subject, called "Storm Over Asia," back in 1999. And this is a strategic thing, which targets the oil-rich centers, of the Caucasus and adjoining Central Asia. This group comes from the United States. The key figure behind this, politically, is former National Security Advisor Brzezinski. Brzezinski is using the Jamestown Foundation and other conduits, to run terrorist operations against Russia, from within Transcaucasia and Central Asia. As a result of that, a gang, which was not Chechens as such, it was an operation run by this crowd, targetted this Beslan school in North Ossetia.

This is recognized—as Putin said, and as others are saying in Russia, today—this is recognized as a strategic threat. And when you talk about strategic threat to Russia, and they perceive it, then you're talking about Russian methods, which mean asymmetric warfare, like Russia used in Indo-China against the United States; that this means asymmetric warfare *against* a faction in the United States, and Britain, by a country which has thermonuclear and other advanced weapons, of a type which are actually comparable to what anyone has today. Because Russian science, left over from the Soviet science, has this kind of capability. It may be very reduced in power, but it has the scientific capability, and the knowledge, experience, to conduct *very serious* forms of general asymmetric warfare.

And we're on the verge of causing that. Unless the United States backs off, and Europe backs off, from this Transcaucasia policy, of terrorism, then, we are going to be deeply into a period of asymmetric warfare. Who knows what'll happen to civilization as a whole?

I think the warning from Iran, about the danger to the world of an attack on Iran, by Israel, is appropriate. It's just one aspect of the thing. But, it's typical of the kind of world in which we've entered now.

DIBA: Mr. LaRouche, your assistant, Mrs. Angela Vullo, told me that you have endorsed John Kerry. Do you support his policies? And does he have any chance of being elected in this Presidential election, or not?

LAROUCHE: Absolutely. Kerry, as you run a profile on him, you see that his record, as presented, that he's played a very important role, in the kind of function he was performing in two tours of duty in Vietnam, as an officer. What is reported about the Swift Boat operation, is merely the obvious part about what he did there. He's a man who is very intelligent, in the intelligence side of international affairs, personally. He is a man, like Hamlet, of Shakespeare's play *Hamlet*, who is a very good soldier, a courageous fighter. But, he, like Hamlet, shrinks from facing the intellectual responsibilities of really thinking about global policies in the higher sense, as I do.

Now, behind Kerry now, the change in Kerry's policy, recently, has come from two sources: First of all, it came from Bill Clinton. And Kerry's campaign has been changed in character, by Kerry's acceptance of Bill Clinton's, the former President's, suggestions. Bill, of course, is somewhat incapacitated at the moment, with this angina attack that he had to receive surgery for. But, Clinton's people are now in a leading position in the Kerry campaign. As a result of Clinton's coming in, and as a result of other things, I have been brought in to this campaign process, as an independent factor in cooperating with the Democratic campaign committee.

We are trying, now, to introduce those changes in the Kerry campaign, nationally, which will make Kerry, who is potentially—he's not the best man for President, but he's a good man for President compared to the present Presidency. He's a guy you can work with: intelligent, well-meaning, sincere, so forth. If we can make up the difference, of what he lacks, and through bringing various people into the picture, which means that his Presidency would be well-equipped, and he would be well-advised, I think the world should look forward to the hope, that this works out, because that's the best chance for the world right now.

The United States will have to determine, in the way it plays the game, how history goes in the coming period. We need a good Presidency, and we've got to get rid of the present one—quickly. Otherwise, all hell will break loose: If Bush were reelected, with Cheney, I can guarantee you, the world will be at war, beyond anyone's belief, in a very short period of time, perhaps even after the day of the election. So, we must get rid of the Bush Administration. We must replace it. And Kerry is the only available instrument for replacing it.

We now have, what I believe to be, a workable approach to a Kerry election, and an elected Kerry Presidency. It's not an absolute guarantee, but with Clinton in there, and with my participation, and some other things like that, I think that we can have that kind of solution.

DIBA: Mr. LaRouche, we may see another probable preemptive attack in the Middle East, if George W. Bush is reelected this year. What are the early consequences, or long-term consequences, of another possible Mideast war, with the U.S. and its ally?

LAROUCHE: Well, for you, your knowledge of what Iran really is, today, as opposed to the propaganda picture outside: If Israel were to start an attack on Iran, it could not conduct and sustain an effective attack on Iran, and the consequences of that attack, by itself. It's not in good condition.

Therefore, the function of an attack on Iran would be as an extension of the Bush Administration policy. Particularly the Cheney policy.

So therefore, you could not have an attack on Iran, by Israel, which would not include a U.S. support of that attack. And it would have to be U.S. actual active support: Because, you would have, immediately, you would have chain-reaction effects in the entire region. I mean, an attack on Iran would set ablaze a lot of things, particularly in the context of the present, recent attack on Russia. This creates a very high-tension situation, beyond *anything*, that I think that most people appreciate. It's extremely dangerous.

So, that is our situation. The United States would be involved. And therefore, as I say, the exposure of the Franklin case, as putting a label on something, it's very serious. And there's a very serious fight here, to bring AIPAC under control, because the AIPAC influence inside the establishment here, is part of the ability for somebody to get an Israeli-U.S. combined attack on Iran, now. Or, on Syria, for example, similarly.

DIBA: So, Mr. LaRouche, what are your proposals for the forces around the world, which acclaim and support the effort to bring the influence and spreading situation in Southwest Asia under peaceful control?

LAROCHE: Well, first of all, the problem is essentially an economic system collapse. The world is still run by a group of financial oligarchs, of the type that used to be associated with Venice, in the days that Venice was an imperial power; when Venice, together with the Norman Crusaders and the Norman chivalry, was creating most of the mess in the world. That factor in history, has never been eliminated. It was really the cause of World War I; it was the rise of Hitler; all these things are results of this influence, of this tradition, which is now Anglo-Dutch imperialist, actually—liberal, so-called.

This tendency, of oligarchical banker-controlled nation-states and economies, is the danger factor, always, in general warfare, as now. The present international monetary-financial system is now in the process of collapsing. Nothing can prevent this system from vanishing from the planet, in the immediate future. Therefore, we're going to go to a change. And most of the warfare threats and so forth, are results of orchestration of behind-the-scenes influence, which are responding to that time of change we have now entered.

We'll come out of this either with a fascist attempt, an international fascist attempt, to establish a global empire, an Anglo-American liberal global empire, with ideologies very much like those of the neo-conservatives. Or: We will go back to a Roosevelt orientation to a depression, in which in the United States and other nations, take Franklin Roosevelt's intention, from his inauguration as President until the moment of his death, which was to eliminate all vestiges of imperialism and colonialism from the planet, and to enter into a message of cooperation, like those of the 1648 Treaty of Westphalia, of a cooperation for common purpose among sovereign nation-states, which are each perfectly sovereign. That's the alternative.

We can create a new monetary system, on the model of the original Bretton Woods system. That would work. A worldwide protectionist system, of trade and financial agreements, with fixed-exchange rate in currency, and international cooperation with the common purpose of economic development.

So that's what, really, the choice is. What we're seeing as the dangers and the options, the opportunities now, is a reflection of these as the two great grinding wheels, which are turning the wheat into flour. And these grinding wheels of conflict between the banker-controlled group, especially centered around the liberal imperialists around Blair, and our similar people in the United States; and those of us, who either believe, or would accept, facing a meltdown of the present monetary system which is on the way now: that responding to that meltdown, by launching a revival, in a new form, of the original Bretton Woods system, on the basis of the idea of the cooperation among nation-states, rather than imperialism. Those are the two alternatives.

DIBA: Mr. LaRouche, shortly, one last question: As today is Sept. 11, do you think, if the truth has come out, or will ever come out?

LAROCHE: The truth has not come out, really. It's come out in part. Some of us know some of the truth, a lot of it. The Report is—there's some truth in the Report. But the conclusions are not useful, though some people are pushing them.

The truth is, that, as in 1933, when Hitler in January was made the Chancellor, and the Germans laughed at him, because they thought he wasn't going to be around. But, then, Hermann Goering organized a fire in the Reichstag, and emergency

powers were put into effect, under which Hitler became a dictator. And World War II was inevitable, then.

That's the kind of period we're in. But, in those circumstances, as I warned in January, just before Bush was installed as President, I said, his Administration—because of the economic situation, and because he and his party are incompetent to deal with this problem—that we must expect very soon, a major incident in the United States, which would be like, politically, the equivalent to what Hermann Goering did in setting fire to the Reichstag, in 1933. That was what happened.

Now, the question of exactly how it happened—who did what to whom—is not clear. Though I know what the nature of the problem is. I know the nature of what was done. But I don't have the names and addresses of those who did it.

But the story that comes out, is false. It's not true. This was a planned incident. It was strategic in nature. It was aimed, not at the United States as such; it was aimed to provoke the United States, into the kinds of policy which the Bush Administration has followed since the aftermath of that incident.

And that's typical: That we are in a period where we must expect orchestrated catastrophes, atrocities, whose aim is to provoke reactions. We've seen that in the United States, and the state of the United States, today, on its policies, has been a policy-shift which was made possible, by an incident which was orchestrated by people within the Anglo-American establishment itself.

DIBA: Well, Mr. Lyndon LaRouche, executive director, editor, and columnist at the *Executive Intelligence Review*, based in Virginia, an economist, and a U.S. Presidential pre-candidate: a pleasure and honor to have you with me. Thank you, very much.

LAROUCHE: Thank you. Good day!

DIBA: Mr. LaRouche? I really appreciate your time. Thank you, very much.

LAROUCHE: Okay. I'll see you again.

Feature:

The War Plan for November: LaRouche's Leadership in the Democratic Party

by Debra Hanania Freeman

The Labor Day weekend conference of the Schiller Institute devoted its afternoon panel on Sept. 5 to 'The War Plan for November.' The conference was held simultaneously in Reston, Virginia, and Los Angeles, California—linked by videoconference. Lyndon H. LaRouche, Jr. introduced the panel; Debra Freeman, LaRouche's national spokeswoman for the East Coast, was the first speaker. She was followed by West Coast spokesman Harley Schlanger, and then by Mr. LaRouche. We publish their opening presentations here; nearly two hours of discussion followed.

- **Harley Schlanger:**

Our Strategy for A Landslide Victory

All right, so what is this battle plan for November, which will bring not only a defeat for the Cheney-Bush crowd, the neo-conservatives, put Kerry in the White House, and create, also, a Democratic House and Senate? You have to start with a question: Is it a statement of hyperbole, or misplaced hubris, to say, as Debra just did, that John Kerry can only win the 2004 election by adopting the strategy presented by Lyndon LaRouche at the Democratic National Convention in Boston, when he initiated the LaRouche PAC?

The answer is, no. It's not an exaggeration.

- **Lyndon H. LaRouche, Jr.:**

How Youth Can Uplift The 'Failed Generation'

Now you have two-thirds of the picture; now, we'll go for the other two parts of the last third. First: Now all get stretched out on your couch. I'm going to interview you. Because you have to reflect upon yourself, and take a self-critical view of your own mind, to understand how to actually win this election campaign. It's something that most Democrats won't do, and some would not even understand the terms I'm using on this question. We, essentially, at this stage particularly, have to do it.

Dumping the Undertaker:

How To Campaign for Kerry

by Lyndon H. LaRouche, Jr.

September 11, 2004

It were not unfair to think of the late Bob Shrum as the writer of funeral orations for the candidacies of otherwise winning Democrats. These were Democrats whose campaigns were misdirected into accepting recommendations that they adopt the kind of mournful services which Shrum, on his consistent record, has provided for the amusement of the victim Democrats' Republican beneficiaries.

Why 'LaRouche in 2004' Was Indispensable:

Had I Not Been Excluded

by Lyndon H. LaRouche, Jr.

September 11, 2004

As I wrote on the subject of 'How to Campaign for Kerry,' earlier today, the fact that the Democratic Party is under such campaign pressure for the coming weeks, is reflected now in the still mentally deadening effects of what is typified by the 'Shrum factor' over the entirety of the primary campaign since the New Hampshire primary. Had I not been excluded from the campaign debates, the issues which I was addressing during the period prior to the July Convention would have already been aired to a broader population over the preceding six months.

Economics:

The Big World Crash of 2004 Is the Key to the Campaign

by Lyndon H. LaRouche, Jr.

Issued by LaRouche PAC on Sept. 13, 2004.

1. Unless the Kerry candidacy shifts its emphasis toward the overriding reality of an onrushing, early general collapse of the world's present monetary-financial system, the lack of appropriate forms of lustre for that campaign so far, will tend to facilitate a Bush-Cheney election by default....

Cheney/Bush Break Amtrak and Freight Rail, Air Transport Sinks Again

by Marcia Merry Baker and Paul Gallagher

Both the passenger and freight rail systems of the United States are in crisis. For the fourth year in a row, the Bush- Cheney Administration has proposed a FY2005 budget outlay for Amtrak—some \$900 millions—which is barely half of the minimum amount Amtrak needs to keep passenger service going, without capital improvements. Amtrak spokesman Clint Black said in mid-September, that unless Congress overrides the Bush-Cheney action, wholesale shutdown of national passenger train service will start in February.

- **Only Re-Regulation Can Save Air Grid**

Kiss the air transportation system of the United States goodbye —with its residual capacity for quick travel to many cities and the world's best safety record—unless Lyndon LaRouche's program for Federal re-regulation and debt reorganization of the major airlines is implemented by an incoming John Kerry Administration.

Killing Argentines Won't Save the System

by Cynthia R. Rush

The Aug. 30 ruling by the U.S. Second Circuit Court of Appeals backed the fraudulent claim by vulture fund kingpin Kenneth Dart that Argentina owes him \$740 million in defaulted debt, and signalled a new round of demands and threats against the South American nation by crazed synarchist

German Monday Rallies Demand Productive Jobs

by Rainer Apel

The German government has launched a propaganda campaign to defuse the Monday rally movement of citizens who are protesting against the government's most brutal austerity package, the Hartz IV 'labor market and welfare reform,' and who are joining the LaRouche movement's call for the creation of new, productive jobs. Economics Minister Wolfgang Clement is playing a leading role in this effort to tone down the coverage of the rallies, alleging that 'opposition to Hartz IV is dying down.' His efforts are bolstered by lying propaganda in the mainstream media, which is minimizing the real attendance at these rallies.

- **Documentation:**

Zepp-LaRouche: Create Eight Million New Jobs

The following is excerpted from the leaflet issued on Sept. 7 by Helga Zepp-LaRouche, chairwoman of the Civil Rights Movement Solidarity party (Bu"So), for the period going into the Saxony state elections of Sept. 19.

International:

Putin Defends Russia From West's Moves to Dismember It

by Roman Bessonov and Rachel Douglas

In a Sept. 4 address to the nation, after the bloody school hostage-taking in Beslan, North Ossetia, Russian President Vladimir Putin promised to introduce measures 'to strengthen the integrity of the Russian Federation,' and to upgrade the system of national security, in the framework of constitutional law.

LaRouche's CEC a Key Factor In Australian Election

by Allen Douglas

Now that Australia's next Federal election has been set for Oct. 9, the hot phase of the election is under way, and, in a race too close to call, the campaigns of Lyndon LaRouche's associates in the Citizens Electoral Council, may well determine its outcome. Already, the CEC has helped shape the political environment for the election, to the decided disadvantage of U.S. Vice President Cheney's friends downunder.

'Mossadegh Reflex' in Iranian Nuclear Policy

by Muriel Mirak-Weissbach

The regular sessions of the International Atomic Energy Agency's (IAEA's) Board of Directors have become such ritual confrontations with the Iranian government, over the issue of its nuclear energy program, that one must ask: What is it really all about? Iran insists that it has the right to develop nuclear technology, for peaceful purposes, and, having signed the Nuclear Non-Proliferation Treaty (NPT) and related protocols, demands the right to master the entire nuclear fuel cycle.

- **LaRouche on Iran Radio:**

Bush-Cheney Victory Will Mean Endless War

Lyndon LaRouche was interviewed on Sept. 11 by Mehdi Diba of the Islamic Republic of Iran Broadcasting (IRIB), which broadcasts in English from Tehran. It airs in the Asia Subcontinent, Europe, and the United States. This is a slightly abridged version of the interview.

LaRouche on Crisis In Darfur, Sudan

Recent moves by the United States at the United Nations Security Council (UNSC), indicate the continued intention of the neo-cons and liberal imperialists behind such institutions as the Washington Post, to use the humanitarian crisis in Darfur, to implement a policy of sanctions, and perhaps military intervention into the region, against Sudan. This effort gained even more force when U.S. Secretary of State Colin Powell finally acceded to pressure, and called the Sudanese government responsible for 'genocide' in the region.

National:

LaRouche PAC's Questions Could Sink Goss Nomination

by Michele Steinberg and Anton Chaitkin

On Sept. 13, the LaRouchePAC turned up some critical questions that could sink the nomination of Porter Goss as Director of the CIA. Goss, the Florida-based former CIA agent and current Dick Cheney political hit man, has used his position in Congress over the last three years, to cover up the misuse of intelligence by the Bush Administration, including a coverup of the lies that were manufactured by the Pentagon and used to justify the Iraq war, and protection of the White House when it was revealed that political operatives in the nation's highest office, had leaked the name of a covert CIA agent in order to take political revenge on her husband, Amb. Joe Wilson. Wilson had produced evidence contradicting the story that Iraq had nuclear weapons.

Cheney-Rumsfeld Push Torture Scandal Coverup

by Edward Spannaus

The Bush-Cheney Administration is in a frantic mobilization to discredit the explosive account of the origins of the prison torture scandal—and of how Vice President Dick Cheney attempted to cover it up—which is contained in the just-published book *Chain of Command: The Road from 9/11 to Abu Ghraib*, by veteran investigative reporter Seymour Hersh.

Security Experts Demand to Be Heard

by Sibel Edmonds

The following Sept. 14, 2004 letter to Congress is signed by 25 national security experts.

To the Congress of the United States:

The National Commission on Terrorist Attacks upon the United States ended its report stating, 'We look forward to a national debate on the merits of what we have recommended, and we will participate vigorously in that debate.' In this spirit, we the undersigned wish to bring to the attention of the Congress and the people of the United States what we believe are serious shortcomings in the report and its recommendations.

U.S. Economic/Financial News

USAir Faces Liquidation; 30,000 Jobs, 3,000 Flights Gone

US Airways' second bankruptcy filing in two years on Sept. 12 is likely to lead into liquidation of the airline by early next year, according to most industry analysts cited in press coverage. The carrier does not have any debtor-in-possession financing arranged; it filed for protection to dodge a \$110 million payment to its employees' pension fund on Sept. 15, to escape cash requirements of the \$720 million in government-guaranteed loans it got during its last bankruptcy, and to try to force disastrous new cuts in salaries and benefits from its workers. The flight attendants' union rejected USAir's latest demanded concessions on Sept. 12, although the pilots' union has agreed to discuss them further. Liquidation has been the fate of 12 of the 15 companies with over \$1 billion assets which have tried "Chapter 22" (two Chapter 11s) in the past decade.

Several key facts of USAir's failure make clear that re-regulation of the airline industry, not government bailouts of airlines, is the only way to keep air travel from shrinking to a 1950s-sized flight grid. Whereas USAir faced "low-cost competition" (i.e., non-union airlines with limited service) on 25% of its flights in 2001, only two years later it had such "Air Wal-Mart" competitors on 70% of routes. The same has bankrupted United, and if Delta Airlines shortly goes bankrupt as expected, 42% of flights in and from the U.S. will be on bankrupt carriers which are cutting those flights drastically. USAir has eliminated one of its six hubs (Pittsburgh) and in "Chapter 22" is likely to eliminate two more, Charlotte and Philadelphia. This cuts flights. It flew 400 planes on 4,800 flights in 2001; but 282 planes on 3,300 flights in 2003. While much attention is given declining losses, this is meaningless given USAIR's collapsing revenue—down 45% from 2000. Its 28,000 employees are 20,000 fewer than three years ago.

The new bankruptcy brings closer the bankruptcy and required government bailout of the Pension Benefit Guaranty Corporation (PBGC), whose director told Congress in July that if USAIR and United reneged against their pension funds, PBGC would be unable to handle the new load. USAir is indeed now ducking its pension fund payments, and United is attempting to do so as well.

Massive Job Loss in U.S. Aerospace Industry

The aerospace industry—critical to a science driver capability for the U.S. economy—has lost 200,000 jobs in the last three years, according to the Aerospace Industries Association.

Employment in U.S. Aerospace Collapsed by 25% in Three Years

	June 2001	June 2004
Total number aerospace jobs	797,000	597,800
Total number non-aircraft jobs	333,000	217,200
Total aircraft jobs	233,000	197,300
Aircraft engine and part jobs	99,000	82,900
Other aircraft part jobs	131,000	82,400

LaRouche Youth Civil Service Policy Urgently Needed

"Operation Blue Roof"—Army Corps' role in emergency Florida logistics indicates the kind of mass civil public works activity Lyndon LaRouche proposes for youth, in a new program for universal service. Robert Carpenter, Commander of the U.S. Army Corps of Engineers' Hurricane Charley Response and Recovery Office, issued a report Sept. 10, "Operation Blue Roof Progress at Full Force," referring to how the Corps is covering as many as 30,000 damaged roofs with blue tarp temporary covers, after Charley and subsequent storms. "The task is vast." One focus of this work is in Charlotte, Lee, DeSoto, Hardee, Highlands, and Polk Counties. As of Sept. 10, more than 6,000 roof coverings were in place. On Labor Day, 298 crews repaired 622 roofs. On Sept. 8, 310 crews completed 880 roofs, and so on. The Corps is supplying blue tarps to counties for direct distribution to homeowners. The extreme damage suffered in the Caribbean islands indicates the wide scale of this "first-response and recovery" that ought to be going on in our hemisphere by a vastly expanded U.S. Army Corps of Engineers mobilization, in the wake of the season's storms.

South Florida System of Dikes, Levees, Pumps Proves Its Worth

So far, the worst flooding crises in Florida, during the recent hurricane episodes, have slammed the areas with the least developed infrastructure, meaning the St. John River basin in northeast Florida, and Tampa Bay Basin to the west. However, the legendary Everglades region—drained by a network of thousands of miles of channels, levees and pumps, has handled the summer torrents well. This system was built, and is managed by the Army Corps of Engineers and the South Florida Water District. The system came about after several extreme disasters over the past century. In 1928, a hurricane breached a flimsy dike, releasing floods from Lake Okeechobee. In 1947, twin hurricanes left South Florida under water for months. This whole region can receive up to 60 inches of rain a year, and is flat as a board. The Everglades drainage system that was eventually built comprises a network of structures to channel the water, so that 7 million residents, 40 million tourists a year, and agri-business have been located here. In 2000, Congress approved an \$8 billion ecological make-over for the Everglades to downplay flood control, and revert areas to "nature." Today's events show that, without the drainage infrastructure, a new "Lake Florida" would be in place, and thou

Army Corps of Engineers Decimated by Budget Cuts

Budget cuts have forced the Army Corps Of Engineers' Pittsburgh district to lay off 29% of its workforce over the past three years, placing the huge waterway system in peril. Due to cuts in Federal funding under the Bush Administration's fiscal austerity policy, the Pittsburgh District of the Army Corps of Engineers—with Pittsburgh being the second-busiest inland river port in the nation—issued lay-off notices Sept. 13 to 50 more employees, effective Nov. 19. The local office, which operates 23 locks and dams and 16 reservoirs, and oversees 42 flood-protection projects in the Great Lakes and Ohio River region, is being slashed from 790 employees in fiscal 2002 to about 560 employees—a workforce reduction of 29%. Since just March, 170 lay-offs have taken place. Federal funding for the district has been cut from \$140 million three years ago, to just over \$100 million this year, and a proposed \$98 million for next year.

The Army Corps could be forced to close dams along the Youghiogheny and Monongahela Rivers, due to the budget cuts, warned Rep. John Murtha (D). Just to keep the dams in the area operating, he said, the Corps needs about \$60 million but will only receive about \$30 million—half the necessary amount. "It takes a lot of money to keep the dams going," Murtha declared. "There is a possibility they will have to close for safety issues," he added, noting that the funds needed for necessary upkeep are too meager to provide for proper maintenance.

Current Account Deficit Shoots to New Record

The U.S. current account deficit grew to a record \$166.18 billion in the second quarter, with a \$163.58-billion shortfall in trade in goods—reflecting the growing inability of the U.S. economy to produce the goods needed for its physical existence. This deficit is unsustainable, representing 5.7% of the nation's official output of goods and services. The current account gap—the broadest measure of trade and investment flows between the U.S. and the rest of the world—hit \$313.34 billion for the first six months of the year.

U.S. Banking Casino Continues To Hyperinflate

According to the FDIC, U.S. commercial banks held \$81.7 trillion in derivatives as of June 30, 2004, up from \$77.2 trillion in the first quarter, and up 23% from \$66.6 trillion on June 30, 2003. Backing this mass of side bets were \$8.0 trillion in (overvalued) assets and \$742 billion in (overstated) equity capital. This is a milestone of sorts, representing the first time the derivatives-to-assets ratio has topped 10-1.

Bush Budget Contains \$3 Trillion in Hidden Costs

According to the *Washington Post* Sept. 14, President George W. Bush's spending plan has an unstated \$3 trillion price tag over the next decade—\$1 trillion more than Democratic Presidential candidate John Kerry's proposed budget agenda, because making the Bush tax cuts permanent would cut revenue by \$1 trillion, and privatizing Social Security would cost \$2 trillion. This does not include costs for Iraq and the "war on terror."

Delphi Shuts Flint Plant; More Closures To Come

Delphi, the world's largest auto supplier, permanently shut down its Flint West, Mich. manufacturing plant, eliminating 450 jobs producing automotive generators, AP reported Sept. 13. Delphi, whose biggest customer is GM, had already slashed 4,925 jobs as of June 30; and imposed a "two-tier" wage structure—drastically lower wages for new employees. More factory closures are coming; according to a spokesman, Delphi will cease production at plants in Anaheim, Calif.; Olathe, Kan.; and Tuscaloosa, Ala.

World Economic News

World's Youth Sinking Into Poverty, Disease, Illiteracy

The World Bank, which today functions as an enforcer for the IMF system, has set up a program to capture youth into its post-industrial outlook. Reporting that 85% of the world's youth, between 15 and 24 years old, live in the developing countries, the World Bank reports, in its underestimated calculations, that:

- * some 238 million youth in the world survive on less than \$1 a day;
- * some 133 million 15-24-year-olds are illiterate;
- * another 130 million children are presently not in school;
- * young people represent 41% of those unemployed globally;
- * about half of new HIV/AIDS infections worldwide are in youth under 25 years old. Almost 12 million youth already have HIV/AIDS, and in some of the hardest hit countries—which they leave unnamed—some 75% of 15 years old are projected to die of AIDS in the future!

United States News Digest

Youth More Interested in Elections Than Ever Before

A front-page story in the Sept. 15 *New York Times* cites polls in the spring and summer, from the Harvard Institute of Politics, the Pew Research Center, and MTV, all showing that young people say they plan to vote at a rate that will far eclipse the low turnout of 2000. There are 40.6 million potential voters aged 18 to 29, or one in five, a bigger group than the 50-to-65-year-old bracket.

Helped by millions of dollars from "527" committees for voter registration drives, Democrats say the pool of new young voters is swinging their way. Republicans are spending \$10 million through college groups directed at registration and turnout. A spokeswoman for the College Republican National Committee claims they have enlisted 30,000 volunteers at campuses. The *New York Times* story, datelined Portland, points out that in 2000, the Oregon race was decided by 6,765 votes. In Wisconsin, where it was decided by 5,708 votes, 74,000 new voters, most of them young, have been registered since 2000, most by the New Voters Project.

Over the past 30 years, there has been a steady decline in youth turnout, with one big uptick: the election of Clinton in 1992.

DeLay Probe Stalls

The two heads of the House Ethics Committee, Joel Hefley (R-Colo) and Allan Mollohan (D-WVa) have been unable to agree on how to proceed on the complaint filed by Rep. Chris Bell (D-Texas), last June, against House Majority Leader Tom DeLay (R-Texas), according to the Capitol Hill newspaper *Roll Call* Sept. 15. As a result, under the committee's

rules, they have thrown the decision on whether or not to proceed to an official investigation of DeLay to the full committee, which is divided evenly between Democrats and Republicans. One of the committee's five Republicans would have to vote with the Democrats to launch a full investigation. A 5-5 deadlock would mean no investigation. Democratic sources told *Roll Call* that the vote could be as early as next week.

In the event of a deadlock, the complaint could be carried over into the next Congress, but Bell will no longer be a member, and Hefly won't be chairman of the committee, a situation, *Roll Call* says, that would likely result in another deadlock. "The Republicans on the committee know DeLay would not survive a full investigation so they're trying to protect their party boss," said Eric Burns, Bell's spokesman.

Ohio GOP Senator: 'Bring the Troops Home Alive'

"We need a policy, a plan, and a timetable to get out of Iraq, not to lose Iraq, but to leave Iraq," asserted Sen. Mark Dayton (D-Minn), a member of the Armed Services Committee, in a Sept. 13 speech on the Senate floor. Citing the recent escalating attacks in Iraq, Dayton insisted, "It's time that the people of Iraq become responsible for Iraq," adding, "If you want to support our troops, bring them home alive," *Minneapolis Star Tribune* reported Sept. 14.

Dayton, who voted against the 2002 Congressional resolution authorizing the war in Iraq, said he is requesting that Sen. John Warner (R-Va), chairman of the Senate Armed Services Committee, hold immediate oversight hearings on Iraq, including the Bush Administration's timetable for continuing involvement, and on the real cost of the war. "The American people deserve the truth," he said. "This Congress deserves the facts."

Ashcroft Lobbying for Patriot Act May Have Violated Law

A statement issued on Sept. 14 by Rep. John Conyers (D-Mich), the ranking Democrat on the House Judiciary Committee, said that a new GAO study shows that Attorney General John Ashcroft spent over \$200,000 on his travels around the country to promote the Patriot Act. Ashcroft travelled to 32 cities, holding meetings with mostly hand-picked audiences, to try to drum up support for the Act, following passage in the House of Representatives of a bipartisan amendment, sponsored by Rep. Butch Otter (R-Idaho), which would have cut back the powers used by the FBI and DOJ under the Patriot Act. As *EIW* reported at the time, Ashcroft even travelled to Otter's home district to publicly lobby Otter's constituents against restricting the Patriot Act.

A Federal law passed in 2002 explicitly prohibits Federal funds from being used by any executive branch agency—including the Justice Department—to lobby the public for support, or defeat, of legislation pending before the Congress.

Nader Touring 'Swing States' To Hurt Dem Ticket

Republican Party-backed "Independent" Presidential candidate Ralph Nader, at a breakfast meeting with journalists on Sept. 10, announced that he is launching a campaign tour through Ohio, Pennsylvania, Michigan, and Wisconsin, in retaliation against Democrats for trying to keep him off the ballot in many states.

The *Wall Street Journal*, in an editorial Sept. 14, defended Nader, in his complaint that Democratic officials are "abusing" their power in trying to keep him off the ballot—by forcing him to comply with state petition requirements.

Zell Miller Denies He Is an 'Angry Nut'

Sen. Zell Miller (D-Ga) contended, in a Sept. 13 *Wall Street Journal* op-ed, that he's not "an angry nut" or a "psychopath," but rather, he was being "serious" in his rant at the Republican National Convention against Democratic Presidential candidate John Kerry. "Democrat" Miller continued to bluster that the next President can't get "squeamish" at the U.S. role of being what he calls a "liberating," not occupying, force in the world. He blasted former President Jimmy Carter for his "nasty" letter, printed in the Sept. 8 *Washington Post*, denouncing Miller for "unprecedented disloyalty," in his "rabid and mean-spirited" speech. Miller also defended Dick Cheney's proposed defense cuts as Defense Secretary in the Bush I Administration.

Kerry Calls on Bush To Release PFIAB Intelligence Report

Democratic Presidential candidate John Kerry participated in a memorial for 9/11 victims and their families at the Boston City Opera Sept. 11, after which, he issued a statement urging President Bush to release a 2001 report by his Foreign Intelligence Advisory Board, headed by Gen. Brent Scowcroft. The PFIAB report is said to have determined that U.S. intelligence agencies should be restructured, and answer to just one national intelligence chief.

"The White House has held this important report under wraps for nearly three years while resisting efforts to strengthen the intelligence services that are essential to preventing terrorist attacks and protecting our nation," Kerry said. "What is the White House hiding? Why shouldn't the Congress and the American people be able to fully consider General Scowcroft's recommendations?"

Cheney's 'Preventive War' Called 'Failed Doctrine'

Titled, "Preventive War: A Failed Doctrine," the Sept. 12 *New York Times* began its lead Sunday editorial by referring to the "badly discredited doctrine of preventive war," saying that Vice President Dick Cheney hit a new low last week, when he asserted that electing Democrat John Kerry President would invite a new attack on the U.S. The *Times* reviewed the undesirability of basing foreign policy on "hypothetical enemies," adding that, "Mr. Cheney is also wrong to disparage law-enforcement cooperation with allies as an important weapon in this war [against al-Qaeda]. Instead, he promises more preventive, offensive wars against hypothetical dangers like Iraq...."

Senate Democrats Hold Hearing on Halliburton

On Sept. 10, the Senate Democratic Policy Committee held its second hearing on contracting in Iraq (the first one was held in early 2004), focussed largely on Halliburton's conduct. The primary motivation for the hearing, as stated by several Senators attending it, is that the Republican-controlled Senate is still refusing to hold oversight hearings on contracting in Iraq. Sen. Frank Lautenberg (D-NJ) reported that he has requested hearings by the Senate Governmental Affairs Committee three times, "and we couldn't get a response, even though we did a lot of work on diploma mills, and credit card charges ... but Halliburton didn't seem to be the subject we could spend any time on."

The hearing also featured new information on Halliburton's corruption and the favoritism it as received from the Pentagon. Sheryl Tappan, a former Bechtel employee who was responsible for writing contract proposals, described how the second Iraq oil field contract was awarded, last January, to Halliburton on the basis of a fictitious contract competition, locking out other competitors, such as Bechtel, from even bidding on the contract. The first oil field contract, of course, had also been awarded to Halliburton, in secret, about two weeks before the U.S. invasion.

Marie DeYoung, a former Army officer who worked for Halliburton in Bosnia and in Kuwait, on logistics and subcontracts, described how Halliburton's subcontracting procedures actually place at risk the security of U.S. troops. DeYoung revealed how, in one subcontract, Halliburton was paying a Kuwaiti company \$1.1 million per month for fuel trucks when they could have been acquired directly from the vendor for \$200,000 per month. She reported that Halliburton

made no attempt to recover the cost overruns from that subcontract.

Ibero-American News Digest

Mexican Senator Warns of Social Explosions

When a group of Mexican Senators met with UN Secretary General Kofi Annan during his early-September visit to Mexico City, Sen. Manuel Bartlett, from the PRI party, used the occasion to warn that IMF policies are leading to social explosions throughout Ibero-America. Democracy is failing "because of the ferocious dictatorship of the International Monetary Fund and the World Bank," Bartlett said, and if this dictatorship continues, "we are going to reach social explosions in our countries."

That includes Mexico. The Social Security (IMSS) workers' union filed official notice with the relevant authorities, that they will go out on a national strike on Oct. 15, should their demands for a wage increase not be met. They are demanding a 10% increase, and the firing of IMSS Director General Santiago Levy.

Mexican Court To Hear Suit vs. Pemex Contracts with Foreign Oil Firms

A Mexican court agreed in August to hear a suit filed by 42 Senators and 130 Congressmen which contests the constitutionality of the Fox government's deals with foreign oil companies. Specifically, the suit requests the court to nullify the "Multiple Service Contract" (CSM) signed between the state oil company PEMEX and the Spanish oil multinational Repsol, which grants Repsol de facto exploration and exploitation rights for natural gas in the northern Burgos Basin. The suit argues that the CSM is merely a legal subterfuge to violate the Constitution's prohibition of foreign participation in Mexico's oil and gas industry.

The majority of the Senators and Deputies on the suit are from the PRI party, joined by some PRD members. The court recognized the Congressmen's right to sue, as representatives of the nation, and ordered the state oil company PEMEX and Repsol to turn over certified copies of the contract to the court.

PRI Sen. Manuel Bartlett, who initiated the suit, hailed the decision to hear the case as "historic," and said the Congressmen and Senators will file four more suits against other such contracts. The foreign oil and electricity companies knew full well when they entered into these contracts that they are unconstitutional, Bartlett stated.

Foreign energy companies have been watching these legal initiatives nervously. A year ago, when he and another Senator filed a similar suit against foreign electricity companies in June 2003, Bartlett warned the foreign companies, that if they violate Mexican laws, they will, sooner or later, face criminal charges.

Bush Administration Threatens Dominican Republic

Bush Administration trade "negotiators" threatened to take economic reprisals against the Dominican Republic, if a 25% tariff on corn syrup imported from the U.S.—tacked onto the government's fiscal reform bill by members of the Chamber of Deputies—is not removed from the bill. The tariff is designed to protect the island's desperate sugar industry from U.S. dumping, while the fiscal "reform," which includes a number of tax hikes and other obscene austerity measures, is demanded by the IMF as the condition for releasing promised loans and a foreign debt renegotiation for this ravaged country.

The Leonel Fernandez government promises that if the Senate does not remove the tariff from the fiscal reform package, it will propose an executive amendment that does so, abjectly assuring the Bush team that the Chamber of Deputies' inclusion of the tariff in its version of the bill was not a deliberate flouting of the U.S., but just "human error."

U.S. Deputy Trade Representative Peter Allgeier sent the Dominican ambassador a letter last month, warning that passage of the tariff would lead to a U.S. suspension of a recently signed free trade agreement between their two countries, with loss of all the alleged privileges that implies.

The issue is raising tensions in this country, with the general consensus of both the population and the powerful sugar lobby on the island in favor of the tariff, and the new Fernandez Administration apparently prepared to go head to head with the legislature on behalf of the IMF. The sugar industry is one of the largest employers in the country.

Spanish Fascist Asset Named Head of Venezuelan Opposition Group

Alejandro Pena Esclusa was promoted to Secretary General of Venezuela's coup-mongering "Bloque Democratico" [Democratic Block] opposition group, in the wake of Hugo Chavez's victory in the Aug. 15 recall referendum. The election of Pena Esclusa was reportedly unanimous. In January 2003, Pena made public his ties to old Spanish fascist Blas Pinar in January 2003, when he sent a message of support to the international meeting sponsored by Pinar and his allies in the FE-La Falange, to develop the new Fascist International. (See "The Fascist Fall-Guys for a New, 'Hispanic 9/11' Attack on the U.S.," *EIW InDepth*, Vol. 2, No. 33 (Aug. 19, 2003).

Brazil's Population Nears Zero-Growth Rate

A dramatic decline in Brazil's population growth rate is reflected in the "2004 Review of Projected Population" study, recently issued by the Brazilian Geographical and Statistical Institute (IBGE). Recall that Brazil was one of 13 countries that Henry Kissinger targetted for population reduction in the NSSM-200 report of the 1980s, which was a blueprint for genocide.

Brazil's population just passed the 180 million mark, double what it was 34 years ago. But IBGE points out that, had the population continued to grow at the 3% annual rate of the 1950s, Brazil would today have a population of 262 million. The growth rate now stands at 1.44%; by 2050 it is expected to fall to 0.24%, and to zero by 2062.

As these figures would suggest, the population is aging. In 1960, a woman of child-bearing age would, on average, have six children. Today that figure is 2.3 children. In 1980, the size of the population above and below the age of 20 was approximately the same. But by 2050, that average age will be 40. In the year 2000, 30% of the population consisted of children below the age of 14; those above age 65 represented 5% of the population. But by 2050, those two groups will each represent 18% of the total. IBGE reports that in 2000, there were 1.8 million people above the age of 80. By 2050, that number is expected to rise to 13.7 million.

Although Brazil's infant mortality rate has declined since 1970, its current rate of 30 deaths for every 1,000 births stands well above that of neighbors Argentina, Chile, and Uruguay. IBGE also notes that since 1980, violence began to negatively affect life expectancy and mortality rates, particularly among male adolescents and young adults.

Austerity Policies Trigger Mass Protest in Colombia

Colombia's trade union federations held a nationwide protest Sept. 16 against President Alvaro Uribe's stubborn embrace of IMF-dictated austerity policies which, combined with the ravages of decades of ongoing narcoterrorism, are driving the

population into the hands of the narcoterrorist-allied opposition. The labor protest overlapped an unprecedented three-day march by 50-60,000 Indians along the PanAmerican highway, protesting both Uribe's economic neoliberalism, and his war on narcoterrorism. Adding to the social tensions was a nationwide strike by truckers demanding higher cargo rates. All three protests oppose the imminent signing of a Free Trade Agreement between Colombia and Washington.

Poverty rates in the country have risen from 59% to 64% of the total population over the past few years, and rubbing salt in the wounds is a new tax reform, proposed by Uribe's despised Finance Minister Alberto Carrasquilla, which, if approved by Congress, would raise the general value-added tax from 16 to 17%, slap a new 3% value-added tax on such basic foodstuffs as meat, chicken, and milk, and tax higher pensions as well. The argument behind the reform is that it is necessary to enable the government to pay pensions.

Unfortunately, while the protesters are all in agreement against the government's economic austerity programs, privatization, and free-trade talks with the U.S., they also endorse a "negotiated solution" with—that is, capitulation to—the brutal FARC and ELN narcoterrorists, and they oppose Uribe's commitment to deploy the national military to crush the narcoterrorist occupation of the country. The indigenist protesters, in particular, are protesting that Uribe's war on terror violates their autonomy and threatens "ethnogenocide" against them.

Western European News Digest

British Book Reveals Battle Between Powell, Neo-Cons

BBC correspondent James Naughtie is about to publish a book in which he reports that U.S. Secretary of State Colin Powell denounced the neo-conservatives in the Bush Administration as "fucking crazies," in discussion with Foreign Secretary Jack Straw in the 2002 buildup to the Iraq war, according to an account in the *Guardian* Sept. 12. Naughtie alleges that Powell was reported to have believed that the neo-cons were destroying the alliance with Europe, and even with Britain. Both Powell and Straw called the U.S. publisher of the book, "Public Affairs," to say they would vigorously deny the report if it were published. Since there was no threat to sue, it is going forward, with the F-word on the book jacket. *New Statesman* editor John Kampfner is quoted saying that, "the British Government saw Powell as the most significant voice of sanity in the U.S. Administration," and "used Powell to get across their point of view to the White House," adding that "bizarrely, Powell sometimes also used Blair to pass messages to Bush."

Kohl Addresses Deindustrialization of Eastern Germany

At a Brandenburg election campaign event in Strausberg, Sept. 14, former German Chancellor Helmut Kohl give a speech in which he surprised his audience by addressing the past 15 years of economic problems in the east.

Kohl said that western German industries were involved the deindustrialization of the east: "Also in the west, there were people in leading positions in industry, who had no interest in the development of GDR [East German] firms.... Instead, many industrial bosses only saw the 17 million consumers in the GDR, but did not want the production capacities, because there were surplus capacities in the western Federal Republic."

Eastern Germans purchasing new cars or washing machines from western firms, helped "these firms improve sales, at a time of an overall European economic crisis," Kohl said. In earlier interviews, Kohl had denounced the "tone of agitation" at Monday rallies, but had also been sympathetic, in general, with the eastern German citizens who are taking to the streets to protest their situation.

German President Offers East Germans 'Tough Love'

In an interview in the Sept. 13 issue of the weekly *Focus*, Bundes President Horst Koehler insisted: 1) the Agenda 2010 "reforms" have to be pursued; 2) the Maastricht rules have to be defended against its critics; and 3) the government has to show that it will not soften the Hartz IV policy.

Implicitly referring to the Monday anti-austerity protest rallies, Koehler added that, in his view, people in the eastern regions will finally have to accept the "fact" that living standards differ between regions of Germany, between north and south, west and east, and that "whoever wants to level that, is locking in the system of state support and burdening the young generation with unbearable debt. We have to get away from the system of state support." The estimated cost of evening out the disparity of living standards across reunited Germany is estimated at \$1.5 trillion.

In what was seen as a mild rebuke of Koehler, on Sept. 14, German Chancellor Gerhard Schröder told journalists: "It is quite naturally the duty of the government to work toward achieving equal living standards. That is the view of all of us, that we have to keep working toward that aim.

German Monday Demos Sweep into 240 Cities

Monday rallies in Germany Sept. 13 took place in about 240 German cities, most in eastern regions. Economics Minister Wolfgang Clement announced prematurely on Sept. 12 that protests against Hartz IV are dying down, claiming that the leading media had reported that, "again, about 10,000 took part in Monday protests in all of Germany." Closer to the truth, is that, in the three big cities Berlin, Leipzig and Magdeburg, altogether 20,000 took part, and many smaller cities with the same attendance as last week or the week before. Moreover, some smaller cities held a Monday rally for the first time, and an impressive number of citizens took part: For example, in Belzig and Zossen (both in Brandenburg), 150 and 300 showed up, respectively, also 150 in Oschersleben (Saxe-Anhalt).

There may be a lower turnout in the big cities, because normal people get frustrated about the useless faction fights between the various leftist groups, and many citizens now show up at rallies in smaller cities.

More rallies are expected on Thursday, Sept. 16 in Erfurt, Sondershausen, Soemmerda, Bleicherode, all four in Thuringia, and Neubrandenburg in Mecklenburg.

Press Cover BueSo/LYM Monday Rallies

At least five articles have appeared in local media and online websites covering activities of the Bueso (Civil Rights Solidarity party of Helga Zepp-LaRouche)/LaRouche Youth Movement this week:

* From Potsdam and Hoyerswerda, references were made directly to BueSo. Indirect references were included in two articles from Goerlitz, and one from Meissen, where the BueSo candidate and campaign poster were featured. From Leipzig, the ARD Tagesschau program showed BueSo leafletting at the big rally, without naming the BueSo.

Monday Rallies May Soon Be Held in Switzerland

In an exclusive interview with the German daily *Neues Deutschland* Sept. 15, Alessandro Pelizzaro, chief secretary of the Attac organization in Switzerland, spoke of considerable unrest, coming labor strikes, and potential protest in his country. Asked about the Monday rallies in Germany, Pelizzaro said:

"That is the most interesting thing occurring in Europe right now. It makes us confident, how collective protest articulates

itself in Germany. We are watching this development with great interest. In Vienna, Paris, and Montpellier, there already were solidarity rallies for the Monday rallies in Germany."

Asked if there will be Monday rallies in Switzerland, soon, replied: "We are already discussing the idea of Swiss Monday rallies. We have to see what the outcome of Sept. 23 is," referring to a planned day of action against budget cuts in Switzerland. Pelizzaro hinted that since labor unions in the French-speaking parts of Switzerland are more rebellious than in the German-speaking parts, the center of protests may be in the west of the country.

Polish Parliament Unanimously Demands War Reparations from Germany

All 328 deputies in the Polish Sejm (parliament) voted up a resolution at the end of the week of Sept. 16 demanding war reparations from Germany, for damage to Poland in World War II.

For the city of Warsaw alone, costs are estimated around 35 billion euros. The resolution was the result of a provocation, after Poland became a member of the EU, from a German refugee association, the Prussian Treuhand Gesellschaft GmbH. The Treuhand has begun to have individual Germans, who fled the eastern parts of Germany which had been absorbed into Poland in the post-war era, demand restitution for their property before European courts. Leading German politicians, such as Bundestag member Markus Meckel (SPD), have warned of a new "ice age" in bilateral relations.

Polish President Aleksander Kwasniewski, Prime Minister Marek Belka, and Foreign Minister Włodzimierz Cimoszewicz declared the Sejm resolution unacceptable and non-binding. In 1953, the Polish government had declared the war reparation question resolved. Sources whom *EIR* talked to, pointed out that it is a political maneuver to drive a wedge in German-Polish relations, at the very moment that Chancellor Schroeder was meeting with Russian President Putin in Sochi.

Russia and the CIS News Digest

LaRouche Remarks on Putin Address Circulated in Russia

The press release dated Sept. 7 and titled "LaRouche on Putin Statement" has been posted in EIR's Russian-language pages (www.larouchepub.com/russian). It is Lyndon LaRouche's discussion, featured last week in the InDepth section of *EIR Online*, of Russian President Vladimir Putin's Sept. 4 speech after the Beslan school massacre. LaRouche's release concludes with the warning, "If Bush wins, kiss humanity good-bye, for some time to come." The release was also carried Sept. 15 on the front page of the Russian web site CMNews.ru, illustrated with a photo of LaRouche.

Economic Cooperation Organization Meets In Tajikistan

Leaders of the Economic Cooperation Cooperation (ECO) held a summit in Dushanbe, Tajikistan on Sept. 14, to discuss measures against drug trafficking, aid to Afghanistan, and actions under the ECO Trade Agreement endorsed in Islamabad in July 2003. The members of ECO are Azerbaijan, Iran, Kazakstan, Kyrgyzstan, Pakistan, Tajikistan, Turkey, Turkmenistan, and Uzbekistan, with a total population of around 345 million people. It was founded in March 1977, in the Turkish city of Izmir, among Turkey, Iran, and Pakistan; the others joined in 1992.

Iranian President Mohammad Khatami also held bilateral talks with Tajikistan's leaders, before the ECO session. On Sept. 12, Tajik President Imomali Rakhmonov announced that Iran will invest \$250 million in the Sangtuda hydroelectric power plant in Tajikistan, a project in which Russia is also involved. Iran will also help to complete the Anzob Tunnel.

Khatami visited Armenia on Sept. 8-9, signing seven agreements on cooperation in energy, culture and trade, including for construction of a natural gas pipeline from Megri, Iran, into southern Armenia.

Putin Attends Eurasian Summits

Besides the ECO summit, leadership meetings of the Commonwealth of Independent States (CIS) and the Single Economic Space (SES) organization countries took place in mid-September. Russian President Vladimir Putin and Prime Minister Mikhail Fradkov attended the meetings, held in Astana, Kazakhstan. The summit of the SES (Russia, Belarus, Ukraine, and Kazakhstan), who met Sept. 15, dealt with 29 agreements, including one to reform value-added tax collection procedures in such a way as to promote trade, and another to create a new, joint aerospace company. The VAT will now be collected by destination countries in trade among the SES members. Putin said that this will, initially, cost the Russian state treasury \$800 million per year, but that it will foster an increase in trade, which will benefit the economies of all four countries.

The new aerospace company will design and produce a new multifunctional space ship called Kliper-Zenit, which is supposed to replace the Soviet-era Soyuz capsule for missions to service orbiting space stations, as well as for separate flights. President Nursultan Nazarbayev of Kazakhstan called this agreement "the first swallow of spring in the area of advanced technologies."

Also on Sept. 15, the CIS Prime Ministers met in Astana to sign earlier-negotiated agreements on economics, financial controls, transport, natural resources, crime, and illegal migration. The next day's CIS heads of state discussion had been slated to take up the questions of the CIS's mission and *raison d'etre*, which was raised at CIS meetings earlier this year. And the Sept. 17 issue of the Russian government paper *Rossiyskaya Gazeta* quoted host President Nazarbayev, who pointed out that of the 70 councils established by the CIS over recent years, virtually none of them does anything. Armenian President Robert Kocharian said, "It is time to finally decide, what we want from the CIS."

The members of the CIS—founded after the breakup of the Soviet Union—are Russia, Belarus, Ukraine, Moldova, Armenia, Georgia, Azerbaijan, Kazakhstan, Kyrgyzstan, Turkmenistan, and Uzbekistan. Turkmenistan did not attend; Moldova sent only the Prime Minister.

The recent string of attacks in Russia, as well as bombings in Central Asia, changed the emphasis. "Economic cooperation remains the priority for the CIS countries," writes *Rossiyskaya Gazeta*, "yet yesterday, the main topic of the meeting was not the economy, but the fight against terrorism."

The final press conference was marked by sharp exchanges between Russian President Putin and Georgia's Mikhail Saakashvili. A Georgian reporter questioned Putin about whether Russia's reopening rail service between Moscow and Sukhumi, Abkhazia (within Georgia, but at odds with Tbilisi), were not aimed to heat up Russian-Georgian relations. Putin said that the rail service helps refugees return home (from Russia to Abkhazia). Saakashvili accused Putin of applying double standards, since thousands of Georgian refugees from Abkhazia can't return home. Saakashvili then rubbed it in that Georgia, like Russia, "knows terrorists"—since Chechen field commander Shamil Basayev, identified by Russia as mastermind of the Beslan massacre—fought on the Abkhazian side in the early 1990s. Putin said that he and Saakashvili would pursue "all these questions" in bilateral discussions.

Russian Gov't Acts To Control Energy Resource Sector

The Russian government on Sept. 14 announced a merger of the natural gas giant Gazprom, with the state-owned oil company Rosneft. The result will be a large state-dominated energy company (while more direct ownership of Gazprom shares by foreigners will be allowed, than before).

The next day, Minister of Natural Resources Yuri Trutnev warned that the government may carry out a sweeping revocation of unused licenses, granted for the development of Russian oil and natural gas deposits. Trutnev said that 23% of the fossil fuel development licenses, already issued, are not being used—except to inflate their holders' capitalization figures. Sixteen thousand such licenses were issued in the 1990s. Trutnev warned, "If license agreements are violated, we will resort to rescinding the licenses," because if the licenses aren't used, then necessary exploration work is not done.

Trutnev specifically threatened to revoke the license granted to BP-TNK for developing the Kovytko natural gas field, believed to hold 2 trillion cubic meters of natural gas, because they have failed to construct a local pipeline network. Trutnev said that a tender for rights to mine Siberia's vast Sukhoi Log gold deposit would be postponed until next year, and that foreigners may not be allowed to bid. A new natural resources law, he said, "will include an option to limit foreign participation in tenders for unique deposits—such as Sukhoi Log and Ukokan [a copper deposit]." And on Sept. 11, the *Financial Times* of London quoted an official in Trutnev's ministry, who said that licenses held by Yukos Oil's production unit, Yuganskneftegaz, could be revoked for non-payment of taxes.

Russian Defense Plant Strike

Reports of labor actions over wage arrears began to crop up again in Russia during the summer. The latest one came from the city of Ulyanovsk on Aug. 19, where 1-2,000 workers, on strike at the Ulyanovsk Mechanical Factory, blocked traffic on a major road. They had not been paid since March. Ulyanovsk Provincial Governor Vladimir Shamanov says, and Minister of Defense Sergei Ivanov confirmed, that 108 million rubles (\$3.4 million), issued in payment of a defense order last spring, were never received in the region. On Aug. 21, *Rossiyskaya Gazeta* reported that the Federal Construction, Housing, and Public Utilities Agency has called for Ulyanovsk Province to be put under "external administration" by the Federal government—essentially, to be put into receivership. Otherwise, the agency predicted "catastrophe" this winter.

Southwest Asia News Digest

Iraq War Already Lost Say Experts, NIE Report

"The Iraq war is already lost, and the U.S. needs to devise an exit strategy now," is the overwhelming consensus of the faculty of a major U.S. military institution, according to one professor of history there. "90 percent of the people here in the faculty have been convinced since the summer that the Iraq war has been lost, and the U.S. needs to get out before even more damage is done," he told EIR Sept. 16.

The professor said that the same view is shared by top faculty at all of the major U.S. military academies, and is now bolstered by the *New York Times* leak of an National Intelligence Estimate, assessing that the Iraq situation is a total mess. The professor conceded that a U.S. pullout will trigger a likely civil war among rival factions in Iraq, but that the continuing U.S. military presence is only exacerbating things.

"The U.S. must leave, with firm commitments to the reconstruction of Iraq's economy—once the power struggle has sorted out," he said. "It is like Afghanistan in the 1990s, but on a far grander and far more dangerous scale. The impact will spread from Morocco to Indonesia, impacting the more than 1 billion Muslims, he warned.

Another leading media national security specialist who was briefed on the July 2004 Iraq NIE reported that the document described Iraq as an incubator for terrorist networks around the world. There are Chechens, Algerians, terrorists from the Balkans, others who have been trained in England and Germany, all operating in Iraq. They will go back home at some point, as the kernel of a new insurgent force. It is, he warned, a replay of what happened in Afghanistan in the 1990s,

following the U.S. pullout after the Soviet Red Army defeat. The source added that there is already talk at the White House about the need to "cut and run," but nobody will admit it before the November elections.

Will Elections Be Held in Iraq?

The question of whether there will really be elections in Iraq that could end the occupation by the U.S. and the British, was raised on Sept. 8 by UN General Secretary Kofi Annan, who said that unless the security situation improved, he would not be able to deploy more UN personnel there. Annan openly criticized the U.S. for taking a military, rather than political approach, to finding a solution to the ongoing conflict.

On the other side, both U.S. and Iraqi interim political leaders say elections will take place. On Sept. 13, Interim Prime Minister Iyad Allawi was quoted in several press, saying, "If, for any reason, 300,000 people cannot have an election, cannot vote because terrorists decide so, then frankly 300,000 people ... [are] not going to alter 25 million people voting." The figure cited corresponds to the population of Falluja, which U.S. planes have been bombarding for over a week. Allawi said residents of Falluja could vote later.

"Militias have to disband. Criminals have to be surrendered to the government. Foreign fighters have to be surrendered and the Iraqi police and national guard have to be fully deployed in Falluja," he added. It is not only Falluja, however. Other cities affected are Samarra, Ramadi, Tal Afar and, increasingly, Baghdad itself.

U.S. Secretary of State Colin Powell said on NBC's "Meet the Press" Sept. 12, that the insurgency was "raging.... There's no question about it." He added, however, that "it will be brought under control.... When that insurgency is put down, what the people of the world will see, are Iraqis in charge of their own destiny."

There are several possibilities: If the U.S. continues its military approach, against Annan's advice, elections will not be possible. If Allawi's plan for "partial" elections is chosen, the elections will be close to meaningless, as were those scheduled in Afghanistan (where the UN had to evacuate its personnel in Herat), and the country could be split.

If elections are not held, then the Shi'ite opposition led by the Grand Ayatollah Ali al-Sistani, which has declared elections to be the only political solution to restore sovereignty, will change its posture towards the occupation.

Meanwhile, on Sept. 14, an official of the U.S.-government funded National Endowment for Democracy (NED) told *EIR* that plans are already being discussed to eliminate "trouble areas" from the election. Iraqis in the U.S., Europe, and Iraq itself protest that this is designed to throw the election to Anglo-American puppets.

The NED official said he fears that because of the U.S. military campaign against the "violence" in cities like Falluja, Samarra, and some half-a-dozen other locations, that the general election, which is mandated to occur before January 2005, will not represent the whole country. He expressed his serious opposition to this plan.

All of Iraq is one central election district, he explained, and there is discussion already underway, that it will be necessary to *exclude* Falluja and other places where violence is occurring. Since the elections are proportional, this method would seriously slant the election results.

Ambassador: Bush, Kerry Dodge Issues of War and Peace

Ambassador Chas. Freeman, a former U.S. Undersecretary of Defense and former Ambassador to Saudi Arabia, delivered the closing remarks at the Sept. 12-13 annual conference of the National Council on U.S.-Arab Relations in Washington.

He used the occasion to blast both Presidential candidates, George Bush and John Kerry, for failing to talk "about how he would address the very serious problems he will confront at home and abroad, including the Middle East."

"Instead," Freeman said, "the parties are engaged in an embarrassingly trivial debate about whether John Kerry really earned his silver heart in Vietnam and whether George Bush did or did not make himself available to bomb the Vietcong if they turned up in Alabama."

Freeman singled out the Bush-Cheney Administration: "The past four years have established what honesty compels me to describe as without doubt the most erratic foreign policy record in our history." After listing the gruesome hotspots where the Bush Administration stumbled by "flip-flops, ad-hoc'ery, and confusion," Freeman practically shouted, "Come on, guys! There are issues of peace and war that you know and well know you will have to deal with if you are elected.... Is it asking too much for you to reassure us that you are at least thinking about these issues by telling us something about how you expect to manage them?"

Freeman next went through a list of questions, covering every global crisis spot, from China-Taiwan, to the Korean peninsula, to the whole array of crises erupting all of Southwest Asia. He also added, "With some of our most senior economists telling us that there is a 75% chance of a dollar collapse sometime over the next five years, I think it might be helpful for you to tell us what you propose to do about the budget, trade, and balance of payments deficits that threaten both our national prosperity and the global economy."

He concluded with a direct plea to the audience: "Ladies and gentlemen, I was asked to tell you where I thought we might go from here. I apologize for not doing so. But I've given up on the possibility of either the media or the Congress asking the questions that need to be asked of our Presidential candidates and other politicians. As in the run-up to the Iraq invasion, both have defaulted on their responsibility to question those who lead or aspire to lead us. So I have fallen back on asking these questions myself. If I've asked the wrong questions, please step forward and ask the right ones. Maybe, if we all ask with sufficient insistence, one or the other of the candidates will actually address an issue or two. That would be most welcome. I, for one, would like to be reassured that we're going somewhere better than where we've been."

Freeman was one of the signators on the statement of Diplomats and Military Commanders for Change, which endorsed John Kerry for President several months ago, and his remarks captured the mood of the entire conference: deep disappointment that Kerry had not done more to differentiate himself from the disastrous policies of Bush-Cheney.

Freeman closed the conference in response to the question, "who's name should we voters write in" for President, by telling a joke about three Texans who were leading surgeons. The first Texas surgeon bragged that he had performed the greatest surgery in history, by taking someone who had lost seven fingers and stitching them back on. "The man just won the Cliburn award for pianists." The second surgeon shot back that he had performed an even more miraculous surgery: A man lost both arms and both legs and he sewed them back on, and the man just won the decathalon at the Olympics. The third surgeon topped them both. He said that a cowboy was riding his horse on the railroad tracks and got hit by a speeding locomotive. "All that was left was the cowboy's head and the horse's ass. And I stitched them together and he's now in the White House."

Egypt, Syria Tell Israel To Negotiate With Palestinians

Egyptian President Hosni Mubarak met with Syrian President Bashar Assad in Damascus, and in a joint statement reported by *Ha'aretz* Sept. 15, they called on Israel to "start negotiations for the establishment the independent Palestinian state." They also called on the Palestinian factions to work "to achieve their commitments toward the establishment of an independent state." This was a reference to Egypt's attempts to mediate an agreement among the different Palestinian factions, including Hamas.

But it appears the discussion of Palestine was not the principal reason for the hurried meeting. Instead, it has to do with the recent anti-Syria resolution pushed through the UN Security Council by the United States, which called for Syria to withdraw its troops from Lebanon. This issue was raised at the recent meeting of the Arab League, which was split on the issue, with Jordan and six other states calling for Syria to withdraw troops.

And, while the Arab League expressed its "support" for Syria, and its understanding of Syrian-Lebanese relations, it did not formally criticize the UN resolution. Mubarak reportedly made the special trip to Damascus as a demonstration of Egypt's support for Syria in the face of the Bush Administration's attacks.

Asia News Digest

NRC Approval Allows Westinghouse To Bid on Chinese Nuclear Plants

The Nuclear Regulatory Commission granted Final Design Approval to the Westinghouse Electric company Sept. 13 for its AP1000 standard nuclear power plant design, which allows the company now to enter a bid for the next nuclear plants to be built in China. The AP1000 is a 1,000 MW version of Westinghouse's next-generation, passively safe standard AP600 reactor design, which was NRC-certified in 1999. While no new nuclear plants have been ordered in the U.S., China has made known its intention to put out bids for four new nuclear power plants by the end of this year, and Westinghouse, Areva in France, and Atomstroyexport (ASE), in Russia, are expected to place bids. In April, the Chinese told U.S. Vice President Dick Cheney that they plan to build about 30 nuclear plants by 2020.

Although China and the U.S. signed agreements in 1985 to share nuclear technology, sanctions imposed in 1989 after Tiananmen Square, and additional export controls in the wake of accusations of Chinese proliferation and technology theft, have led the Chinese to ask the Administration for guarantees of long-term access to nuclear technology should it purchase U.S. reactors. Whichever vendor secures the contract for the next plants will most likely be chosen for the great bulk of the total, since China would like to adopt a standardized design across its industry.

North Korea Halts Six-Party Talks Until After U.S. Elections

North Korea has told Russia, China, and even visiting British Foreign Office Minister Bill Rammell, that it has no plans to attend Six-Power Talks until after the U.S. election Nov. 2, Russian talks delegation chief Deputy Foreign Minister Alexander Alekseyev told Interfax Sept. 14. Alekseyev told his South Korean counterpart Lee Soo-Hyuck in Moscow, that while talks were scheduled this month, Pyongyang has indicated to Moscow that "this now cannot be done."

"The North Koreans were saying they were committed to the six-party process, but weren't prepared to commit to a date," Britain's Rammell, told reporters in Beijing Sept. 14 after a four-day visit to Pyongyang. One factor "is the timing of the American Presidential election," Rammell said. Contacts have been intense. A Russian delegation led by Sergei Mironov, speaker of Russia's upper house, met Sept. 13 with North Korean leader Kim Jong-Il, ITAR-TASS said. South Korean President Roh Moo-Hyun visits Russia Sept. 20-22 for talks on North Korea and trans-Siberian railway links.

The neo-conservatives in the Bush Administration are using the story to beat their war drums. "North Korea is looking for an extended delay in the talks, and has told China there was no point in continuing the talks at all," the usual anonymous "senior U.S. official" told the *New York Times* Sept. 14. "It's too early to draw a conclusion on this, but it does appear that the North Koreans have been stalling," State Department spokesman Richard Boucher said Sept. 14.

Pyongyang was deliberately provoked by the August passage, by the U.S. House of Representatives, of the North Korean

Human Rights Act on North Korean refugees in China. Also, in late October, the U.S. Navy, the Japanese Coast Guard, and others will conduct exercises off North Korea, under Cheney's "Proliferation Security Initiative," which will practice seizing seaborne illicit cargoes from an unnamed country. "Pyongyang's hardline military will say, 'I told you so, they plan to attack us,'" former Clinton aide Kenneth Quinones said.

Malaysia's Ibrahim Cannot Run for Office Until 2009

Malaysia's high court has refused to hear an appeal on former Deputy Prime Minister Anwar Ibrahim's original corruption conviction, meaning he will remain barred from politics for five years, Agence France Presse reported Sept. 15. Last month, the Court overturned his second sodomy conviction, which allowed his release from jail. Although Anwar has finished serving the corruption conviction, he was appealing to have that charge overturned as well, so that he could reenter politics.

Prime Minister Abdullah Ahmad Badawi announced Sept. 14, that UMNO, the ruling party, had decided to bar Anwar from rejoining the party. "The door for entry into UMNO is closed for now," Abdullah told reporters. Anwar led a revolt, with U.S. Vice President Al Gore's overt assistance, against Prime Minister Mahathir in 1998, after he was dismissed from his position.

Afghan President Karzai 'Fires' Herat Warlord

Afghan President Hamid Karzai, on behalf of U.S. envoy Zalmay Khalilzad, has "fired" Herat warlord Ismail Khan, according to news accounts Sept. 12. Karzai's offer for Khan to become a minister in Kabul was rejected by Khan, who said he was "a military man, not an engineer." Khan's militia controls the Herat region near Iran, using the considerable taxes from the Iran trade to run the region—and sending little of the revenue to Kabul. Recent fighting with other warlords is reported to have been instigated by the U.S./Kabul regime, for the purpose of weakening Khan. Khalilzad and other U.S. reps were quick to praise the announced dumping of Ismail Khan. However, in Herat, demonstrators sacked the UN offices, and Afghan troops opened fire, killing eight and wounding 15.

While Ismail Khan agreed to step down as governor, it is unlikely he will give up any real power. National elections are scheduled for Oct. 9, and Khan is expected to support one of Karzai's opponents.

Philippines President Plans \$5 Billion Rail and Metro Program

In another sign of sanity coming from Philippines President Gloria Macapagal-Arroyo, she is insisting on a rapid full implementation of her plan for five metro Manila light rail extensions, as well as two major rail programs, one heading south from Manila, the other, the Northrail project, which China has agreed to finance with very favorable conditions. Socioeconomic Planning Minister Romulo Neri insisted that the nation has no choice but to proceed with these projects despite the financial crisis, "because these were sorely needed by the economy." Exporters Confederation president Sergio Ortiz-Luis added that they should be accounted as investments, rather than expenses.

India Offers Full Support for Philippines Nuclear Program

Speaking in Sydney, Australia, at the 19th World Energy Council Congress and Exhibition, Ravinder Mago, general manager of the Nuclear Power Corp. of India, said on Sept. 13 that the benefits of nuclear power, even for a small country like the Philippines, made it an obvious candidate for helping supply the country's future energy needs.

He noted that Vietnam, also a small and developing country like the Philippines, was keen on tapping nuclear sources for

its energy requirements. Should the Philippines decide to invest in nuclear power generation, he said the Indian government was willing to provide any form of assistance it could offer.

The Arroyo Administration has recently indicated that it was putting the possibility of nuclear development back on the table, for the first time since the 1986 coup against President Ferdinand Marcos resulted in the insane scrapping of a fully completed but unused nuclear plant.

Bush Admin. Imposes More 'Punishment' on Philippines

The U.S. is cutting the promised \$25 million in military aid to the Philippines by \$10 million, the *Manila times* reported Sept. 13. The funds were earmarked for training and equipping the Navy Sea Bees. President George Bush promised the money in May 2003 as a reward for President Arroyo's sending troops to Iraq, but has imposed several verbal and financial punishments since Arroyo withdrew those troops, in exchange for the release of a kidnapped Filipino worker.

Interest Rates Jump on Philippines Government Debt

After Philippines President Gloria Macapagal-Arroyo declared a "fiscal crisis" in the Philippines in early September, interest rates leaped to a record high, the highest in the region, according to the *Daily Tribune* Sept. 15. Showing telltale signs of the pending disaster, Finance Secretary Juanita Amatong told the Senate Committee on Finance Sept. 14 that the government's foreign borrowing cost had reached 4.9% over the international benchmark London Interbank Offered Rate (LIBOR), when it sold \$1 billion in sovereign bonds last week. This is up from 4.0% over LIBOR before, and compares with Malaysia's at 0.87% over LIBOR, and Thailand's, 1.00%.

The fiscal crisis is expected to blow up in the face of President Arroyo next year when some \$11.3 billion worth of foreign and domestic debts mature, in addition to interest payments, which raise the total to \$23 billion, the *Tribune* reported.

Africa News Digest

LaRouche Addresses Crisis in Sudan

At the Schiller Institute conference in Reston, Virginia, on Sept. 4, Lyndon LaRouche responded to a question emailed by a Zimbabwean on the Sudan crisis. Moderator Edward Spannaus communicated the question.

Spannaus: ...A Zimbabwean living in London, would like Lyn's view on the current U.S. policy on the ongoing crisis in Africa, and Lyn's proposed policy. She says, she watches in dismay as the situation in Darfur in Sudan worsens, the international community dithers, and provides no concrete course of action, but resolution after resolution, while thousands continue to be massacred.

LaRouche: On the question of Darfur, we are involved in this problem—not directly, but indirectly; I have a longstanding [involvement], and Helga [Zepp-LaRouche] does, with part of this part of Africa.

The problem is, that what is happening in Khartoum, including the Darfur problem, is a problem which is orchestrated, not by indigenous forces inside Sudan, but by a U.S.-British operation, and also an Israeli operation, which has targeted Sudan. It's based on the operation that Lord Kitchener started, in Sudan, in creating strife between disparate peoples of a swamp-like area, between Uganda and Sudan; and the Nubian population of Sudan, which is the largest population.

Remember that Sudan is the largest, geographically, state in Africa. It has oil and other resources. It is also crucial strategically, for the Nile: That Khartoum is at the junction where the Blue Nile, coming out of Ethiopia intersects the White Nile, coming up to that point. From that point on, the main waters of the Nile are going down.

Now, these waters of the Nile are under treaty agreements among various nations, including Ethiopia, Egypt, Sudan, and so forth. And therefore, any disturbance of this water line, could cause, when orchestrated with the aid of Garang, who is a U.S. agent, primarily—could cause the collapse of Egypt: Because, if you shut off the water to Egypt, Egypt will collapse and go into a crisis, and you'll have general crisis in the region.

We understand what the problem is. The crisis there, in the so-called Darfur region, is orchestrated largely from the outside. There are problems in Sudan, as in many other countries, mostly induced by outside interference. The problem is inherently soluble, and should be solved. But, the question is, there is no honorable force ready to deploy, to assist Sudan in dealing with this problem, which must be dealt with, admittedly, as humanitarian.

But, all of Africa, all of Sub-Saharan Africa in particular, is subject to a process of destruction, which dates from the 1970s, on behalf of the British, the United States—the utopian side—and certain forces in Israel, which have been playing this game for a long time.

And therefore, we have a difficulty in doing anything practically. Because, to do something about the Darfur situation, you have to be able to deliver force to it, by people who are not going to make the mess *worse* than it already is. And you also have to get the truth, of the nature of the problem there, which is complex, out. The whole thing, now, as represented in the press is a fraud. There is a very serious problem there—quite different than is represented.

We should do something about it. We are active. We are poised to do something about it, in the first moment that we, or people associated with us, might have the opportunity to act.

Pakistan Questions U.S.-Proposed Sanctions vs. Sudan

Pakistan's UN Ambassador, Munir Akram, questioned whether sanctions against Sudan's oil industry would be credible, according to Voice of America Sept. 15. "And if the threat is held out by the Security Council, and Sudan says we will not cooperate any more under threat, you will have a lot of people dying in Sudan [because of the sanctions, as in Iraq], and what will the international community do after that? Will it send in a force of 50,000 people? Is it capable of doing it? It's not. So let's not hold out empty threats or threats that could cause lots of people to die."

Sudan Disputes WHO Report on Rising Darfur Death Rates

WHO reports that between 6,000 and 10,000 people are currently dying each month from disease and violence in Darfur, and the rate has increased over the past three months. Diarrhea, it says, is the single biggest killer, causing nearly a quarter of all deaths. According to the survey, "The population, especially in the West and possibly in the North, is dying at between five and ten times the rate that is normal for people in Sudan." The WHO survey was done by WHO and Sudanese epidemiologists of more than 3,100 households between June 15 and Aug. 15.

David Nabarro of WHO told Reuters Sept. 14, that between a third and a half of those surveyed in the refugee camps said they had no latrines, and about a quarter said they had no access to safe drinking water.

The rate is much lower than the worst-case scenario published by the U.S. Agency for International Development, which foresaw 300,000 deaths over nine months, and 36,000 in August alone.

Sudanese Humanitarian Affairs Minister Ibrahim Hamid, speaking to reporters Sept. 14, disagreed with the WHO figures. "I don't think this assessment is correct," he said, adding, "The death rate is decreasing."

Sudan Rebuts Powell's Claim of Genocide in Darfur

In a statement issued Sept. 13, Sudan's Ministry of Foreign Affairs rebutted Colin Powell's claim that the government of Sudan was guilty of genocide in Darfur. The strongest points in the statement are these:

1. The Convention on the Prevention and Punishment of the Crime of Genocide (1948), which defines what genocide is, was an international document. Therefore, the U.S. has no authority to unilaterally determine a case of genocide.
2. The African heads of state and government unanimously agreed at their recent summit that concepts of genocide and ethnic cleansing are not applicable in Darfur. Also, teams of the United Nations, Office of the UN High Commissioner for Human Rights, European Union, Organization of Islamic Conference, and of various NGOs [including the International Committee of the Red Cross and Doctors Without Borders] have not found genocide in Darfur. Neither did the report of Kofi Annan's Special Representative to Sudan, Jan Pronk.
3. It is amazing to hear such a claim from Colin Powell, in light of the genocide of Hiroshima and Nagasaki [118,000 dead, many injured; very many dead in the earlier firebombing of Japanese cities; in Germany, between 250,000 and a half-million dead in Dresden firebombing alone], as well as the current mass killing of thousands of civilians in Iraq and Afghanistan.
4. Sudan has opened its doors and received international observers, thousands of representatives of NGOs, UN agencies, international media, and human rights activists [many of whom have had freedom to roam—see, for example, the *New Yorker*, Sept. 13]. But can the U.S. open the doors of Abu Ghraib prison for inspectors and human rights activists?
5. Powell's claim has the same merit as the earlier claim of WMD in Iraq.

African Union Not Convinced by Powell's Genocide Claim

Sam Ibok, director of the African Union's (AU) Peace and Security Council, told the UN's IRIN news service, "We cannot call it genocide at this point in time because we have not fully investigated it. For now, we are preoccupied with saving lives."

Apparently unimpressed by the results of a survey the State Department farmed out to an advocacy organization, Ibok said Powell's assertion of genocide "should be backed up. If it is not, the Sudanese government will not take anybody seriously." Ibok continued, "After designating it a genocide, what next? What is the U.S. going to do?... People keep talking about increasing the size of the AU presence, but the money is just not there, people just keep talking about it." Sudan has said it welcomes an increase in the size of the observer force.

It remains to be seen whether the AU can accept financing and logistical support from the Cheney-Bush Administration and maintain its freedom of action.

Genocide Claim Against Sudan Has Intended Effect

The two Darfur insurrectionary movements walked out of peace talks with Khartoum sponsored by the African Union in

Abuja, Nigeria, Sept. 15. "The attitude of Colin Powell and America generally was the main cause of the stalemate," Sudanese envoy Majzoub al-Khalifa Ahmad told AP Sept. 15. "It sent a wrong message to the rebels, and that resulted in their hardening their position," he said.

Writing in the Independent (UK) Sept. 16, Meera Selva noted, "The rebels are keen for the international community to intervene directly in Darfur, and believe that sanctions are more likely to be imposed if peace talks fail repeatedly. They have refused to disarm unless the Janjaweed are disarmed first."

So what has happened? The International Crisis Group trashed the African Union talks the day they began Aug. 23, by preempting them with its own tilt on what should happen in Sudan. The *Washington Post* did the same with its Aug. 23 op-ed calling for the overthrow of Sudan's government, one of the parties. Then on Sept. 9, Colin Powell told the Senate Foreign Relations Committee that the Sudanese government was guilty of genocide. The Abuja talks deadlocked the next day, and broke up Sept. 15.

Arrests in South Africa Linked to Nuclear Proliferation

Arrests in South Africa, for illegally supplying uranium enrichment equipment, were in the context of an international investigation of the Abdul Qadeer Khan network, according to a statement Sept. 7 by South Africa's Council for the Non-Proliferation of Nuclear Weapons. Khan was the leading figure in Pakistan's nuclear weapons program, who was accused of supplying components to produce nuclear weapons to Libya, Iran, and North Korea. The investigation includes the IAEA, German authorities, and those of 19 other countries.

Engineer Johan Meyer, director of Tradefin Engineering of Vanderbijlpark, South Africa, was arrested Sept. 2 for contravening the Non-Proliferation of Nuclear Weapons and Nuclear Energy acts. Two others, Gerhard Wisser and Daniel Geiges, described as Randburg businessmen and directors of Krisch Engineering of Strydompark, were arrested Sept. 8 on the same charges. Wisser, a German, after being arrested in Germany in August for alleged complicity in treason, in connection with the same activities, had been released there on bail.

"Essential components in the process to enrich uranium" have been confiscated, including centrifuges, according to Abdul Minty, the Non-Proliferation Council's chairman. Enriched uranium is also used in peaceful technologies, but it is an offense in South Africa to send enrichment technology abroad without a permit.

Charges against Meyer were withdrawn Sept. 8, and he has disappeared, apparently into a witness protection program. "Meyer is believed to be providing law enforcement agents with details of at least 15 businessmen and businesses allegedly involved in the sale and manufacturing of nuclear equipment for rogue nations such as Libya, Iran, and North Korea," according to the *Saturday Argus* Sept. 11.

The IAEA board was briefed on the arrests at its Vienna meeting Sept. 13.

Likud Party Delegation in South Africa

A Likud Party delegation was in South Africa for talks with President Mbeki Sept. 7 on Middle East Peace. An eight-member delegation, led by Israeli Deputy Trade and Industry Minister David Ratzon, held the first-ever talks between the South African government and the Likud Party, AFP reported Sept. 7. Talks continued over Sept. 7 and 8.

South Africa under President Mbeki has defended the sovereign rights of Palestine. This year it supported the Palestinian case challenging the legality of Israel's apartheid wall before the International Court of Justice.

This Week in History

'Treason of the Darkest Dye'

On Sept. 21, 1780, General Benedict Arnold, the Commander of the Continental Army garrison at West Point, traveled down the Hudson River to a secret meeting with British Major John Andre. Andre served as Adjutant General to Sir Henry Clinton, who commanded the British troops at New York City. The meeting lasted almost until dawn, and when it ended, the two had settled the final details of how Arnold would put up only token resistance to a surprise British attack, and would then surrender the strategically crucial Hudson River post to His Majesty's troops. It was a goal the British had failed to reach in 1778, when General John Burgoyne moved south from Canada, but was stopped short and his entire army captured at Saratoga. British control of the Hudson would have separated the five New England colonies from the other eight, leading to an almost impossible situation for the Continental Army.

How had Benedict Arnold, up until this time a hero of the American Revolution, come to this pass? Several American generals, such as John Sullivan, Daniel Morgan, Philip Schuyler, and Israel Putnam, had been sounded out by the British as to whether gold could induce them to change sides, and they had all indignantly refused. But Arnold himself had initiated contact with the British, despite his brave service in capturing Fort Ticonderoga, his winter march from Maine to Quebec where he was badly wounded, and his spectacular charges against the British at Saratoga, where he was again injured.

After Saratoga, Arnold joined Washington at Valley Forge, but he was still smarting from the fact that Congress had promoted five brigadier generals ahead of him, when all five were junior to him in service. After his brilliant victory at Danbury, Connecticut, Arnold had been promoted to Major General by Congress, but his seniority was not restored. General Washington, who greatly admired Arnold's military ability, twice persuaded him not to resign from the Army in a pique over his offended dignity. When the British ended their occupation of Philadelphia in the spring, Washington appointed Arnold as the military governor of Philadelphia, hoping that he would recuperate from his injuries and then rejoin the Army in a leading position.

But the British occupation of Philadelphia had created an atmosphere which Arnold, filled with resentment against his treatment by Congress, was not able to handle. While the Continental Army froze and starved at Valley Forge, the British officer corps indulged in a constant round of parties, plays, dances, gambling, and social events with Philadelphia's wealthy Tories. Some officers were even invited to live in the Tory houses, while others commandeered the houses of patriots. Captain John Andre, who often dealt with intelligence matters, occupied the home of Benjamin Franklin, who later discovered that his portrait painted by Benjamin West was missing, as well as some of his books and a printing press.

Life for the less well-off citizens of Philadelphia began to be singularly unpleasant. Ten thousand British troops were billeted in the city, plus the officers and camp followers. As a result, prices skyrocketed, shortages developed, and the filth and garbage mounted. Independence Hall was converted into a prison for American officers and a barracks for the British troops. The sanitation became so bad that the barracks commander had to issue an order in February of 1778 which stated that "some of the men have been so Beastly as to ease themselves on the Stairs and Lower area of the House between Doors." The sentries were ordered to confine "any man who shall presume to make use of any other place whatever than the Privy for his Necessary Occasions."

When British General William Howe, who was in charge of the occupation, was about to return to London, Captain Andre designed and coordinated a lavish farewell entertainment called the *Mischianza*, an Italian term for an extravagant medley of medieval tournament jousting followed by music, dancing and a banquet. The lady whose colors Andre wore in the jousting tournament was Peggy Shippen, the socially prominent daughter of a merchant with Tory leanings. At midnight, the lavish banquet, served by 24 black servants in Oriental costumes, featured a total of 1,200 dishes. The degeneracy of

the affair even disturbed some of the British. The *London Chronicle* criticized it as "nauseous" and proof that General Howe preferred "the pleasure of indolence to a discharge of his duty to the country." Admiral Howe's private secretary wrote that "Every man of Sense, among ourselves, tho's not unwilling to pay a due respect, was ashamed of the way of doing it."

As soon as the British left, Benedict Arnold entered the city as its military governor, and was soon enjoying the hospitality of the Tories just as General Howe had done. He was desperate for money, since his accounts had not yet been reimbursed by Congress, and borrowed from anyone he could. He engaged in several questionable transactions regarding trade, and soon aroused the suspicion and enmity of many of the patriot members of the Pennsylvania Government.

Having recently become a widower, Arnold began to court Peggy Shippen, although he was more than twice her age. Peggy was used to luxuries, and Arnold spent freely to impress her. Soon, he and Peggy were corresponding with Peggy's former jousting champion, John Andre, who served as a go-between to Sir Henry Clinton in New York. Arnold offered to join the British cause and demanded a large sum of money, but Clinton replied that what he had to offer in his present situation was not worth the price.

For over a year, Arnold corresponded with Andre while trying to convince Clinton of his worth. Finally, General Washington offered Arnold the command of the left wing of the Continental Army, but Arnold convinced him that his leg was still unhealed, and that a quiet post like West Point would better suit his diminished abilities. Washington unwillingly granted him the post, and Arnold arrived at West Point in early August. Now, he controlled something of the highest value to Henry Clinton.

After Arnold and Andre met on Sept. 21, Arnold gave Andre a safe conduct pass so that he, in civilian garb, could make it back to the British lines. As he entered Tarrytown, which was located in what was called "the neutral ground" between the two lines, Andre was stopped by three American irregulars. Seeing one in a British Army coat, he thought he had reached safety and blurted out that he was a British officer. When he realized his mistake, he changed his story and showed Arnold's pass, but his captors were suspicious and took him to an American post.

The papers found in his boot were extremely incriminating—a map of the West Point fortifications, a report by an American engineer on how to defend the post, and a copy of the minutes of Washington's last staff meeting. The papers were sent to Washington, who was travelling back to West Point from meeting with his French allies at Hartford. But a report was also sent to Arnold at West Point, for Andre's captors did not realize how Andre had obtained the maps. Expecting Washington to arrive any minute, Arnold threw himself onto his barge and had his crew row him down the Hudson to the British ship "Vulture," pretending he was going on a diplomatic mission. When safe on the British ship, he offered promotions in the British Army to his soldiers, but his coxswain, James Larvey, replied, "No, Sir. One coat is enough for me to wear at a time." Arnold then turned on his faithful crew and arrested them as prisoners of war.

When Washington learned of Arnold's treachery he sent Alexander Hamilton down the Hudson to cut him off, but it was too late. Fearing that the British would immediately attack, because now that they had Arnold they had no need of the maps, Washington put West Point on alert, placed Major Andre under heavy guard (he admitted he would have led one of the attacking parties), and sent messages to Nathanael Greene and Anthony Wayne to rush reinforcements up the Hudson. A court martial was convened on Sept. 29, and Major Andre was found guilty of acting as a spy. He was executed on Oct. 2 at Washington's headquarters at Tappan, New York.

Benedict Arnold reached New York City safely and received six thousand pounds and a provisional generalship in the British Army. But many younger British officers refused to serve under him, and the older officers avoided him. His treachery goaded him to excesses, as he led his troops in plundering and burning towns in Virginia and his native state of Connecticut. Finally, he settled in London after the American victory at Yorktown but before Britain had agreed to a peace.

Ironically, King George III, who was still desperate to exert his authority over both Parliament and his lost American colonies, consulted Arnold about how the war could still be won. But Arnold's relation to the king was short-lived, for he had to be very careful not to become a double traitor. Sentiment in Britain had turned against the war, especially against its high cost, and the House of Commons had passed a resolution stating that anyone who opposed making peace with America was a traitor to Great Britain!

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