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## From the Editor

A source with access to the White House in Washington, D.C. told *EIR* this week that President Bush has reacted to increasing rancor within his troubled Administration by telling his staff that he doesn't want to hear about any disputes, and then increasing his exercise routine to three hours a day! Clearly, the President is determined that reality not be allowed to interfere with the fascist policies which his Administration is carrying out, and that are creating disasters at home and abroad. Not surprisingly, the State of the Union address reflected this approach as well.

Unfortunately, the Democratic response provided no truthful alternative, either in reporting the current situation, or ameliorative policy directions.

Thus it falls to us at *EIR* to address the topics which should have been taken up by both.

On the one side, we have in-depth coverage of the ongoing Hitlerian drive on foreign and domestic policy. As Lyndon LaRouche has stressed, the key to comprehending the current strategic situation is a knowledge of history, something which has virtually been written out of the generation now in charge of running the world's governments today. Thus our review of the Sykes-Picot Treaty of 1916, whereby Britain and France manipulated the Arabs (and Jews) in order to meet their imperial objectives in what they called the Middle East, is an absolutely unique, and crucial, contribution to getting all sides in the current Southwest Asia conflict to stop, and reflect.

Similarly with the continuation of our coverage of Hitler's "Crown Jurist" Carl Schmitt, which you will find in our National section.

But we at *EIR* are never ones to leave our readers without a concept of a solution to the crises we describe. This week, we are privileged to have an exclusive story on the promise of the South African program in nuclear energy. You can feel the optimism of those running this program on the world's most exploited continent, the kind of enthusiasm which used to characterize the United States in the days of JFK, or FDR. We print this story at some length, with the conviction that it *can* happen here again.



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*British Prime Minister Tony Blair, speaking for the British Empire, is taking the lead in pursuing the new confrontation with Iran. Here Blair speaks with Bush at a NATO summit in Istanbul, Turkey in June 2004.*



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## Iran Showdown Is The Fuse For A Global Monetary Bomb

by Jeffrey Steinberg

In a pointed warning to those pushing a near-term military confrontation with Iran, Lyndon LaRouche declared, on Feb. 3: “An Iran confrontation or even a more limited military strike against Syria, would be merely a fuse. The bomb, that would be detonated by any such action, is the blowout of the entire global financial and monetary system.”

LaRouche further warned that, while leading provocateurs for such confrontation inside the Bush Administration, led by Vice President Dick Cheney, are wholly ignorant of the “monetary bomb” that they are dangerously close to detonating, “no such naïveté is to be found among the London-centered Synarchist circles who are orchestrating this showdown.” “The same City of London-centered Synarchists who are promoting a one-world fascist ‘post-Westphalia’ bankers’ dictatorship,” LaRouche added, “have been pulling the strings of certain radical Islamists since the time of the Sykes-Picot Treaty and the 1920s British Intelligence sponsorship of the Muslim Brotherhood.

“We are staring at a confrontation,” LaRouche warned, “more hideous than World War I, because the global financial and monetary system is already on the verge of vaporization, and any new military confrontation in the world’s oil patch, particularly one involving the possible pre-emptive use of nuclear weapons, will trigger global war, chaos, and the unleashing of a full-scale new dark age. The fools in Washington, typified by Vice President Cheney, have no idea what they are detonating. They just blindly follow the orders of Synarchists like George Shultz.

“Nevertheless,” LaRouche concluded, “the actions of Cheney and company, who are pushing a military showdown with Iran in the immediate weeks ahead, threaten to destroy the United States as a sovereign Republic, just as their recent antics to install Samuel Alito on the United States Supreme Court represented a large step towards ripping up the U.S.

Constitution as a living document. Such actions border on treason.”

LaRouche emphasized that London financial circles are operating off a long-standing “Venetian *modus operandi*” of orchestrated conflict. “In the history of the British Empire, which was launched with the orchestration of the Seven Years’ War (1756-1763),” he explained, “London has persistently employed the Venetian method of orchestrating wars across Eurasia, as a means of maintaining the British Empire against challenges from continental rivals.

“Study the history,” LaRouche said, “and you see the recurring pattern: The Seven Years’ War, the British East India Company-orchestrated French Revolution, the Napoleonic Wars, the Crimean War, the British-manipulated U.S. Civil War, the British-backed French invasion of Mexico, then World War I and World War II, the Winston Churchill-orchestrated Cold War, the Indochina War. The British start wars in which they induce two parties to fight it out.”

“Sometimes, as in World War I and II, the British participate, and suffer heavy casualties, too; but, that is the price they pay for manipulating their rivals and others alike into the waves of ruinous conflict in which the London-centered imperialist financier faction comes out on top, sooner or later. Right now, in the matter of Iran, Jack Straw and other British are playing the present government of Iran, the U.S. institutions, even many in the Democratic party, and others, for fools, once again.”

“At present,” LaRouche continued, “the City of London-centered financier circles know that if the present global financial and monetary system collapses, as the result of a new Persian Gulf-centered confrontation, the financier crowd, through their offshore hedge fund operations, which hold nominal ownership over much of the planet’s raw material wealth, will seize control over the world. Under the present system of laws, these London circles will claim ownership

over the raw material and productive capacities of the planet, and we will have total globalization, global Synarchist dictatorship.”

## British Orchestration

On Saturday, Feb. 4, the 35-member board of the International Atomic Energy Agency (IAEA) voted 27-3, with five abstentions, to report Iran’s nuclear program to the United Nations Security Council. The action came after last-ditch efforts by the Non-Aligned Movement to stall the vote were stymied by a compromise, orchestrated by the British government. Within moments, the Iranian government announced that all diplomatic negotiations were closed, and that Iran would resume all aspects of its nuclear reprocessing program, which had been stalled during two years of negotiations, and had been partially resumed on Jan. 10, 2006, thus offering the pretext for the current showdown.

The Iranian government had further helped fuel the British-orchestrated showdown by repudiating its support for a compromise solution put forward by the Russian government, through which Russia and Iran would jointly provide enriched material for Iran’s nuclear power plants on Russian soil, thus providing assurances that Iran would not be able to develop its own weapons-grade material for building a nuclear bomb. After Iranian Supreme National Security Council Secretary General Ali Larijani had visited Moscow in late January 2006, and signalled his support for the Russian offer, that support was abruptly rescinded once Larijani returned to Tehran. And to make matters worse, Iran intervened in a dispute between Russia and Georgia over oil and gas supplies, by announcing, on the eve of the meetings of the five Security Council permanent members, that they would guarantee Georgia’s energy supplies. Russian President Vladimir Putin read the Iranian action as a slap in the face to Moscow, and as a clear signal that Iran was not prepared to reach a deal on the nuclear enrichment and reprocessing protocol.

These actions by the Khamenei-Ahmadinejad leadership in Tehran merely served to demonstrate that they are nothing but half-witted pawns in the greater British game—like the Shultz-steered Cheney crowd in Washington.

The clock is now ticking towards a March 6 IAEA session, at which Dr. Mohammed ElBaradei will deliver his report on Iran’s nuclear program. But the Feb. 4 vote virtually assures that, regardless of the content of the IAEA report, Iran will be referred to the Security Council for action, including sanctions or even military strikes.

To fully comprehend the events now unfolding and to appreciate the Venetian intrigues being orchestrated out of London, through the Blair government, one needs to have a grasp of history. Although in the past, the British Foreign Office’s infamous Arab Bureau pulled the strings of Islamic potentates and radicals, through the hands-on presence of British “advisors” and proconsuls, much of today’s orchestrated “crisis” has been managed through in-depth psychological profiling of key players and institutions on both sides of

the looming confrontation.

According to numerous media accounts, the confrontation over Iran’s nuclear program was locked in on Jan. 31, at a private ministerial dinner in London at the home of British Foreign Secretary Jack Straw. Straw proposed to his counterparts from the United States, France, Russia, and China—the five permanent members, along with Great Britain, of the United Nations Security Council—that the Iranians be immediately referred to the Council for action “backing up the IAEA.”

Public accounts of the private dinner are sparse, but it is clear that Straw put the sanctions issue on the table, and then mediated between the “extremes” presented by Washington, on the one side, and Russia and China, on the other. According to news accounts, U.S. Secretary Condoleezza Rice pressed for an immediate Security Council referral and sanctions, while Russia and China insisted that the IAEA process be allowed to play out through March, while continued negotiations between Russia and Iran, with backup from Beijing, sought to head off a Security Council showdown.

Rice had gotten her cue from longtime mentor and leading Synarchist figure George Shultz. Shultz and R. James Woolsey, former CIA Director and leading neo-conservative, are now co-chairs of the Committee on the Present Danger, a notorious Cold War-era Anglo-American imperial front group, which issued a Jan. 23, 2006 white paper, demanding regime change in Tehran, and emergency action to shut down Iran’s nuclear program. Beyond the demand for immediate UN and American sanctions, the paper also demanded: an embargo of petroleum products to Iran; the convening of an international tribunal, to prosecute Iran’s Grand Ayatollah Khamenei and President Ahmadinejad; and an aggressive campaign of covert and overt aid to anti-regime “dissidents” inside Iran.

## Keep Your Eyes on London

The recent Iranian elections, in which Ahmadinejad won a majority of the estimated 25% of the Iranian eligible voters who turned out, set the Iranians on a confrontation course perfectly in sync with Britain’s global game. Sources familiar with the ongoing internal power struggle in Tehran report that the Revolutionary Guard and militia circles behind Ahmadinejad, are out to provoke what they presume will be a “limited” military strike against the Islamic Republic, a strike that will enable them to consolidate power.

The essentials of the Washington/Tehran showdown were fully set as early as August 2005. At that time, LaRouche exposed Dick Cheney’s “Guns of August,” which were already aimed for a pre-emptive strike against Iran’s purported nuclear weapons program. But the U.S. military institutions then intervened to leak details of the Administration’s plans for a Strategic Command aerial attack on Iran, with a possible use of nuclear weapons, to knock out “hardened” targets. LaRouche’s intervention at the time prevented such an attack while the U.S. Congress was in recess.

# Shades of Sykes-Picot Accord Are Cast Over Southwest Asia

by Muriel Mirak-Weissbach

Why should French President Jacques Chirac launch a crusade for regime change in Syria, after having successfully guided an international campaign to expel Syrian troops from Lebanon, and to reorganize the political landscape in Beirut? Is it due to his grief over the February 2005 killing of former Lebanese Prime Minister Rafiq Hariri, who was his close associate for years? Is it because he believes Damascus was involved in the murder, and therefore should be punished?

Why, then, should the French head of state also threaten Iran? On Jan. 19, Chirac announced that France would deploy nuclear weapons against “terrorist” states, and anyone with the intent to attack France. Chirac’s outrageous declaration was read, correctly, as an endorsement of the Cheney doctrine of pre-emptive nuclear warfare, and a direct threat to the Islamic Republic of Iran.

Previously, it had been British Prime Minister Tony Blair who had taken the lead in escalating tensions, both against Syria and particularly around the issue of Iran’s nuclear program. The British have been in the forefront of efforts to haul Iran in front of the United Nations Security Council, as preparations for a military strike. Now, France has joined in.

Why?

Lyndon LaRouche, referring on Jan. 6 to “new developments around the accelerated attacks on Syria,” put out the following assessment: “The shattering calamities hitting the U.S. Bush-Cheney Administration, have brought the role of the United Kingdom’s Blair government more prominently into focus. Shades of Sykes-Picot, the British Foreign Office, flanked by France, have assumed a controlling role in the regional developments of the Southwest Asia region.”

LaRouche elaborated: “Under these shifts in the overall strategic situation, we must take into account the core-controversy which erupted within Europe as a whole, as Britain’s Thatcher and France’s Mitterrand moved in 1990 to attempt to crush Germany, leading into the so-called Maastricht agreements and the present crushing of the economy of Germany under the Euro single-currency system. The recent trend toward increasing Russian cooperation with Germany, around natural-gas marketing, and the weakening of the U.S.A. influence globally by the growing disgrace of the Bush-Cheney government, see London now working to usurp control over Southwest Asia and related developments, more

than slightly away from the U.S. Cheney Administration, bringing old patterns of conflicts left over from early Twentieth-Century Europe into the fore again.”

There is, indeed, no way to understand the implications of the “new direction” in French foreign policy, since 2002-03, without casting it against the historical backdrop of the infamous deals that colonialist France made in the early part of the 20th Century, with colonialist Britain, to conquer and divide large parts of the Middle East. The Sykes-Picot Agreement of 1916 was a secret deal signed by the British and the French, which redrew the map of the Middle East, assigning areas of direct control, as well as spheres of influence, to each of the two colonial powers.

The modern-day Sykes-Picot was outlined in the infamous 1996 “Clean Break” doctrine,<sup>1</sup> drafted by a task force under Dick Cheney, adopted by then-Israeli Prime Minister Benjamin Netanyahu, and implemented beginning with the 2003 war against Iraq. That plan calls for regime change (through war and/or coups) in Iraq, Syria, Lebanon, and Iran.

France, in 1991, went along with Operation Desert Storm, but got nothing in return. In 2002-03, France put up a show of opposition to the Anglo-American war plans, and stayed out of the war. Now, the United States and Britain are sitting on top of vast oil reserves in occupied Iraq, and France is sitting there, empty-handed. The old imperial impulse thus has emerged, saying, “Paris wants a piece of the pie.”

## Britain’s Geopolitical War

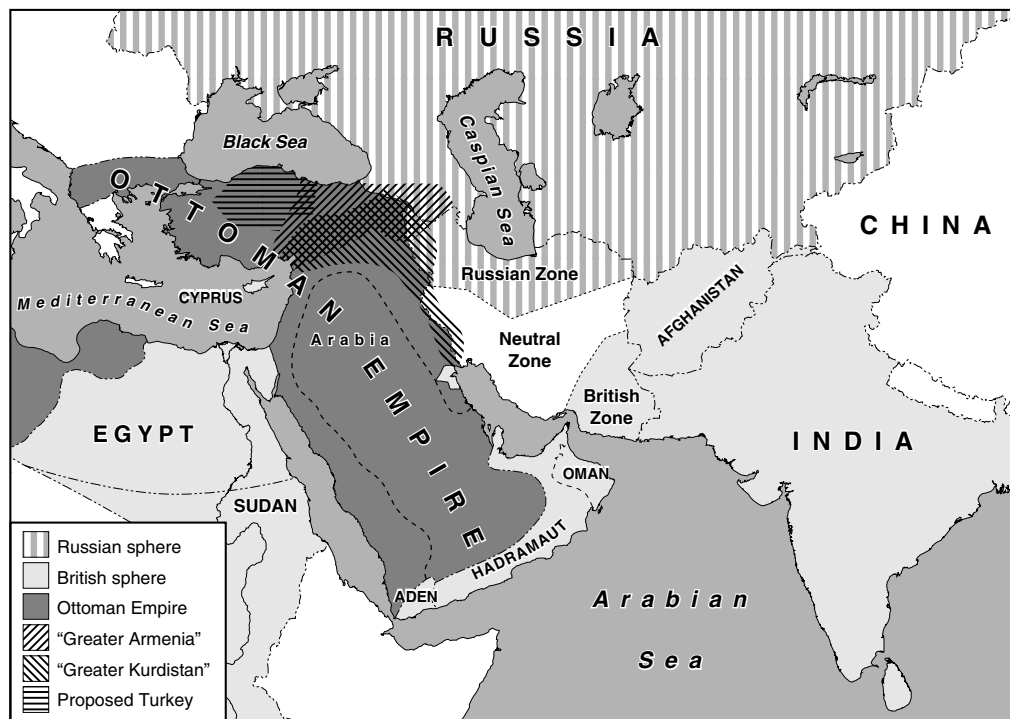
World War I was Britain’s geopolitical war, orchestrated by the Prince of Wales (later King Edward VII), to break up the cooperation between the economic powerhouse Germany, and Russia. It was the threat to British imperial control represented by Bismarck’s Germany, Russia under Alexander II, and other nations which were beginning to adopt the American System of economic development, that led the British to war, in an attempt to preserve the hegemony of their oligarchical financial system, and the empire which rested on it. Emblematic of the threat as perceived by Britain, was the Berlin-Baghdad railway project.

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1. “A Clean Break: A New Strategy for Securing the Realm,” issued in 1996 by the Institute for Advanced Strategic and Political Studies in Jerusalem.

FIGURE 1

## Self-Contradictory British Schemes for Breaking Up the Ottoman Empire



EIRNS/John Sigerson

*The British strategy for destroying the Ottoman Empire, included organizing Arab forces to fight an "autonomous" revolt against the Turks, and then redrawing the map so as to secure British imperial control. The French were in on the plan—but they had their own, conflicting, interests.*

In the process, Britain planned to break up the Ottoman Empire, which had moved into the German orbit, and set up puppet regimes under Arab monarchs, in the context of an overall reorganization of Southwest Asia into colonial spheres of influence. France was to be a partner to this scheme, although, as often is the case in agreements among rival imperial forces, each tried to cheat the other.

France had a certain experience in inter-imperialist rivalries with Great Britain, especially in Africa. There it had its own sphere of influence to protect and, if possible, expand. From the 17th Century, France had used commercial interests as a tool to establish a foothold in northern Africa. In the course of the 19th Century, France established a presence in Algeria, and in 1881, occupied Tunis. In 1882, England took Egypt (the domain of Napoleon a century earlier); in 1897, Lord Kitchener defeated the Sudanese national movement under the Mahdi. England ruled Egypt, and through it, Sudan. Britain put an end to French expansionism at Fashoda in 1898. A further deal between the two rivals in 1904, gave England a free hand in Egypt, in exchange for a French zone of influence in Morocco.

On the eve of World War I, Eurasia was dominated by the imperial powers, whereby Russia had acquired what is today Central Asia (Kazakhstan, Turkistan, the Khanates of Khiva, Bukhara, Tashkent, Merv, Samarkand) and counted half of Persia as in its sphere of influence. Britain held

another chunk of Persia, as a result of the 1907 Anglo-Russian agreement, and also controlled Arab sheikhdoms in the Persian Gulf. It administered Egypt, Cyprus, and Aden on the Red Sea, and had Afghanistan in its sphere of influence.

The rest (except for the Arabian desert) was part of the Ottoman Empire, whose Sultan ruled over diverse ethnic populations, including Slavs, Arabs, Greeks, Armenians, and Jews. Among the imperial powers, Orthodox Russia claimed the right to protect the Orthodox peoples, who were in the Balkans and in the Middle East, while the French were the protectors of the Catholics, including the Maronite Christians in the Syrian provinces.

Following the Balkan wars of 1912-13, general war broke out, pitting the Entente of France, Russia, and Britain against Germany, the Ottoman Empire (then under the rule of the Young Turkey party), and the Austro-Hungarian Empire.

### Plans for Post-War Arabia

The basic British war plan, notwithstanding bickering over details among the elite that ran the conflict, was straightforward: Organize Arab forces to mount what would be presented as an autonomous revolt against the Ottoman oppressors, smash the Ottoman Empire into smithereens, and redraw the map, with brand-new Arab "states," ruled by British puppets (**Figure 1**). The French, who endorsed the plan, would

have their own marionettes in their designated spheres of influence.

The mastermind of the operation was Field Marshal Horatio Herbert Kitchener, the butcher of Sudan (honored as Earl Kitchener of Khartoum), who served as the Proconsul in Egypt. In August 1914, he became Minister of War. Egypt at the time was a British protectorate, which ceased being under the Ottoman Caliphate in 1914.

Kitchener's choice for Arab leadership was the scion of the Hashemite dynasty, Hussein ibn Ali, ruler of Mecca. Hussein, known as the "Emir of Mecca," and "Sherif of Mecca," ruled the Hejaz (what is today northwest Saudi Arabia, on the Gulf of Aqaba and Red Sea) under the Ottoman Sultan. However, after the seizure of power by the Young Turks in 1908, Hussein feared this new power would infringe on his domain. Two of his sons, Abdallah and Feisal, both members of the Ottoman parliament, also feared the Young Turkish government would depose their father. Therefore, their openness to the British advances.

It was Gilbert Clayton who first proposed to Kitchener that the family of the Sherif of Mecca be approached. Clayton was the Cairo agent of Sir Henry McMahon, who had replaced Kitchener as Proconsul for Egypt. Clayton was in contact with various Arab exile groups and secret societies in Cairo, who intimated that other Arab leaders would be ready to rebel against the Sultan, if there were a viable leader.

In a Sept. 6, 1914 memo to Kitchener, Clayton made the suggestion that Abdallah, one of Hussein's sons, be considered the British candidate. Abdallah had met with Kitchener in 1912 or 1913, and again in 1914, as well as with Ronald Storrs, who was Kitchener's Oriental Secretary in Cairo. Clayton said that he thought that other Arab leaders would support this choice. Kitchener wanted to know what position the Arab leader would have if there were war, so he laid out in a telegram to Storrs, what he should say to Abdallah:

"If the Arab nation assist England in this war that has been forced upon us by Turkey, England will guarantee that no internal intervention take place in Arabia, and will give Arabs every assistance against foreign aggression."

This was followed up by another dispatch issued by the Cairo office, to the effect that the Arabs of "Palestine, Syria, and Mesopotamia" would be given independence guaranteed by Britain, if they rose up against the Ottoman Empire.

The overall idea embraced by Kitchener and his group, was that the Arabs should be encouraged to rebel against the Ottomans, and in exchange get "independence"—which meant different things to different people. To the Arabs in question, it meant actual independence; to the British making the promises, it meant something more like local autonomy as a British protectorate, or even under direct British rule. For Storrs, for example, the idea would be to build what he called the Egyptian Empire, with the Sherif of Mecca as Caliph,



Clipart.com

*Lord Kitchener was the mastermind of the British plan to break up the Ottoman Empire. He hand-picked Arabs to lead a "revolt" against the Ottomans, under British tutelage.*

flanked by an Egyptian King, who, however, would rule under the control of Kitchener.

Hussein made clear that what he demanded was sovereignty over a vast Arab kingdom, which would be truly independent. After having sounded out the views of Arab secret societies in Damascus and elsewhere, through his son Feisal, Hussein learned that they would follow him in a revolt against Turkey, *if* he had the guarantee that the British would back Arab independence.

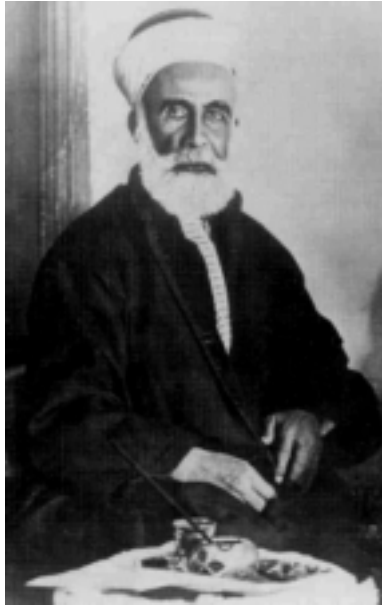
Hussein drafted a letter to the British High Commissioner dated July 4, 1915, in which he outlined his demands. In it he incorporated demands formulated in the so-called Damascus Protocol, a document drawn up by the Arab forces in Syria:

In exchange for his cooperation which should lead to the control of the entire Arabian peninsula, Mesopotamia, Syria, Palestine and part of Cilicia, the Sherif Hussein formulates the following demands:

1. The independence of the Arabs, limited in a territory including in the north, Mersina Adana and limited by the 37th parallel up to the Persian border: the eastern border should be the Persian border up to the Gulf of Basra; in the south, the territory should border on the Indian Ocean, leaving aside Aden; in the west, it should be limited by the Red Sea and the Mediterranean up to Mersina.

2. Great Britain should recognize the establishment of an Arab Caliphate and the abolition of the capitulations. In exchange, the Sherif declares his readiness to grant preference in all economic enterprises of the Arab countries to Great Britain, all else considered equal.

2. A defensive military alliance should be concluded. In the event that one party may undertake an



*King Abdul-Aziz ibn Saud (left), a Wahhabite, was the factional rival of Hussein ibn Ali (right), the Sunni ruler of the Hejaz (what is now Saudi Arabia). The British India Office wanted to promote Abdul-Aziz, whereas Lord Kitchener opted for Hussein.*

offensive war, the other party must maintain strict neutrality.

The High Commissioner in Egypt, Sir Henry McMahon, responded to Hussein's demands, in correspondence later known as the "McMahon letters." McMahon, in a note attached to a letter of Oct. 24, 1915, had the following to say:

The districts of Mersina and Alexandretta, and portions of Syria lying to the west of the districts of Damascus, Homs, Hama and Aleppo, cannot be said to be purely Arab, and must on that account be excepted from the proposed delimitation.

Subject to that modification, and without prejudice to the treaties concluded between us and certain Arab Chiefs, we accept that delimitation.

As for the regions lying within the proposed frontiers, in which Great Britain is free to act without detriment to the interests of her ally France, I am authorized to give you the following pledges on behalf of the Government of Great Britain, and to reply as follows to your note:

That subject to the above modifications stated above, Great Britain is prepared to recognize and uphold the independence of the Arabs in all the regions lying within the frontiers proposed by the Sherif of Mecca.

Great Britain guarantees the Holy Places against any external aggression and recognizes their individu-

ality. If the situation permits, Great Britain will place at the disposal of the Arabs advisors (*advice-conseils*) and will aid them in establishing the form of government which seems most appropriate for the different territories. On the other hand, it is understood that the Arabs have already decided to seek the counsels and advice of Great Britain exclusively; and that such European advisors and officials as may be needed to establish a sound system of administration, shall be British. As regards to the two Vilayets of Basra and Baghdad, the Arabs recognize that the fact of Great Britain's established position and interests there will call for the setting up of special administrative arrangements to protect those

territories from foreign aggression, to promote the welfare of their inhabitants and to safeguard our mutual interest.

Hussein got vague assurances but no explicit commitment to the independent Arab kingdom he desired.

### **Dissent in the Imperial Leadership**

Opposed to this idea of an Arab Caliph (and/or King), who would head up a British-controlled Arab empire, was the India Office of the British Empire. This department, which was responsible for Persia, Tibet, Afghanistan, and eastern Arabia, in addition to India, considered these regions, and Mesopotamia, to be its prerogative. India argued that Muslims in its sphere of influence would not accept an Arab Caliph, but preferred a Turk. If they were to favor any Arab, it would be Abdul Aziz ibn Saud, who was at factional odds with Hussein.

The idea prevalent in the India Office was that it should organize an invasion and occupation of Mesopotamia. This is the message that Viceroy to India Charles Hardinge delivered to Sykes, during the latter's fact-finding tour in 1915. Hardinge also expressed the India Office's view that any talk of "independence" for the Arabs, was absurd, since, in his view, the Arabs were incapable of self-rule.

The entity set up to coordinate policy, and to counter opposition—from India, for example—was the Arab Bureau, established in 1916. This was the brainchild of Sir Mark Sykes, a young Tory who had been elected to the House of



*Sir Mark Sykes, a Tory parliamentarian, devised the scheme for the Arab Bureau, headquartered in Cairo, to run Lord Kitchener's operations.*

Commons four years earlier, and was reputed to be an expert on affairs pertaining to the Ottoman Empire. Sykes had served directly under Kitchener, and was his primary tool. The Arab Bureau worked out of Cairo, as part of the Intelligence Department, but ultimately under Kitchener's direction. The titular head was archaeologist David G. Hogarth, an intelligence operative, who worked under Clayton. Among the members of the Arab Bureau was T.E. Lawrence, better known as "Lawrence of Arabia," who led some of the military campaigns of the "Arab leaders." The thrust of the Arab Bureau was to spread Britain's control over Arabia, from British Egypt.

### Enter Imperial France

The French were less than enthusiastic about Britain's scenarios. The French colonialist faction had its sights set on Lebanon and Syria, as "intrinsically" belonging to France. This claim was based on the historical facts of French conquests in the Crusades, as well as on the then-current status of "protection" which the French accorded the Catholic populations in the region, especially in Mount Lebanon, near the coast of Syria.

The British were opposed to granting France such wide-ranging concessions. Clayton argued, and Sykes agreed, that, if massive Arab armies were brought into the war on Britain's side, this could become a decisive factor in victory. Their idea was that this would contribute to speedy victory on the western front. Britain was faced with two imperatives: First, deploying British forces in the Middle Eastern theater would reduce their presence in the West, thus increasing the burden for France. France, therefore, had to be promised some concessions. Second, in order to recruit the desired Arab armies from Hussein's forces, concessions had to be made to the Hashemites, which might conflict with French ambitions. Thus McMahon's specifications in his correspondence, that Hussein would have to relinquish claims on "the parts of Syria located west of the districts of Damascus, Homs, Hama and

Aleppo," that is, the coastal areas of Palestine, Lebanon, and Syria, which the French claimed. Hussein still demanded Beirut and Aleppo, and reiterated his principled rejection of any French presence in Arabia.

France obviously had to be brought into the horse-trading, because of the conflicting claims. Thus the British Foreign Office invited France to send a delegate to London, to figure out what they could or could not offer Hussein. This led to the birth of the Sykes-Picot Agreement.

### Sykes-Picot Agreement 1916

François Georges Picot was the delegate sent to negotiate with the British, on Nov. 23, 1915. He came from a colonial family and represented the policy outlook of the "Syrian party" in France, which asserted that Syria and Palestine, which they considered a single country, were French property, for historical, economic, and cultural reasons. Picot's negotiating position was that France should have direct control over the coastal regions, indirect control over the rest of Syria (through a puppet), and also over the land stretching eastwards, to Mosul.

The terms of the agreement signed on May 16, 1916 (see **Figure 2**), appeared to satisfy these demands:

It is accordingly understood between the French and British governments:

That France and Great Britain are prepared to recognize and protect an independent Arab state or a confederation of Arab states (a) and (b) marked on the annexed map, under the suzerainty of an Arab chief. That in area (a) France, and in area (b) Great Britain, shall have priority of right of enterprise and local loans. That in area (a) France, and in area (b) Great Britain, shall alone supply advisers or foreign functionaries at the request of the Arab state or confederation of Arab states.

That in the blue area France, and in the red area Great Britain, shall be allowed to establish such direct or indirect administration or control as they desire and as they may think fit to arrange with the Arab state or confederation of Arab states.

That in the brown area there shall be established an international administration, the form of which is to be decided upon after consultation with Russia, and subsequently in consultation with the other allies, and the representatives of the Sherif of Mecca.

That Great Britain be accorded (1) the ports of Haifa and Acre, (2) guarantee of a given supply of water from the Tigris and Euphrates in area (a) for area (b). His majesty's government, on their part, undertake that they will at no time enter into negotiations for the cession of Cyprus to any third power without the previous consent of the French government.

That Alexandretta shall be a free port as regards the trade of the British empire, . . . ; that there shall be

freedom of transit for British goods through Alexandretta and by railway through the blue area, or (b) area, or area (a); and there shall be no discrimination, direct or indirect, against British goods on any railway or against British goods or ships at any port serving the areas mentioned.

That Haifa shall be a free port as regards the trade of France, her dominions and protectorates. . . . There shall be freedom of transit for French goods through Haifa and by the British railway through the brown area. . . .

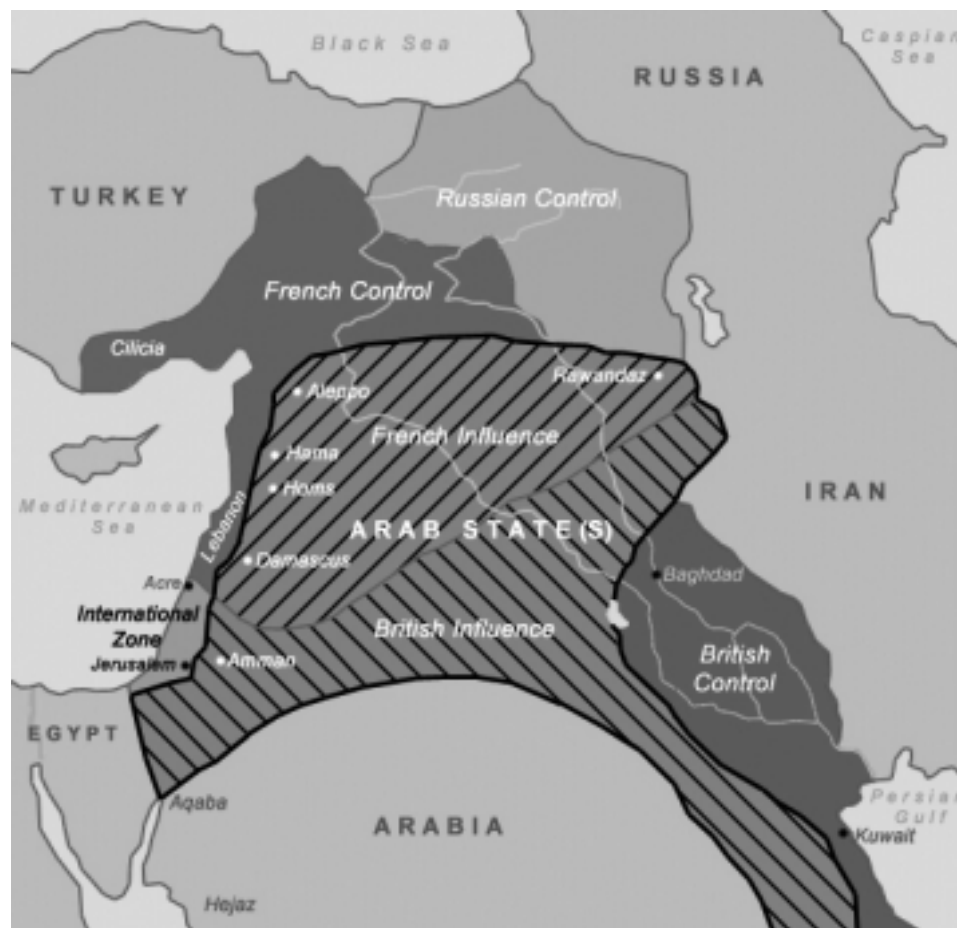
That in area (a) the Baghdad railway shall not be extended southwards beyond Mosul, and in area (b) northwards beyond Samarra, until a railway connecting Baghdad and Aleppo via the Euphrates valley has been completed, and then only with the concurrence of the two governments.

That Great Britain has the right to build, administer, and be sole owner of a railway connecting Haifa with area (b), and shall have a perpetual right to transport troops along such a line at all times. It is to be understood by both governments that this railway is to facilitate the connection of Baghdad with Haifa by rail, and it is further understood that, if the engineering difficulties and expense entailed by keeping this connecting line in the brown area only make the project unfeasible, that the French government shall be prepared to consider that the line in question may also traverse the Polgon Baniyas Keis Marib Salkhad tell Otsda Mesmie before reaching area (b). . . .

It shall be agreed that the French government will at no time enter into any negotiations for the cession of their rights and will not cede such rights in the blue area to any third power, except the Arab state or confederation of Arab states, without the previous agreement of his majesty's government, who, on their part, will give a similar undertaking to the French government regard-

FIGURE 2

## The Sykes-Picot Agreement of 1916



[www.israelipalestinianprocon.org](http://www.israelipalestinianprocon.org)

ing the red area.

The British and French government, as the protectors of the Arab state, shall agree that they will not themselves acquire and will not consent to a third power acquiring territorial possessions in the Arabian peninsula, nor consent to a third power installing a naval base either on the east coast, or on the islands, of the Red Sea. This, however, shall not prevent such adjustment of the Aden frontier as may be necessary in consequence of recent Turkish aggression.

The negotiations with the Arabs as to the boundaries of the Arab states shall be continued through the same channel as heretofore on behalf of the two powers.

It is agreed that measures to control the importation of arms into the Arab territories will be considered by the two governments.

The document ended with the notification that the Russian and Japanese governments would be informed, and that

Italy's claims would have to be raised.

The agreement remained top secret, initially. Sykes travelled to Petrograd, to inform the Russians of the deal, and to seek their acceptance. He did not know that the French, in all secrecy, had set up a separate deal with the Russians, regarding Palestine. Aristide Briand, the negotiator, succeeded in getting Russian backing for French control over Palestine, which in the Sykes-Picot accord, should have been under an international regime. The Sykes-Picot Agreement was kept secret until, following the Bolshevik Revolution of 1917, documents were found in Russia, in January 1918, and made known to the Ottoman government.

### The Arab Revolt

The Sykes-Picot treaty was one thing: a secret deal between imperial powers on dividing up the remains of the Ottoman Empire, once it had been dismantled. Quite another thing was to defeat the Ottomans. To accomplish the latter Britain had opted for an Arab revolt.

The British were convinced from their intelligence reports, that masses of Arabs would follow a revolt led by Hussein. When the revolt was launched in the Hejaz, in early June 1916, the hundreds of thousands of Arabs they expected to desert from the Ottoman army and join the revolt, did not show up. Instead, British aircraft and ships were deployed, along with Muslim troops from British Egypt and elsewhere in the Empire. As the military revolt continued to show its weaknesses, and some began to despair of its success, T.E. Lawrence proposed that Hussein's tribesmen be drafted to fight in a guerrilla campaign led by the British. This was in opposition to a French proposal, to send Muslims from the French Empire, to Hejaz, to serve as military advisors. The British line was that the Arabs would not accept Christian forces fighting for or with them. This was the cover story; the main concern of the British was, they did not want the French meddling.

On July 6, 1917, T.E. Lawrence mobilized (with handsome payment in gold) a confederation of Bedouin tribal chiefs, to take the port city of Aqaba. Lawrence, who bought Arab tribes as irregulars, was known as "the man with the gold." After the capture of Aqaba, which proved Lawrence's point, Gen. Sir Edmund Allenby, the new commanding officer, agreed that such tribesmen could be deployed alongside British forces, in the Palestine and Syria campaigns.

In 1917, War Minister Lloyd George ordered troops from British Egypt to prepare the invasion of Palestine. Immediately the French, obviously suspicious of British intentions, dispatched Picot to accompany the mission, and, in turn, the equally suspicious British ordered Sykes to join as a mediator. (Sykes had been promoted to head up the political mission as General Officer Commander-in-Chief of the Egyptian Expeditionary Force.) The French, having signed a separate secret deal with the Russians, had their own claims on Palestine. The intent of the British-Egyptian invasion was to secure



*T.E. Lawrence was the British Arab Bureau operative, known as "Lawrence of Arabia," who led some of the military campaigns of his Arab dupes, so as to spread British control throughout the region.*

Palestine for the British, and orders were not to make any promises to the Arabs involved.

General Allenby was selected as the new commanding officer in June 1917, and set off to Egypt, to lead the invasion of Palestine. Lloyd George had expressed his wish, as if in a letter to Santa Claus, that Jerusalem be taken by Christmas. Obliging, on Dec. 11, Allenby walked into Jerusalem through the Jaffa Gate, with his officers, and declared martial law for the city. Allenby explained to Picot, that the city would remain under British military administration, for some time. Ronald Storrs was made military governor. Lloyd George had gotten his Christmas present.

The British India Office forces had attempted, unsuccessfully, to take Baghdad in 1915, after which a new Commander-in-Chief, Maj.-Gen. Stanley Maude, was named. Maude invaded Mesopotamia, and took Baghdad on March 11, 1917. On March 16, a Mesopotamian Administration Committee was established under Lord Curzon (former Viceroy of India), which decided the fates of Basra and Baghdad, or Mesopotamia: The southern province of Basra, largely Shi'ite, was to be British, while the ancient capital of Baghdad was to be "Arab," under some form of British protectorate.

In a text approved by the War Cabinet, Sykes called on Arab leaders to join with the British, promising them freedom and independence. It spoke of an Arab Middle Eastern confederation, to be ruled by the Sunni King Hussein, or by one of his sons.

After Palestine and Mesopotamia, came the conquest of



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*The British march through the Jaffa Gate into Jerusalem, seizing the city on Dec. 11, 1917: a Christmas present for War Minister Lloyd George.*

Syria. Allenby, having taken Megiddo (“Armageddon”) in September 1918, moved on to Damascus. This key city was to be taken, and given, in accordance with the Sykes-Picot accord, to an Arab administration, de facto under French control, although the British maintained military control. Once the city had been taken, Hussein’s flag (designed by Sykes) was dutifully hoisted. The only areas of direct French control were the coastal regions, whereas the interior was to be independent, under Hashemite rule, with French advisors. Feisal and his troops arrived later than planned, but did at least arrive; this was important, because it would allow Lloyd George to argue, in 1919, that Feisal’s forces had been instrumental in the capture of Syria, and that therefore he should administer Syria—of course under British control.

In a meeting with Feisal, Allenby laid down the terms of Feisal’s rule: He, as a representative of Hussein, would administer Syria (minus Palestine and Lebanon) under French protection, and, for the purpose, would have a French liaison officer assigned to him. Feisal objected to the French role, but was overridden by Allenby, who pulled military rank.

After having led his armies into Damascus, Feisal struck out and moved against Beirut, on Oct. 5. This immediately prompted the alarmed French to deploy warships and troops. Feisal was forced to leave Beirut on Allenby’s orders. Picot was designated the political and civilian representative of France, under Allenby.

It was at this time that the top British figures began to question among themselves the wisdom of maintaining their

promises to France, as listed in the Sykes-Picot Agreement. Lloyd George said the treaty was “inapplicable,” considering that Britain had done the lion’s share of military conquest; Curzon thought it was “obsolete”; and even Sykes started voicing doubts. The point was, the British wanted to consolidate their hold in the Middle East, and, if possible, deprive the French of any position, except a limited presence in Lebanon.

### **Armistice and No Peace**

Following indications that both the Turks and the Germans were ready to sue for peace, an armistice conference was organized aboard the British ship *Agammemnon* on Oct. 27, 1918 in Lemnos, in the absence of the French! Turkey accepted the terms of an armistice, after which the Young Turk leaders fled for their lives. Armistice in the west

was arranged on Nov. 11, 1918.

The British wanted to consolidate their positions, and, above all, keep the French out of Syria. In 1919, Lloyd George was arguing that since Feisal had been crucial in conquering—or rather “liberating”—Syria, with his 100,000 troops (a wild exaggeration), then England had to honor its commitments to its Arab ally, Feisal, who was decidedly against any French role. This is the tack he took in the Paris Peace Conference which opened in 1919, trying to recruit President Woodrow Wilson to his views. Feisal, constantly accompanied by his controller T.E. Lawrence, and bankrolled by the British, played along willingly. Britain exerted de facto control over Syria, which was administered by Arab leading families.

However, maintaining the military occupation was becoming costly both economically and politically, for Britain. Thus, London finally abandoned its claim to Syria, and left it to Feisal and the French. In January 1920, Feisal concluded a secret deal with former French Prime Minister Georges Clemenceau for formal Syrian “independence” under French tutelage—i.e., French advisors.

The final settlement (at least for the time being) was defined in early 1920, in terms which were established in the Treaty of Sèvres. As far as the Middle East was concerned, the agreement stipulated the following: Syria, including Lebanon, and Cilicia were to go to France, but were supposed to become independent eventually. Britain took Mesopotamia (Iraq) and Palestine, and exerted protection over Arabia (He-

jaz), which meant, it would be officially “independent,” but ruled by British puppet monarchs. Britain was formally granted influence over Egypt, Cyprus, and the Persian Gulf coast. Italy got Rhodes and the Dodecanese, while Adalya (in Turkey) fell under its sphere of influence.

Feisal was proclaimed King by the Syrian National Congress, which had deliberated in 1919, on a constitutional monarchy. Feisal was to be King over Greater Syria (including Lebanon, Transjordan, and Palestine) in 1920. Not long after, however, in July, the French finally did what they had been itching to do, and moved in militarily under Gen. Henri Eugène Gouraud to occupy Damascus. In a bloody exchange, they sent Feisal packing into exile, and established Syria as completely French, under French mandate. Feisal’s monarchical ambitions were not, however, dashed; he was to move on, under British control, to become King of Iraq.

As for Iran (then Persia), the British clinched their control through the infamous Anglo-Persian Agreement of 1919, with Ahmad Shah. (See Muriel Mirak-Weissbach, “A Persian Tragedy: Mossadeq’s Fight for National Sovereignty,” *EIR*, Nov. 4, 2005.)

At the Cairo conference in 1922, following anti-British riots beginning in 1919, Britain granted Egypt formal independence, and formally gave up the protectorate. Declaring Egypt a constitutional monarchy, Britain, however, maintained certain “rights”: It was responsible for Egypt’s defense (which meant the right to station troops on Egyptian territory), for security in the Suez Canal Zone, managing the Sudan question through military and civilian rule, controlling imperial communications, and formulating foreign policy. Fuad I became the King on March 15, 1922, and in 1928 established a dictatorial regime.

It was at this Cairo conference that Feisal was designated monarch for Iraq, and his brother Abdallah, named Emir of Transjordan. Feisal’s ascension to power was orchestrated to make it appear that he was the people’s choice, ratified by a plebiscite, and so forth. Abdallah took up his post in Amman, fortified by British intelligence expert H. St. John Philby as advisor, and backed by the Arab Legion, under the British command of Col. F.G. Peake, and then Glubb Pasha. In 1923, Transjordan was separated from Palestine, and functioned as a buffer zone against central Arabia.

One issue that had not been debated or considered in the treaties, was oil. Competition between France and England over the rich oil reserves in Mosul became critical. This was ended formally at the conference of San Remo in 1920, where they signed a secret deal to split the oil. This became known to the United States, which objected to the monopoly, and demanded a piece of the pie. In the 1926 Mosul Treaty, Iraq got nominal control over the oil region, and the interests were divvied up among British (52.5%), American (21.25%), and French (21.25%) oil companies.

As far as central Arabia was concerned, Hussein laid claim to the title of Caliph in 1924, which the rival Abdul



*British War Minister Lloyd George decided in 1918 that the Sykes-Picot Agreement had given too much to France, since Britain had done most of the work of conquest.*

Aziz ibn Saud rejected. (Hussein had had himself proclaimed “King of all Arabs” in late 1916, but Britain, France, and Italy recognized him only as King of Hejaz.) The Wahhabite ibn Saud declared war on Hussein, and, with the capture of the holy cities of Mecca and Medina, defeated the Hashemite. Hussein abdicated, and his son Ali renounced the throne, so ibn Saud, the favorite of the India Office, was proclaimed King of Hejaz and Najd in 1926.

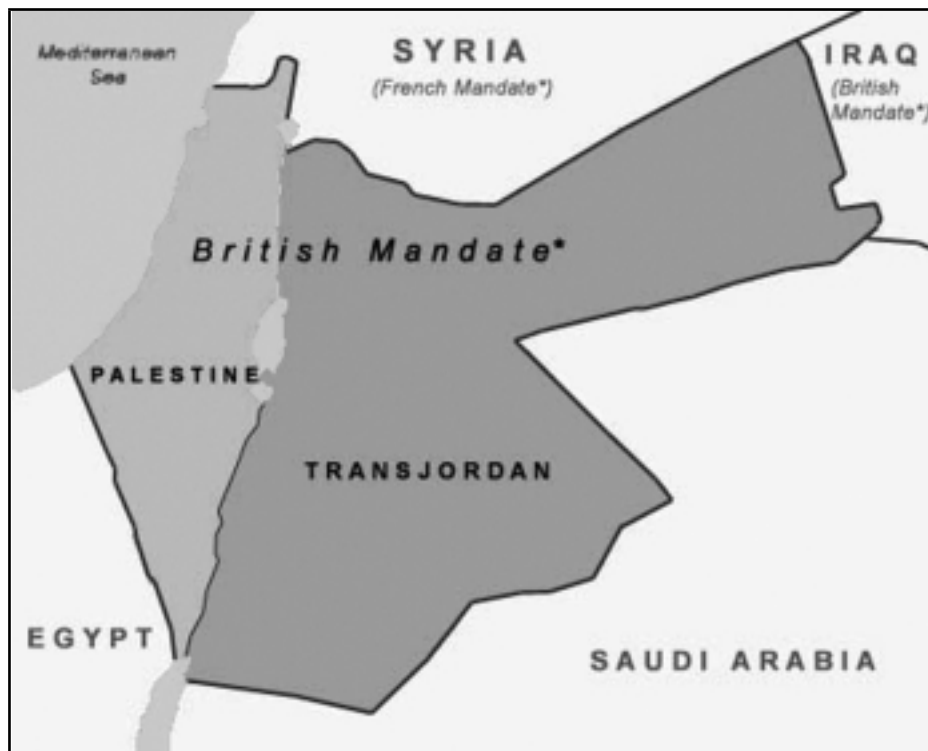
## **The Fate of Palestine**

In the course of the horse-trading, Palestine, claimed by Britain, was eventually supposed to become independent. This chapter is the most complicated in the entire history of the region, and merits treatment which goes far beyond the scope of this article. Thus, only cursory remarks are provided here.

While the British were promising Arab rule and independence to the Hashemite Hussein and his sons, they were simultaneously promising a homeland in Palestine to the Jews. In the Balfour Declaration of Nov. 2, 1917 (named after Arthur James Balfour, then Foreign Secretary), the following was declared:

His majesty’s government view with favour the establishment in Palestine of a national home for the Jewish people, and will use their best endeavors to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish

FIGURE 3

**The British Mandate (c. 1922)**

communities in Palestine, or the rights and political status enjoyed by Jews in any other country.

According to the Sykes-Picot Agreement, the Holy Places in Palestine were to be under an international regime. Administration of the Holy Places was never an administrative affair, however. From the earliest times, the Great Powers vied for political influence in Jerusalem, through their religious institutions. There were the Germans, who had established a foothold in the Crusades, as well as the French; the Russians, with the Russian Orthodox Church sites; the Armenians; and, of course, the peoples of the region, who were Christians, Muslims, and Jews.

The French, who had their own ambitions for Palestine, feared that the British support for Zionism would lead to Britain's total control there. The British lied to the Arabs, that they had no intention of fostering a Jewish state, and lied to the Zionist representatives, that they intended precisely that. The Arab-Jewish violence that broke out in 1919 was pre-programmed by the British to ensure that Arabs and Jews would not join forces. Britain received the mandate over Palestine from the League of Nations on July 24, 1922 (**Figure 3**).

It should also be noted that even the most "pro-Zionist" among the British political leaders, were constitutionally

anti-Semitic. Sykes was reportedly anti-Jewish to the extreme, but hated the Armenians more. "Even Jews have their good points, but Armenians have none," he wrote.

This does not imply that Sykes was pro-Arab. He is reported to have written that urban Arabs were "cowardly," "insolent yet despicable," "vicious as far as their feeble bodies will admit," whereas Bedouin Arabs were "rapacious, greedy . . . animals."

**Postscript**

Today, the British are again in Basra, protecting its rich oil fields; and their partners, Bush and Cheney, are struggling to maintain control over Baghdad. The Anglo-Americans have promised their Iraqi counterparts "independence," "sovereignty," "freedom," and "democracy." Arab military units, organized in militias or tribal groups, are fighting alongside their armies, as they did with Lawrence of Arabia, not against another empire, but

against the Iraqi people who have risen up against the new imperialist yoke.

Palestine remains in the throes of Arab-Israeli conflict, which the Great Powers have failed to solve. Guarantees of Palestinian statehood are solemnly uttered alongside commitments to the defense of Israel's right to exist. But no viable option for the realization of a peace program for the region has been put on their agenda.

Iran is on the firing line, again contested between Russian interests and the Anglo-Americans. And the French have set their sights on Syria, including Lebanon.

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# Honest, Fair, Safe And Without Violence

by Dean Andromidas

"The elections were completely honest, completely fair, completely safe, and without violence," declared former U.S. President Jimmy Carter about the Palestinian elections. Carter led a team of international observers at the elections on Jan. 26, where Hamas won 76 of the 135 seats in the Palestinian Parliament. "My hope is that [when] Hamas assumes a major role in the next government, whatever it might be, it will take a position on international standards of responsibility," said Carter, who has long supported Hamas participation in the Palestinian government. Carter also called on international donors to continue to support the Palestinian National Authority.

By contrast, Israel's Likud Party Chairman Benjamin Netanyahu declared that "Hamastan" had just been created in the occupied territories, the "stepchild of Iran and the Taliban." Israel's Acting Prime Minister Ehud Olmert issued a statement that his government would not negotiate with Hamas, although this means little, because since neither his government, nor Ariel Sharon's, ever negotiated with Palestinian President Abu Mazen (Mahmoud Abbas) and the formerly ruling Fatah.

But Israeli President Moshe Katsav, who is a Likud member, stated that negotiations with the Palestinian Authority on a peace settlement can materialize if Hamas renounces terror, and recognizes Israel.

Although the election result was by no means welcomed internationally, it did not lead to denunciations by any foreign governments. The general formula was that if Hamas recognizes the right of Israel to exist, as is stipulated in the Oslo Accords, then the international community should deal with a Hamas government.

## Why Hamas Won

If a democratically elected government that expresses the will of the people can be considered a "disaster," then blame lies with Washington and Israel, which, for the last five years, have done nothing to support the government led by the Palestinian Liberation Organization and the Fatah movement, headed first by Yasser Arafat and then his successor, Abu Mazen. As one Israeli commentator noted, "anyone with eyes in his head" should not have been surprised by a

Hamas victory. After all, as *EIR* has documented, Ariel Sharon had built up Hamas for decades as a means of undermining the PLO, so Sharon's support work has been very successful.

A senior British intelligence source also told *EIR* that Hamas's victory should have surprised no one. Hamas ran a well-organized campaign and had predicted months ago that they were aiming for between 70 and 80 parliamentary seats. The source pointed to an article in this month's *Prospect* magazine by Alastair Crooke, the former British MI-6 agent with many years of experience with the Palestinians. Crooke pointed out that a Hamas victory would, in fact, represent a victory not only of Hamas, but of the militant wing and younger generation of Fatah, led by imprisoned Fatah leader Marwan Barghouti.

Hamas has a great deal of respect for Barghouti, who is considered the "engineer" of the *intifada*, and was instrumental in organizing a ceasefire among all the militant groups. Crooke pointed out that this young Fatah faction exerted its power last year during the Fatah primaries, where Barghouti formed his own election list. It was believed, Crooke said, that this alarmed the old guard who then tried to suspend the elections.

Crooke stated his view of what Hamas could be expected to do once in power: "Hamas will aim to rally as many of the factions as possible to agree on Palestinian national objectives. They will lay out the means to achieve those objectives and designate a popular leadership able to bring them about." Hamas will most likely call for a ceasefire, he said, "to be agreed and reciprocated by Israel, that would last a full generation and that, unlike past truces, would deal with all the outstanding issues that might be resolved in a long term period of calm."

Hamas, Crooke said, would call for Israeli withdrawal to the 1967 lines, and a Palestinian state with Jerusalem as its capital. Hamas would not disarm at the outset of the process; but, he said, demilitarization in step with political progress, as seen in Northern Ireland, "is a real possibility."

An Israeli peace activist voiced similar views, telling *EIR*: "My personal opinion is that in the short term, the Hamas election victory will hurt the Labor Party and drive voters towards Kadima [Sharon's new party] and the Likud. But in the long term, it is a good development. Anyone who knows the situation in the territories should not be surprised by the Hamas success. This was the grass roots voting and reflects the reality."

The activist went on to say: "I'm not impressed with the Hamas being called terrorists. Yitzhak Shamir and Menachem Begin were terrorists, and once we achieved independence they became Prime Ministers. The Hamas will do the same. They will fight for independence by every means they have until they get their independence, and will later become politicians."

## What Hamas Is Saying

Since their victory, the leaders of Hamas have been calling for national unity among all Palestinian factions, and would like to have a national unity government with the Fatah. They have also announced their support of Palestinian President Abu Mazen, and said they would not interfere in his efforts to hold negotiations with the Israelis.

The labelling of Hamas as a “terrorist” organization fails to understand that Hamas not only is a mass organization, but is very much part of the overall Palestinian political establishment where many Hamas and Fatah leaders show mutual respect and cooperation. Far from a threat of “civil war,” conflict has not gone beyond a few heated clashes. All Palestinian factions have one goal above all others: ending the Israeli occupation and forming a Palestinian State.

Deputy head of the Hamas, Moussa Abu Marzouk, told the Israeli daily *Ha'aretz* on Jan. 30, “Being that the Palestinian System of government is a Presidential regime, Abu Mazen has supreme responsibility for the process of forming the cabinet based on his position, while Hamas will be responsible for minister appointments and the functioning of the cabinet.”

The Hamas has recognized that under the Palestinian charter, it is the PLO which has the responsibility to negotiate with Israel, and that as head of the PLO, Abu Mazen is the one ultimately responsible.

Ismail Haniyeh, who led the Hamas election list, gave an interview to the *Jerusalem Post* Feb. 1, stating: “We believe in political partnership. We want to establish a new political system based on political pluralism and ending the monopoly of one faction in power.” Haniyeh, who has been the target of an assassination attempt by Israel, is considered one of the key moderates he has served as a liaison with international organizations, and was key in bringing Hamas into the electoral process.

Abu Mazen has yet to meet with the Hamas leadership for discussion of forming a new government. While Hamas wants to form a national unity government, Fatah is split. One faction, believed to be led by Marwan Barghouti, is willing to cooperate, while another refuses and wants to stay in the opposition. Negotiations, also with the help of Egyptian President Hosni Mubarak, are ongoing in an effort to find a formula where all sides, including the United States, Israel, and Hamas, can agree.

## More War, or a Peace Initiative

Behind the rhetoric, Hamas’s official position on the peace process is to negotiate a long-term truce, within which negotiations can be held for the withdrawal of Israel to the 1967 borders. This was announced by Abu Marzouk, who is based in Damascus. Marzouk told the press: “Truce is one of the projects through which we could deal. I believe that this would placate everybody if they understand Hamas’s stand



cnionline.org/Eric Silverman

*Former U.S. President Jimmy Carter monitors the polls in East Jerusalem during the Palestinian elections. Carter, who led a team of international observers, hopes that Hamas will move toward recognition of Israel, now that it has won the parliamentary elections.*

and talk to Hamas on these grounds. I believe that this [a renewed truce] is one of the options which we could propose in the future to cooperate with the international community to bring about peace and tranquility to this region.”

Israeli commentator Gideon Samet, writing in *Ha'aretz* on Feb. 1, laid out the problematic Israeli approach: “In the foggy Israeli thought process, there were, it will be recalled, times when the good fellows at the political-military assessment winked at Hamas, in the idiotic belief that it would weaken the PLO. Even when it was clear to the most junior officer in research at the Intelligence Branch that Hamas was taking control of the Palestinian street, we killed their leaders as if each of them were ticking like a bomb. The American ally helped deepen the conception. A simplistic White House adopted us in a bear hug, the more Israel contributed to the demonizing of Hamas. . . .”

Samet then called for Israel to initiate talks: “It will not be long before we will have to talk to it. Why not initiate the talks and hold them to their word when it turns out they are no more monstrous than the PLO and Fatah seemed at the

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time? There can be only one reason: Israel has forgotten nothing and learned nothing after dozens of years of accursed policy blunders.”

A similar view was expressed by Matti Steinberg, an expert on Palestinian affairs who has advised various directors of the Israel Shin Bet security services. Steinberg told *Ha'aretz* that no one should have been surprised at the Hamas victory; he had been warning the government for years that its refusal to negotiate with the Palestinian National Authority would leave the Fatah with only its corruption to offer the Palestinian people.

If I were in power, Steinberg said, “I would stop declaring and hinting at unilateral measures” and present the “Clinton blueprint,” which is the peace plan announced by President Bill Clinton at the close of his Administration, which called for the establishment of a Palestinian state based on the 1967 borders, with an exchange of territories. It called for the division of Jerusalem along Israeli and Palestinian lines, and a negotiated settlement over the holy places.

There is a definite consensus over such a solution among both Palestinians and Israelis. A recent poll showed that a majority of Israelis would support holding negotiations with Hamas over a permanent peace agreement based on a two-state solution.

There are two dangers ahead. One is that neither Israel nor the United States would make such an initiative. The current policy of no all-out peace and no all-out war has led to the collapse of the moderate Fatah and ushered in Hamas. Another round of this policy will lead to chaos and the death of many thousands of Palestinians and Israelis, if not a regional war. “Threats from Washington that they would cut off all funds to a Hamas government, would only hasten chaos and more terrorism,” warned one Egyptian analyst, with close ties to the Palestinian negotiations.

The second danger would be another “political” peace process that will not deal with the fundamental economic crisis. This will lead not only to a catastrophic economic collapse in any new Palestinian State, but would continue to weaken the Israeli economy in which a socio-economic crisis is raging.

Even without Ariel Sharon, if a Kadima-led government were to come to power after the March 28 Israeli elections, it would at best attempt to implement the first option and then fail, because its neo-liberal economic policies would continue the process of collapse.

A Labor-Party-led government might have a chance. Labor Chairman Amir Peretz has called for a negotiated settlement and has committed his party to a socio-economic alternative to the neo-liberal economic policies now dominating Israel. Nonetheless, success would only be assured if the United States, in concert with Europe, Russia, and the United Nations offered a true peace through an economic development program for the entire region, from the Mediterranean to West Asia.

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## Germany

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# Youth Candidate: Renew Leipzig's Heritage

by Rainer Apel

The candidacy of Karsten Werner, a 21-year-old member of the LaRouche Youth Movement in Germany, for the office of mayor in Leipzig, is important far beyond the boundaries of the city of Leipzig itself, and also beyond the election date, Feb. 5. The vast majority of citizens in Germany (as elsewhere in the world) are deeply worried about the future of employment, of social security, and of peace. An opinion poll published by the Infratest agency on Jan. 31, showed that 88% of the citizens throughout Germany view the fight against unemployment as the topmost priority; this contrasts drastically with only 5% that view state budget consolidation as a priority. The opinion poll was published just at the time that Germany reported a dramatic increase in unemployment by 400,000, for the month from the end of December to the end of January.

Since Nov. 22, 2005, when the new German government of Chancellor Angela Merkel took office, not a single new job has been created, but more than a half million jobs were lost, simply because the government considers budget consolidation its top priority. The new government stated right from

**Hoffnung für die Heldenstadt**

**50.000**  
Arbeitsplätze durch neue Industrie

IN SACHSEN MUSS DIE WIRTSCHAFT WACHSEN!

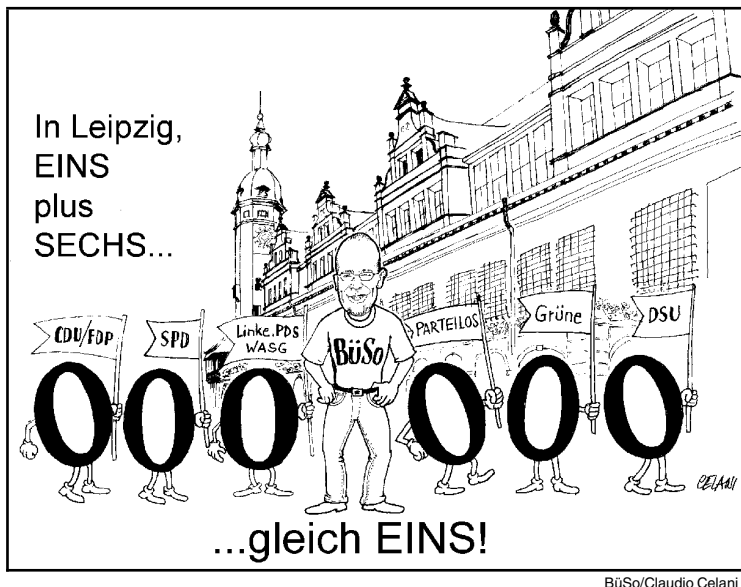
... mit **Karsten Werner**

**BüSo**

Bürgerentscheidbewegung  
Leipzig  
(0341) 230 50 46  
www.bu-so.de/leipzig

Karsten campaign

*Candidate Karsten Werner's campaign poster reads: "Hope for the Hero City. 50,000 jobs through new industry. In Saxony, the economy must grow."*



*This cartoon compares BüSo mayoral candidate Karsten Werner to the five major and minor parties in the campaign, and those who are partyless. It says: "In Leipzig, One plus six equals one!"*

the start that the creation of jobs is the responsibility of the free market—which is mainly interested in speculation, as is obvious to almost everybody. A change of policy, away from speculation, toward production, is urgently required. This includes shutting down the Leipzig-based European Electricity Exchange (EEX), a casino-like entity that trades electricity, whether it is available or not, and thereby drives prices up drastically.

The abolition of the EEX was a leading issue in the Werner campaign, as was the LaRouche proposal for a leading German mission in the economic development of the Eurasian Land-Bridge. Only this broader, strategic orientation will create conditions for the re-employment of more than 50,000 citizens of Leipzig, which with its close to 500,000 citizens, is the biggest city of the eastern German state of Saxony, and which also has that state's highest unemployment rate. Any localist approach, Werner continually pointed out in a number of interviews with Leipzig media, will fail to create jobs. The LaRouche Movement's political arm, the Civil Rights Movement Solidarity (BüSo) party, pushed for the re-industrialization of Leipzig, in this broader context, with a special campaign brochure mostly authored by Leipzig members of the LaRouche Youth, including, naturally, Werner himself.

Two other top items in the BüSo campaign, the reference to the great historical past of Leipzig (with Leibniz, Bach, Schiller, Moses Mendelssohn) as a center of German Classical culture, and the continuous updating of the citizens about the struggle against the creeping fascist takeover of U.S. politics by the neo-conservative cabal, in conjunction with the misleadingly named "Federalist Society," were met with great interest by many Leipzigers. The citizenry was greatly

interested in the struggle to prevent Federalist Society member Samuel Alito from becoming a justice of the U.S. Supreme Court, and on the catalytic role of the American LaRouche Movement in this struggle, as was shown by the high attendance at the two main public BüSo election campaign events on Jan. 26 and Jan. 31: The 80 guests at the first event, and the 100 at the second event, put the BüSo on a par with the "established" bigger parties like the Social Democrats, Christian Democrats, or the Left Party (Linkspartei). Both campaign events were addressed by Helga Zepp-LaRouche, national party chairwoman of the BüSo, and by mayoral candidate Werner, as well as by Reinhard Massberg, a leading representative of the BüSo *Mittelstand* organization of medium-size productive firms. The fact that the question and answer periods following the speeches at both events, made the events last for almost four hours, demonstrated an intense and serious dialogue with the citizens, unmatched by any other political party in Germany.

### What Is Necessary for Germany

Werner's campaign message was that Germany needs, most of all, real, new heroes of the kind that defeated crucial Synarchist projects twice in history: in 1813, with the "Battle of the Nations" near Leipzig against Napoleon, and again in 1989, when the peaceful Leipzig Monday Rallies mass movement spread like wildfire across eastern Germany and brought down the East German socialist regime and the Iron Curtain. Referring to that, the Leipzig campaign brochure of the BüSo has the title, "Hope for the City of Heroes."

The programmatic input, the references to history, and the mass distribution of campaign material could, however, never have achieved the genuine, high public recognition of the BüSo among the Leipzig citizens, had there not also been the singing by the LaRouche Youth Movement, which presented music at every political intervention. The main campaign song in the Leipzig mayoral election was the melody of the American song of the Union Army during the Civil War, "The Battle Cry of Freedom," with a German text addressing the citizens of Leipzig in particular. They also sang spirituals, Bach motets, and other great examples of Classical music, which stands in stark contrast to the rock-drug counterculture displayed by all the other political parties. If any Leipzig citizen still had doubts as to whether the BüSo really represented a revolutionary change, the singing and the music answered his question. And whereas shortly before the election, it was uncertain how well the BüSo would do in the election, it is certain that this BüSo campaign with the decisive role of the LaRouche Youth, has left a positive, constructive impact among citizens—for whatever will happen after Feb. 5.

# After Alito Fight, The War Continues

by Edward Spannaus

In a capitulation which moves the United States closer to the possibility of the imposition of a fascist dictatorship, the United States Senate confirmed the nomination of Federalist Society Nazi Samuel Alito to the United States Supreme Court on Jan. 31, by a vote of 58-42.

That shameful confirmation vote could only take place, because of the earlier 72-25 vote in the Senate, on Monday, Jan. 30, which defeated the effort by Massachusetts Senators John Kerry (D) and Edward Kennedy (D) to organize a filibuster to block the Alito nomination.

After that vote, which cleared the way for the confirmation vote, Democrat Lyndon LaRouche issued the following statement:

“This past week’s fight around the Samuel Alito nomination was a battle, not a war, testing the various forces’ competence and readiness. Some in the Senate showed their mettle and have now come together as the hard core of what the Biblical right wing would call a Gideon’s Army. This was merely the first battle, and the war continues. We proved our mettle and that, in itself, is a true victory.

“Our allies came into this fight ill-prepared. Their unwillingness to take up the Nazi precedents of the Federalist Society represented the key weakness and deprived us of a battle won, and leaves us in a momentary retreat, to regroup and take up the next battle.

“Let us be clear. Our enemy cannot win, but we, all of civilization, can lose. We are at the end phase of the system—both the economic system and the cultural system. Our present economy and culture are doomed, and it is only our efforts to change that system that offers a basis to overcome catastrophe. We *are* serious contenders. We have suffered a battle setback, but the way the battle played out was a critical testing-

ground for future victory. Some of our allies in the Alito fight now come out far more battle-tested than before. I know that some of our leading allies in the Alito fight have already conveyed that they are glad that they carried out this fight, and they are strengthened by that effort.

“The present world financial system is doomed. Either we return to the American System or we face a planetary New Dark Age. This is a fight that now can not be avoided. You can not choose whether or not to enter the war. The war has entered you.”

## **LaRouche’s ‘1933’ Warning**

The belated filibuster drive was only announced by Senator Kerry on Thursday, Jan. 26, after the Senate Democrats’ caucus meeting on Jan. 25 had failed to make the necessary decision to go all out to defeat the Alito nomination.

Overnight, on the evening of Jan. 25, LaRouche issued his toughest statement yet, entitled “1933 and Now,” demanding that the Senate defeat the Alito nomination on the grounds that he is a Nazi who promotes the judicial outlook of Hitler’s “Crown Jurist,” Carl Schmitt (see *EIR*, Feb. 3). The circulation of LaRouche’s statement, which warned that a capitulation on the Alito issue would be to repeat the mistake of Germany in 1932-33, had a shock effect within significant sections of the Democratic Party.

Already, on Jan. 21, the LaRouche Political Action Committee had launched a mobilization of the Democratic Party nationwide, which no one else was doing. During the ten-day period leading into the final vote, well over 500 local Democratic Party leaders—county chairs and others—were called and mobilized, and 53,000 LaRouche PAC pamphlets were taken for further circulation and distribution. Many of

these local leaders were thrilled that someone was leading such a mobilization, and were relieved to hear that someone was not afraid to tell the truth, and say that the issue was Hitler on the Supreme Court.

Starting on Jan. 23, LaRouche PAC also began running one-minute ads on the leading all-news radio station in the nation's capital, featuring a statement by LaRouche which concluded: "There is no honest debate about bringing Adolf Hitler and his tradition into the government of the United States!"

## New York Times Weighs In

Showing more understanding of the stakes than did some Senators, the Establishment's *New York Times* published lead editorials on Jan. 23 and again on Jan. 26, demanding that the Senate defeat the Alito nomination, by a filibuster if necessary. On Jan. 26, the day of the second *Times* editorial, and the day after LaRouche's "1933 and Now" statement, Senator Kerry announced his intention to launch a filibuster. Kerry returned to Washington and spoke on the Senate floor on Jan. 27, warning that confirming Alito for a lifetime Supreme Court appointment "would have irreversible consequences."

The final *New York Times* intervention was an extraordinary Jan. 30 front-page article which described the conspiracy, launched with the founding of the Federalist Society in 1982, to pack the Supreme Court with right-wing ideologues—a portrayal which has otherwise only been presented by *EIR* (See [EIR, Jan. 6, Jan. 13]).

Without explicitly identifying the Schmitt-Hitler origins of the Federalist Society conspiracy, the *Times* reported on what we have called the Federalist Society's "march through the institutions"—with its seeding the lower-levels of the Federal judiciary with like-minded judges during the Reagan Administration, and its recruiting of right-wing lawyers like John Roberts and Samuel Alito into the Reagan Justice Department, in order to groom them for an eventual takeover of the Supreme Court.

## 'The Next 30 Years. . .'

The *Times* article on the Federalist Society significantly shaped the debate on the day of the cloture vote. Opening the Senate debate that morning, Sen. Kennedy stated:

"I was absolutely startled . . . when I picked up the *New York Times* and saw . . . exactly how this nominee was selected—and who selected him, what the process was, all during this period of time, something that those of us on the Judiciary Committee had no mind of. Maybe our friends on the other side knew about [it]. I'd ask that it be printed at an appropriate place in the record."

Later, speaking again shortly before the vote, Kennedy declared: "This vote we are casting with regard to Judge Alito is going to have echoes for years and years to come. It is going to be a defining vote about the Constitution of the United States, about our protections of our rights and our liberties."

Kennedy went on to warn that "if you are looking for someone that is going to be willing to stand up to the Executive branch of government at a time that he is going to exceed his power and authority and the law of the country, it's not going to be Judge Alito. . . . This happens to be the wrong judge at the wrong time for the wrong court."

Senator Kerry also pointed to the *New York Times* article, noting that the President "has chosen to send a Supreme Court nominee who comes directly out of a revolt by the ideological wing of his party to satisfy their demands for ideological orthodoxy," noting: "We read about that in the *New York Times*."

Kerry reminded listeners that Alito was not the President's first choice to replace retiring Justice Sandra Day O'Connor. "The first choice was Harriet Miers, and opposition to her nomination came not from Democrats, but it came from the far right of the Republican Party," Kerry said. "They challenged her ideological purity with such conviction that the President capitulated to their demands, and gave them instead Judge Alito, a nominee who they received with gleeful excitement."

(According to a number of reports, it was Vice President Dick Cheney who in fact caused the nomination of Miers, which had bipartisan support, to be withdrawn and replaced by that of Samuel Alito.)

Kerry emphasized that there really had not been enough debate, with only 25 Democrats speaking, and only 25 hours of total debate. "The direction that our country will take for the next 30 years is being set now," Kerry continued. "And this is the time for debate. This is the time when it counts—not after the Supreme Court has granted the executive the right to use torture, or to eavesdrop without warrants, not after a woman's right to privacy has been taken away. . . . History will wonder why we didn't do more when we knew what was coming."

## The Test of Leadership

In discussions after the Alito confirmation vote, LaRouche said that the mood of the American people is way ahead of the politicians. The people know that the fight has to be fought. That the Democratic Party made mistakes in the Alito fight should come as no surprise. Up until the Democratic Convention in the summer of 2004, the Democratic Party was well along the road to doom, and then, as a result of the intervention of LaRouche and the LaRouche Youth Movement, it began to be revived. That process of revival is still under way.

The problem with the Alito fight was that too few Democrats followed LaRouche's advice. And they all flinched on the Hitler issue. None had the courage to call a spade a spade, which, in this case, meant calling a Nazi a Nazi. You can only win a war, if you know what war you are fighting. By that standard, only Lyndon LaRouche passed the full test of leadership in this battle.

# Schmitt Set Precedent, Leader Can Change Law

by Steve Douglas

The precedent—if not the specific model and inspiration—for the Federalist Society-championed, unconstitutional practice of Presidential signing statements, is to be found in the legal doctrine that Nazi “Crown Jurist” Carl Schmitt espoused on behalf of the government of German Chancellor Heinrich Brüning in 1930. While the parliamentary Reichstag which Schmitt confronted differed from the U.S. Congress in obvious ways, nonetheless, the Schmittian drives for the arrogation of all power into the hands of a “unitary executive” Presidential dictatorship in both cases are, essentially, identical. The “Presidential signing statement” was introduced by the Schmittlerians as a new form of “quasi-law,” by means of which the President reserves for himself the right to override or implement any law, or parts thereof, enacted by Congress, as he deems fit. That is, the President *decrees* what he thinks about the law, and *substitutes* his own particular views for the substance of the law, when it comes to implementation, according to this doctrine.

This practice is precisely what Schmitt introduced into Germany in 1930. In order to circumvent the Reichstag, Schmitt declared that the president could rule, under conditions of financial or economic emergency, by means of *gesetzvertretende Verordnungen* or “law-substituting decrees,” which, while not formally laws, nonetheless carried the full weight of the law. With the introduction of this legal device, the president was free to ignore the Reichstag on all essential economic matters.

Schmitt’s moment of opportunity arrived on March 27, 1930, when the Social Democratic coalition government of Hermann Müller collapsed for financial reasons, in the deepening world depression. The next day, President Hindenburg appointed the *fiscal conservative* Brüning of the Catholic Center Party as Chancellor, with instructions to form a new type of government—a “Presidential Cabinet”—that was to be “above the parties.” The posts in the new Cabinet were not to be apportioned relative to the size of party delegations in the Reichstag, but according to technocratic, budget-balancing, *national security*, and related considerations. If the Reichstag didn’t approve of the Cabinet’s measures, the President would dissolve it, and the Chancellor and his Cabinet would continue to rule by emergency decree, invoking Article 48 of the Weimar Constitution as the

grounds for doing so.

President Hindenburg was encouraged to take this drastic course of action by, among others, his trusted State Secretary Otto Meissner. Meissner was a great admirer of Schmitt, and told him so in 1929: “I have taken special interest in your arguments and characterization of the Reich President. . . . I am also convinced that gradually a practice will arise that realizes your tenet. . . .” Meissner went on to witness that “practice” at length, in his subsequent capacity as Adolf Hitler’s state secretary.

Since, under Article 48 of the Weimar Constitution, emergency decrees invoked by the Cabinet could be repealed by a majority vote of the Reichstag, there was a real question as to whether the Presidential Cabinet-system plan was legal. But, based on the expert legal opinion of Schmitt, the government asserted that it had the right to rule by emergency decree, even after the Reichstag had voted to the contrary.

## Schmitt Wrecks the Constitution

A showdown rapidly materialized. On July 16, the Reichstag voted to reject Brüning’s brutal financial austerity programs. Brüning responded by enacting his financial policy by means of Presidential emergency decrees. On July 18, the Reichstag invoked its Constitutional right, and rescinded Brüning’s emergency decrees. At that point, Brüning/Hindenburg dissolved the Reichstag, and proceeded to continue to rule by emergency decree. And, since the Reichstag had been dissolved, it could not any longer vote to reverse Brüning!

With political tension raging at a feverish pitch, the government asked Schmitt to render a legal opinion on this crisis. On July 28, Schmitt produced a legal brief which upheld the legality and constitutionality of all of Brüning’s actions. The two most notable features of Schmitt’s opinion were: 1) the nature of an exceptional or emergency condition—which falls under Presidential emergency authority, must be expanded to include the financial and economic realms; and 2) Presidential decrees or *gesetzvertretende Verordnungen*, though still not formal laws such as those passed by the Reichstag, *carried the authority of law*. Thus, according to Schmitt, the economic and financial programs of the Brüning government did not require formal laws, only Presidential decrees which substituted for laws!

Armed with Schmitt’s “expert” opinion, Brüning proceeded to implement brutal economic austerity measures, thereby helping to radicalize an already desperate population. In the Reichstag elections of Sept 14, 1930, Hitler’s Nazis surged from the 12 seats they had won in 1928, to 107 seats, as they became the second largest party. The Social Democrats, the largest party, won only 143 seats. Brüning, backed by Schmitt, ruled for two full years, as he implemented the financial austerity policies of Schmitt’s Synarchist backers, and thereby helped to pave the road to power for Adolf Hitler.

# Carl Schmitt's Hobbesian State

by Anno and Elisabeth Hellenbroich

*This article appeared first in Neue Solidarität and has been translated from German.*

Worried commentaries about the U.S. turn toward policies based on the philosophy of Hitler's "Crown Jurist" Carl Schmitt, have appeared recently in German newspapers. For example, one in the *Frankfurter Allgemeine Zeitung*, with the headline "Boomerang: America Unmasks Itself with Its Criticism of the BND [German intelligence service]," begins by discussing the Iraq War, undertaken against "international law." The Frankfurt daily wrote: "You can't concentrate your attention on German participation in the Iraq War, without at the same time, turning your attention to the American initiators of the great Bush project, to increase the space of a lawless state of exception." (This "state of exception" phrase comes directly from Schmitt.)

Such sorts of commentary reflect the increasing worries of many Europeans over the possibility of an administrative coup with a "fascist" stamp in the U.S.A. This neo-conservative strategy was set in motion after the events of Sept. 11, 2001, and was buttressed with the teachings of the Nazi "Crown Jurist" Schmitt, as LaRouche and his international movement have exposed in many published locations. Signs of this Schmitt doctrine can be seen in U.S. projects and slogans such as "the Patriot Act," "pre-emptive war," "Guantanamo prison camp," "illegal NSA surveillance," "rendition of terrorist suspects into third countries," and "CIA overflights."

Vice President Dick Cheney and a group of leading lawyers and jurists around him, as well as members of the U.S. Supreme Court, are trying in this way to reshape the U.S. Executive as a "unitary executive," or "unitary plenipotentiary power," which is derived from the axioms of Carl Schmitt. At root, this involves a trio of Schmitt's ideas: the friend-enemy concept as the essence of the political system; the "state of exception" ("the sovereign is he who decides on the state of exception"); and the idea of the "*Führerprinzip*," according to which the might of the Führer makes right.

At the same time, as *EIR* has reported, there is a growing resistance to the Schmitt thrust in Washington and the entire country, led by Democratic political figure Lyndon LaRouche and the mobilization by the LaRouche Youth Movement, and joined by leading Democratic Senators and Representatives, and also a few Republicans (such as former Deputy Treasury Minister Paul Craig Roberts, who has raised the question

of impeachment).

We look here at Schmitt's views that gave a "legal" backup to the Nazi state, Schmitt's embrace of Thomas Hobbes, and the contrast of both of them with the philosophy of Gottfried Leibniz, whose ideas were behind the U.S. Constitution.

## Carl Schmitt: 'Crown Jurist' of the Nazis

At the end of the Second World War, Schmitt was questioned by the deputy to the chief prosecutor of the U.S.A. at the Nuremberg Trials, Robert M.W. Kempner, who asked Schmitt whether he admitted that he had theoretically prepared the way for the National Socialists (Nazis) to power. Schmitt vehemently denied this. At that time, he was released, without being charged, after nearly two years of imprisonment. His permission to teach was revoked, and he went to Plettenberg, in the Sauerland region of the German state of North Rhine-Westphalia.

As an "independent scholar," he then tried to discuss his Nazi theories in informal circles in postwar Germany. These included the Academia Moralis, the Erbach Discussion Circle, and the Rhine-Ruhr Club in Düsseldorf, where Schmitt once met Hitler's former Economics Minister, Hjalmar Schacht.

In the Carl Schmitt Archive in Düsseldorf, there are about 18,000 of Schmitt's letters: Many of them are his correspondence with contacts in Spain under Franco; others were with contacts in Italy, France, the United States, and Germany. Schmitt had especially intensive contacts in the 1950s in Spain. As one can learn from his correspondence with Armin Mohler, he counted among his acquaintances in Spain, the Marqués de Valdeiglesias, a friend of the "Spanish Charles Maurras, Maeztu," as well as Javier Conde.

Schmitt visited Spain in 1951 and was enthusiastically greeted in many cities. He reported that he was glad to see that there was a lot of interest among Spanish jurists in Armin Mohler's book, *The Conservative Revolution*, which had just appeared, published in Basel.

In 1953, Henry Kissinger attempted to bring Schmitt into collaboration with his Harvard magazine *Confluence*. Intellectuals from the United States and Europe should, as Kissinger wrote in a letter to Schmitt, exchange views on current problems in politics, philosophy, and culture.

A Schmitt renaissance began in the United States and Europe with the events of Sept. 11, 2001. This is shown especially clearly in France, where the neo-con Interior Minister, Nicholas Sarkozy, is becoming ever more Bonapartist. Sarkozy recently called for altering the Constitution of the French republic, to give the President the role of a "President Leader"—that is, to give him plenipotentiary powers, *à la* Schmitt, while relegating the office of Prime Minister to purely administrative tasks.

In France, both the left—for instance, the heirs of Raymond Arons—and the right, around Alain de Benoist (*Nou-*

velle Droit), together discussed a 2003 bibliography of Carl Schmitt's working correspondence, which went intensively into the following themes posited by Schmitt: liberalism, a critique of parliamentarianism, the theory of the partisan, and dictatorship. In Italy, Schmitt has found an echo among intellectuals and anarchists, like Toni Negri and some students of Schmitt's late friend Norberto Bobbio. And in Germany, the head of the Siemens Foundation, Prof. Heinrich Meier, who among other things published the collected works of Leo Strauss, in 2004 published a postscript to his book titled *The Teaching of Carl Schmitt*.

## The Fascist Kernel of Schmitt's Thought

Schmitt was the Crown Jurist of the National Socialists. His studies of Article 48 of the Weimar Constitution, his essays "The Dictatorship" and "Der Führer hat Recht" [which can be translated as "The Leader Is Right" or "The Leader Is the Law"—ed.], smoothed the way to power for the National Socialists.

Schmitt joined the National Socialist Party on May 1, 1933 in Cologne, and he accumulated a large number of influential functions with the beginning of the National Socialist government. For example, he was a member of the Prussian State Council (under Göring), a member of the Academy of German Law, the Group Head of the Law Teachers, and a member of the High School Commission responsible for all legal teaching chairs. In addition, he was the publisher of the jurists' newspaper, and the series called *The German State in the Present*. He took up wide-ranging leadership tasks in many juridical committees, and polemicized against the "abolition of German law by Jews."

Schmitt worked on many Nazi laws (*Reichsstatthaltergesetz*, *Gemeindeordnung*), and in the Summer of 1934 he defended the murder of Hitler's associates Ernst Röhm and others as "necessary for the state" and a law-creating act of the Führer.

Schmitt's partisanship for the Nazi state grew from his pathological hatred of liberalism and parliamentarianism. For him, a populist dictator was more "democratic" than a parliamentary system. He sharply criticized the liberal "night-watchman state," and called the middle class a mere debating class, and the parliament a discussion club of incompetent decisions.

As a great admirer of the British philosopher Thomas Hobbes, whom he identified in his *Glossarium* as his "brother," Schmitt was committed to the idea that man is evil by nature. He considered Hobbes's position that man's natural condition is "war of each against all," as the "actual condition of politics," not simply a mental construct.

In his 1932 work *Der Begriff des Politischen* (*The Concept of the Political*), Schmitt presented several of his basic thoughts. For him, the core of the politics and basis for the state is the "friend-foe identification," and wars and civil wars belong to the essence of political conflict. Thus, politics is not



The newspaper of German jurists of Aug. 1, 1934 featured Carl Schmitt's article, "The Führer Protects the Law." It appeared shortly after Hitler's "Night of the Long Knives" (June 30, 1934), in which he ordered the murder of many political opponents. Schmitt proclaimed that Hitler's actions were both legal and courageous, since it is the Leader who both is and creates the law.

an effort to establish reasonable, just solutions to matters of law and values, and society is not responsible for the "common good" or general welfare. In fact, Schmitt reportedly said that he hated even hearing the words "common good." Rather, society, in Schmitt's view, is devoted to the battle for victory over its internal and external enemies, and if necessary, the physical liquidation of those enemies. To this end, the institution of the state is brought into being.

In contrast to Plato, Thomas Aquinas, and Gottfried Wilhelm Leibniz, Schmitt rejected natural law. Therefore, according to his theory of the state, it is all the same whether man in the state of nature is either good or bad, and whether man regards the determination of friend or foe according to natural law or according to some other ethical value system. "There remains the noteworthy, secure observation, which is unsettling to many, that all genuine political theories consider men to be evil, that is, they consider man as in no way unproblematic, but as a creature with a dynamically dangerous nature," commented Norbert Campagna about Schmitt in his

2004 book *Carl Schmitt—An Introduction*.

For Schmitt, as for Campagna, there is no metaphysical basis in natural law for the state. Thus Schmitt explicitly pointed out at the beginning of his *Verfassungslehre* (*Theory of the Constitution*) that “the pure model of the constitution, as the liberal idea of an absolute *Rechtstaat* [state of laws] expresses it . . . was only possible as long as the metaphysical expressions of civilian natural law are believed in.” Schmitt further insisted that “natural law has lost its infallibility.”

In the *Glossarium* he made his criticism of natural law in an even more radical form. There he wrote: “Today ‘natural law’ is only the will-o’-the-wisp, phosphorescent product of the decay of 2,000 years of talking it to death.”

In his 1938 book *The Leviathan in the State Theory of Thomas Hobbes*, Schmitt’s deeply pessimistic view of man and his opposition to natural law become overwhelmingly obvious. He shows himself to be on the same footing as Nietzsche and Sorel, who presented themselves as vehemently against religious thinking about the state—that is, a state based on Christian principles.

Hobbes never had any illusions about human nature, Schmitt explained. “He sees that man is much more ‘anti-social’ than an animal, full of anxiety and horrible worries about the future, driven not only by current, but also even future hunger . . . always determined and ready, out of prestige and feelings of competition, to trample reason and logic under foot, in order to gain the next momentary advantage.”

For Schmitt, Thomas Hobbes’s *Leviathan* is a symbol of the political struggle in his unceasing and inexorable discussion of friend versus foe, which reaches into all areas of human production. This “Leviathan” is a “mortal God, who forces everyone into peace (submission) through fear of his power.” Schmitt says: “According to Hobbes, the state is only a civil war which is held back by great continuous force. Thus, the fact of the matter is that a Monstrous Leviathan ‘State’ continuously suppressed the other Monster ‘Revolution.’ ”

Here the sovereign is not the *defensor pacis* (defender of the peace), of a peace turning back to God, but he is the *creator pacis*, the creator of an earthly peace. According to Hobbes, the state’s power has a Godly character, since it would be all-powerful.

There is no right of resistance to the Leviathan, Schmitt said, either under the appeal to a higher, or other, law, nor on the grounds and arguments of religion. The state alone punishes and rewards. The state alone exercises its sovereign power through decree, which, in questions of justice is law and property, and in questions of faith is truth and confession: “*Autoritas non veritas facit legem*.” Not truth, but force makes the law. Nothing is true—everything is command, according to Schmitt.

## Leibniz Versus Hobbes

Today’s jurists and lawyers who are in the Schmittian tradition, speak about the necessity for a strengthened “uni-

tary executive,” and are leading a general attack on the American Constitution, which, with its conceptions of “general welfare” and “pursuit of happiness,” is the most significant Constitutional document in international legal history. One of its spiritual forebears was the jurist, philosopher, and scientist Gottfried Wilhelm Leibniz (1646-1716), who in various letters sharply opposed the thesis of Hobbes that “Not truth but force makes the law.”

In his 1702 essay on *The General Concept of Happiness*, Leibniz ironically remarked that an English scholar named Hobbes asserted, just like Thrasymachus in Plato’s *Republic*, that “might makes right.” Were this true, then all judges and courts would be legitimate on the strength of their authority. But might does not allow itself to be separated from the love of wisdom and justice, Leibniz said.

In a forward to his *Codex Iuris Gentium Diplomaticus* (Code of the Diplomatic Law of Nations), which appeared for the first time in German translation at the end of 2005, Leibniz alluded to the uses of this work, above all for natural and international law, in which he especially presents the concepts of “happiness,” “love,” and “wisdom” as the sources of natural law in the midpoint of his deliberations.

“The professor of law places narrow limits on nature,” Leibniz wrote. Yet many people have not yet understood that law is a “moral power,” which is connected to mankind with love. “We shall therefore at best define justice, as that virtue which serves to guide so-called passion toward love of mankind, as love of wisdom, therefore that love which follows the prescriptions of wisdom. . . . But love is all-encompassing benevolence, and benevolence is the disposition toward love. But love is that which delights another with ‘happiness,’ or what amounts to the same thing, makes the happiness of another, the same as one’s own.”

So, there is among people an unselfish love, *Caritas*, which clearly distinguishes itself from the egoistic drive of man, of only seeking one’s own advantage. The more man acquires the strength for *Caritas*, the stronger is his love for God, the source which bestows this strength of love on man. Leibniz wrote: “But Godly love surpasses all other love, because the love of God is linked with the greatest prospects for fulfillment, there is nothing happier than God, and nothing more beautiful, and nothing more worthy of happiness can be thought of than God.”

The love of God and one’s fellow man is closely bound up with wisdom. And wisdom, according to Leibniz, is nothing but the science of “happiness.” “From this source flows natural law, which is divided into three levels,” Leibniz stated: “The law in the proper sense is effective in equitable justice; the equity (fairness) (or in the narrower sense of the word, the love of one’s neighbor) is in the distributive love; and finally, piety (or righteousness) in universal justice. From these come the commandments, to harm no man, for each to care for the other, and to live righteously (or rather piously).”

# Congress To Fight On Patriot Act, Spying

by Edward Spannaus

On Dec. 16, the United States Senate blocked, by filibuster, the renewal of the USA/Patriot Act, in what was universally described as a “stinging rebuke” to the Bush-Cheney Administration. Four Republican Senators joined with 43 Democrats in a successful vote against cutting off debate.

That December morning, the Senate, and the whole nation, had been shocked by the *New York Times* revelation that the Administration had been using the National Security Agency (NSA) for a program of warrantless electronic surveillance of Americans, in clear violation of laws passed by Congress. Speaker after speaker that day cited the NSA disclosures as evidence that the Administration cannot be trusted, and some even wondered what the whole point was of debating and passing legislation, which the Administration then ignored.

Now, after an extended holiday recess, and the bruising Senate battle over the Supreme Court confirmation of Samuel Alito, the intertwined fights over the Patriot Act extension and the illegal NSA spying program are again taking center stage on Capitol Hill.

What is at stake here, is precisely the same fundamental issue as in the Alito confirmation: “emergency rule” police-state measures which are modelled on Nazi jurist Carl Schmitt’s justification for the Hitler takeover in Germany in 1933-34.

## Unresolved Patriot Act Issues

Although the Administration, and especially Vice President Dick Cheney, had threatened that it would not allow any extension of the Patriot Act without renewal of its 16 expiring provisions, President Bush was forced to bow to reality, and signed a one-month extension of the Patriot Act, which expired Feb. 3, while vowing that this would be the only extension.

Predictably, Congress was unable to come to any final agreement, among itself, and with the Administration, and thus, on Feb. 1, the House voted for another, five-week extension, on which the Senate followed suit, thus giving Congress until March 10 to resolve the questions surrounding the longer-term renewal of the Patriot Act.

The most contentious of its provisions are:

- National Security Letters, also called “administrative subpoenas,” under which the FBI or other agency can demand

documents without obtaining a court-issued subpoena.

- Business records seizures, allowing the Foreign Intelligence Surveillance Act (FISA) Court to authorize the obtaining of business and financial records, even library records, and barring the holder of the records from disclosing that the records have been seized, even to the person to whom the records pertain.

- Delayed-notification search warrants, under which Federal agents can secretly execute a search-and-seizure, and not notify the target for weeks or months. This is not restricted to terrorism investigations; the provision, also known as “sneak-and-peak,” has been used in garden-variety white-collar criminal cases.

- “Roving” wiretaps, in which the FISA Court can allow interception of the communications of a target, regardless of what communications device he is using. Unless closely regulated, the use of roving wiretaps can easily violate the Fourth Amendment’s requirement that a search warrant must specify with particularity the place to be searched.

As with other provisions of the Patriot Act which involve the FISA law, the Administration has rendered them irrelevant, by simply bypassing and ignoring FISA’s legal requirements under its Carl Schmitt-like claim that the President can determine what the law is, irrespective of the other two branches of government.

## Administration Exposes Its Own Lies

The Administration’s duplicity is clearly demonstrated by the case of the “Patriot II” legislation which surfaced in early 2003. This was a complete, final but secret draft of new legislation prepared by the Justice Department, which was ready to be sprung in the event of a new terrorism incident or scare. But in February of 2003, someone in the Justice Department leaked the 86-page bill, plus a 33-page section-by-section textual analysis, to the Center for Public Integrity, which made it available to the public. (See *EIR*, Feb. 28 and May 2, 2003) In the wake of the uproar which followed, the draft—which Lyndon LaRouche dubbed “Himmler II”—was shelved, although parts of it were secretly implemented, or smuggled into the various amendments which were proposed around the renewal of the Patriot Act’s expiring provisions.

As the Center for Public Integrity recently pointed out, the “Patriot II” draft absolutely undercuts the Bush-Cheney Administration’s current contention that the President had full, “inherent” legal authority to conduct warrantless NSA surveillance of Americans without changing the FISA law.

The 2003 draft contained various provisions regarding FISA, including one for expanding FISA’s 15-day wartime exception for obtaining advance court approval of wiretaps, so as to also permit this exception to be used after a Congressional authorization for the use of military force, or after an attack creating a national emergency. Since the exposure

of the NSA spy program, the Administration's specious, cobbled-together argument is that the 2001 Congressional authorization for the use of military force against al-Qaeda either 1) triggers the President's "inherent" powers as Commander in Chief, or 2) constitutes a "statute" which automatically amends the FISA law. Clearly, they did not rely upon this in 2002-03, or they wouldn't have considered it necessary to draft amendments to FISA for Congress to pass.

## White House Stonewalls Senate

Heading into the Feb. 6 hearing of the Senate Judiciary Committee on NSA surveillance, the committee is being stonewalled by the White House, which is refusing to hand over its classified legal opinions which were used to justify its NSA spy operation.

The *New York Times* reported on Feb. 2 that there are two key memos at issue; the first was written by John Yoo of the Justice Department's Office of Legal Counsel (OLC) in late 2001 or early 2002, and is thought to contain "far-reaching and explosive legal theories," similar to those Yoo put into the "torture memos." Yoo—a proponent of the Nazi "unitary executive" doctrine—has repeatedly argued that Congress can make no law which infringes on the President's "inherent powers" as Commander in Chief.

The second key memo being sought by the Senate, is one written in 2004 by OLC lawyer Jack Goldsmith, who reportedly questioned the legality of the program. Goldsmith's role has come to public attention due to an article in the Feb. 6 issue of *Newsweek*, which profiled the ferocious fight that took place between the Cheney legal cabal (consisting of Addington, Yoo, and deputy White House legal counsel Timothy Flanigan—the grouping that *EIR* dubbed the "Torture Trio"), versus a group of lawyers in the Justice Department who opposed Cheney's drive for untrammelled executive power. The dissident group was centered around Goldsmith and Deputy Attorney General James Comey; the entire group was Republican political appointees, and most of them were denied promotions and driven out of the Administration.

The "chief opponent of the rebels," according to *Newsweek*, was Addington, who was known to speak for Cheney; he and Flanigan cut everyone else, but Yoo, out of the process of setting legal policy for the war on terrorism.

When Jay Bybee left as head of OLC in 2003, *Newsweek* reports, Addington and then-White House Counsel Alberto Gonzales wanted to make Yoo the head of OLC, but Ashcroft balked, because he was piqued at Yoo for going around him, directly to the White House. So Goldsmith, a law professor working at the Pentagon, was brought in, but, as *Newsweek* put it, "he did not intend to become a patsy for Addington and the hard-liners around Cheney."

Goldsmith, with the backing of Comey, refused to reauthorize the NSA wiretapping program in 2004, triggering the

famous visit by Gonzales and White House Chief of Staff Andrew Card to then-Attorney General John Ashcroft in the hospital; Goldsmith and others did succeed in getting tougher standards imposed for warrantless eavesdropping, and, reported *Newsweek*, this "drove Addington to new levels of vexation with Goldsmith."

Thus, it is not surprising that the White House has refused to hand over the Yoo and Goldsmith memos to the Senate, despite the fact that several Judiciary Committee Democrats have requested the documents, as has the committee chairman Sen. Arlen Specter (R-Penn.), who has publicly stated that he believes that the NSA spying program violates the FISA law. Sen. Charles Schumer (D-N.Y.) says the committee should consider issuing subpoenas if the Administration continues to refuse to provide documents.

## 'Double Standard'

The fight over the Administration's conduct relative to the NSA spy program spilled over into the Feb. 2 hearing of the Senate Intelligence Committee, held to receive the intelligence community's annual global threat assessment, despite the efforts of committee chairman Sen. Pat Roberts (R-Ks.) to bar any discussion of the surveillance operation.

Sen. Jay Rockefeller (D-W.V.), the senior Democrat on the Intelligence committee, compared the Administration's selective use of intelligence before the Iraq war, to the Administration's selective disclosing and withholding of information concerning the NSA program now. Although the intelligence agencies are required by law to keep the Congressional intelligence committee informed on such matters, the White House has said that only the top two members of the committee can be briefed. Sen. Diane Feinstein (D-Calif.) elicited the information that the decision to withhold information from the rest of the committee was made by directly by Bush and Cheney.

But, while the White House is refusing to talk to the Senate, Rockefeller charged, it has launched a press campaign of putting top officials, "from the Vice President to the White House press secretary," out to talk about the program. Sen. Carl Levin (D-Mich.) called this a "double standard," in which the Administration wants to selectively put out information and even details about the program in public when defending it, but it refuses to give any information to Congress.

If, as expected, the Administration continues to stonewall Congress while defending its violations of the FISA law, many observers expect this to blow up the ongoing negotiations around the Patriot Act. This will not only give Congress another opportunity to crack down on Bush and Cheney's Nazi legal practices, but may show the necessity of pursuing impeachment proceedings as well.

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## The General Welfare Is The Constitution's Core

*Lyndon LaRouche addressed a cadre school of the LaRouche Youth Movement in Los Angeles, Calif. on Jan. 28, 2006. The following is his answer to one of the questions after his presentation.*

**Q:** I asked John Yoo [former Justice Department lawyer and author of “torture memos”], when he spoke at Loyola Law School recently, about the role of the Supreme Court. He acknowledged the founders of the United States had said that the Supreme Court should interpret the law, and said that all these powers had been outlined for the branch—but really, “we think this just makes a mess, and it really doesn’t matter.” I asked him about his statement, and he said, “Well—any one of the branches can interpret the law.” And then, when I subsequently cornered him on this, he said, “Well, actually, I don’t know which branch most interprets the law.”

So, I just wanted to know, just to confirm that I’m a sane person, if the Founders really intended these articles, which delineated responsibility for the various branches of government, and that no branch would usurp the role of another branch? You can deliberate, but everyone sticks to their job, just like Plato’s theory of justice, that everyone does what they’re supposed to do, and they do it well.

**LaRouche:** Well, first of all, look at the U.S. Constitution—the Federalist Society is a fraud, of course, the whole thing is, *complete fraud*: Tracing themselves from the Federalists, especially Alexander Hamilton, *complete fraud*! “Oh, you’re a Hamilton supporter, huh? How about the National Bank? Why don’t we have a National Bank? Or, why don’t we have the program which was defined by Hamilton in terms of the paper on credit, the *Report to the Congress on Credit*? Why don’t we have a National Banking system, as prescribed by the one of the founders of our Constitution, Hamilton, the Treasury Secretary? Why don’t we have a policy, like that outlined in quite some detail on the question of manufactures, by Hamilton, in his *Report to the Congress* on this subject?”

“Why do we have people who trace their policies, not to Hamilton, but to *opposition* to Hamilton, from among some of the followers of Jefferson; and most exemplary, the case of Andrew Jackson, and Martin van Buren and company?”

These guys are not Hamiltonians: They are radical

British-influenced thinkers. They talk about a British conception of law, which is not an American sense of law.

Now remember, the British constitution—there *is* no British constitution! There’s a legacy, but there is no constitution.

Now take the American Constitution, the Federal Constitution. Or, start with the Declaration of Independence. (The Declaration of Independence was not actually written by Jefferson. Jefferson drafted, made a draft of the Constitution, which was corrected and re-done by Benjamin Franklin. And Jefferson was the secretary of the body, which went through the process of composing what became known as the Declaration of Independence.) But the intention of the Declaration of Independence, which is clear in what it says, contains one formula, which is crucial for all U.S. Constitutional law and conception of law, as opposed to the garbage which has been popularized in recent periods, by all kinds of renegades and confused idiots and whatnot. And that is, the principle of the General Welfare.

Now, the General Welfare principle, which is the issue of—the recent, first Encyclical of Benedict XVI, is on the General Welfare, on *agapē*, which is a conception which is elaborated as a kernel of the concept of the republic, in Plato’s *Republic*. And it comes out, especially out of the mouth of Socrates against Thrasymachus and Glaucon, who are alternative conceptions of government. So you have three conceptions: Thrasymachus, which is the concept of the Federalist Society! In other words, this is the thing which is denounced, and exposed as a horror-show, by Plato in the *Republic*. The *Republic* which is the document, which is a document of reference for the composition of the Constitution of the United States.

### Power vs. the Constitution

So these guys are the followers of Thrasymachus—the irrationalist! The person that says “power justifies.” “Supreme power is the greatest justification. And it is the power you have, with the power of the executive to act, which is the basis for government.”

But this is *opposite* to the conception of the republic, by Plato. It’s opposite to that of the Founders of the United States, in founding our republican Constitution, our republic. And there was great discussion, both in what is known from reflections of participants in the Constitutional Convention, but also by reference to another convention which was going on at the same time: that of the Cincinnatus Society. The Cincinnatus Society was the society of the veteran officers, and their heirs, of the American Revolution. . . .

Now, the Cincinnatus Society was meeting in the same context, as the meeting of the Constitutional Convention. And what is said in the proceedings of the Cincinnatus Society, is a reflection of the thinking of the same people, who were both members of the Cincinnatus Society, and in the Constitutional Convention: typified by Alexander Hamilton!



EIRNS/Stuart Lewis

*"When you look at the U.S. Constitution and U.S. law," said Lyndon LaRouche, "... it's all based on one principle ... the principle of the General Welfare." Alexander Hamilton understood this explicitly, whereas the opposing position is represented by the Federalist Society, which championed Alito, and falsely claims to trace itself from Hamilton.*

## The General Welfare

So therefore, the Federalist conception is that. Now, what's the conception? Go back to the—again—to the Declaration of Independence, not as crafted by Jefferson, but actually crafted *under the direction of* Benjamin Franklin. And what is the central conception of this? After going through the details of justice, injustice, the causes for freedom of the United States from its British monarch, which is the essential, and central argument there. The argument is: The argument for the commonwealth society, the General Welfare. In this case, they take a phrase directly from Leibniz's attack on Locke, in the *New Essays on Human Understanding* of Leibniz. Which was a key reference point for the Americans, and especially for Franklin, in forming the United States.

Now, the term is "the pursuit of happiness." Now, the "pursuit of happiness," pertains not to greed, or not to utilitarian notions, but rather to the fact that we are all mortal individuals—we die. We all die. Therefore, do we die as animals, or do we die as something else? And this distinction is located, where? And Leibniz is clear on this, as Plato is: The difference between man and beast, lies in those creative powers, which I referenced again today, in terms of the ability to discover a universal physical principle, or to discover the same distinct kind of idea, in the form of, shall we say, [conductor Wilhelm] Furtwängler's concept of "performing between the notes," in

terms of the composition in the Bach tradition, a composition based on Florentine *bel canto* voice-training and its application, the idea of the "comma" from the Pythagoreans.

So, this idea of creativity, as a distinction between man and the beast, is the meaning of "happiness." That is, we're all going to die, so therefore, how can we take pleasure out of the fact that we're going to die? We can only take pleasure out of the fact we're going to die, when what we're doing while we're alive, somehow has *permanent value for society*: that we will live in the future, in that way, and practically, as our ancestors, our predecessors, who made discoveries of principle we share, live in us. So therefore, the right to *have a life*, while we live, which is a fulfillment of that which makes us human, rather than monkeys, is the "pursuit of happiness"—the *right to development*, in a sense. The right to education: This was a big issue! As for the question of slaves—it was illegal—you could be

killed, as a crime against the local state, for allowing a slave to become educated to read and write.

This is the same issue raised in the *Prometheus Bound*, as the charge made by Zeus against Prometheus, for allowing people to know how to use fire. And the same thing, the principle of slavery was the stupidity factor: You can live, if you're *stupid*. And then, when freedom came, then you had liberals in the United States who had been opposed to slavery, but who nonetheless said, "We must not over-educate the children of these ex-slaves." In other words, again, the same thing: Keep them stupid! And tell them, that their interest is to be stupid! To think stupid things! To eliminate ideas from their life—to be "in their nature," that is, stupid, uneducated. As against Frederick Douglass and all the freedom fighters, who said that the freedom and development of the mind is the *first step* to freedom of the body. If we don't have freedom of the mind, freedom of the body is a tenuous thing, which you may lose very easily—because of your mutual stupidity.

So therefore, the issue of "happiness," is the issue of the education and development of man: So that, while we have a mortal life, we have the prescience, that our life is immortal because it's a vehicle for contributing something of immortal value from the past, from our own lives, into the future.

And this is the notion of the General Welfare. This notion is not new. The notion is the principle of *agapē*, which is the central conception of the first Encyclical by the most recently

installed Pope, Benedict XVI: the principle of *agapē*. Which is the principle of *I Corinthians* 13, for example. This is the principle.

Now, this principle existed, then. It existed with Plato. It existed before Plato, but it was articulated by Plato, through the voice of Socrates in the *Republic*, and through other writings. That's the issue. But, the society, as a society *based* on *agapē*, a *political society*, was first established in Europe during the 15th Century. It was defined, first of all, by Cardinal Nicholas of Cusa (before he was a Cardinal), in his *Concordantia Catholica*—Universal Accord. And this superseded the question of *On the Subject of Monarchy* by Dante Alighieri, whose work on poetry and the Italian language, and the development of the Italian language, was the characteristic of all of the work of Dante Alighieri. And this was embodied in this form, by Nicholas of Cusa, subsequently the canon cardinal of the Church. And this was expressed, also, in Cusa's *De Docta Ignorantia*, which was the foundation of modern experimental science.

This form of society was first established, under the influence of the 15th-Century Renaissance, in France under Louis XI. And this was called a commonwealth society, in French. The society was the commonwealth: That is, the monarch is the slave, in a sense, the instrument who must serve the cause of the General Welfare, and this is exactly what Louis XI did, in transforming, and doubling the national income of France, within the period of his reign! He avoided war, when he could; he paid for peace, when he had to; but he *doubled* the national income of France, physically, within his reign. He adopted a member of the British aristocracy, the Norman aristocracy, Richmond, who became Henry VII, who did the same thing in England, and established what became known as the "commonwealth principle" in English law—before Henry VIII.

So, this commonwealth principle, which was embodied, as a declaration in the Plymouth Colony—but explicitly, as the commonwealth principle, in the founding of Massachusetts, as a colony, the founding of Pennsylvania as a colony, and so forth. So, the commonwealth conception was the foundation of the United States: That the state must be the slave of the interests of present and future generations, and the realization of the aspiration of generations before. This is the principle of the General Welfare, which is central to the Constitution.

## Rational Conception of Law

Our Constitution was crafted as a unit, taking into account the whole question, centered around this question of the General Welfare. Not merely to defend the country, and to provide this, and to provide that: But the central thing is, the same principle which is *central* to the Declaration of Independence: the idea of the pursuit of happiness of all persons. *The realization of the meaning of being human; the right to participate in the process, of realizing what it is, the potentiality of be-*

*ing human.*

Therefore, the U.S. Constitution, and U.S. law, has nothing to do with English common law! Nothing! It has nothing to do with this empiricist kind of law. It is based on a *principle* of law—a universal principle of law—not a choice, not a contract. It's not contract law, it's not an agreement. It's not a tyranny.

So, therefore, when you look at the U.S. Constitution and U.S. law, if you look at it sanely, and properly, and competently, *it's all one body of law*. And it's all based on one principle, the same principle which this Pope has just reaffirmed, in his first Encyclical: *agapē*, the principle of the General Welfare. And that's what our law is.

Those who go in another direction on the law, are violators of the law, and must be excluded from exerting control over the interpretation of the law. You see this in the case of Alito: Here you have a guy who is technically a fascist, not because he's of Italian origin. Though you would say with Scalia, as well as Alito—and Roberts—or Scalia and Alito in particular, you're looking at persons of nominally Italian origin, who are fascists. That does not mean that they're followers of Mussolini because they're Italian in their origin, but they're followers of Mussolini because they are of a similar *moral, or immoral, persuasion*. And that's the issue.

But, the law is also something for which you must fight. You must defend the law. You must defend the Constitution, as what it actually means! Some blabbermouth gets out there, some liar, some fascist comes out there, and says, "No!"—and then, you look at Scalia: Scalia is a totally immoral person. He's immoral by Christian standards, with his whole doctrine of text—this is *total immorality*! This is real empiricism.

So anyway, this is the issue. There *is* a conception of law: It's a rational conception of law, in the Platonic sense. It's a law which we know, not only because of what Plato wrote, and because people adopted Plato's precedent as the formation of U.S. law, as opposed to British law. But it's something which is embedded in the experience of history. In the struggle for a society in which some people are not slaves, or not virtual slaves; in which there's not some privileged oligarchy, which reigns over people who are herded as human cattle. That "human cattle" is not an institution we allow in our society—that's the law. And therefore, that's our principle, and that's what we must defend.

If we betray that, if we betray our law, if we allow this kind of garbage coming in—there's this complete *Sophistry*, which is what these guys represent; they lie all the time! You have now, potentially, five Supreme Court Justices—three already, clearly—who wear the mask of a kabuki actor, on the Court: You have Alito, who also put on his kabuki act, in not answering the questions, posed to him by members of the Senate. The guy's a fake! He has no business in government. And, if we allow kabuki actors to take over, we're going to get a result—the worst of the Japanese tradition! And somebody'll be coming around to chop your head off!

# Cheneyacs Militarize U.S.-Mexican Border

by Valerie Rush

The Bush/Cheney Administration has plans to set up concentration camps right inside the United States, and in a grotesque parallel to the Krupp/IG Farben-sponsored “work camps” in Hitler’s Germany. The contract to build and run the U.S. camps has already been granted to Cheney’s old firm Halliburton, already made infamous for its corrupt looting practices in war-ravaged Iraq. And plans are already afoot to provoke precisely the kind of border chaos that will supply the inmates for those camps.

According to the Associated Press of Jan. 30, Halliburton subsidiary KBR has been awarded an open-ended \$385 million contract to build large immigration detention centers, in the event of an “immigration emergency.” Said an official of the Department of Homeland Security’s ICE division (Immigration and Customs Enforcement), “If, for example, there were some sort of upheaval in another country that would cause mass migration, that’s the type of situation that this contract would address.”

Halliburton has the experience. From 2000 to 2005, it held a government contract to set up temporary processing, detention, and deportation facilities for illegal immigrants. It was paid \$6 million, and not surprisingly, was the only company to bid. That contract has now been extended, at a time of heightened tensions on the U.S.-Mexico border, aggravated especially in the last few weeks by a growing number of shooting incidents and drug-related hot pursuits. Last year’s emergence of “vigilante” teams along the U.S. border to hunt down illegal immigrants, had already raised tensions. And then, on Dec. 17, the U.S. House of Representatives passed Republican legislation authorizing construction of a 700-mile wall between Mexico and four American border states, at a cost of several billion dollars. The “border security” bill, now awaiting passage by the Senate, was sponsored by House Judiciary Committee chair James Sensenbrenner (R-Wisc.) and Homeland Security Committee chair Peter King (R-N.Y.).

Wall proposals are nothing new. In 1975, then-State Department consultant William Paddock—a rabid advocate of population reduction often cited by the racist Federation for American Immigration Reform (FAIR)—told an interviewer that the answer to Mexican so-called overpopulation and spillover into the U.S. was to “shut the border and watch them scream.” Starvation, disease, and war would take care of the rest, he suggested.

The Mexican government has organized support from

Central and South American countries to oppose the de facto “closed door” policy. When Mexican President Vincente Fox denounced the concept of the wall as “a disgrace” and another “Berlin Wall,” U.S. Ambassador to Mexico and Bush intimate Tony Garza called Fox’s remarks “disingenuous and intellectually dishonest.” Garza defended the wall, insisting that the United States has the “right to take any security measures deemed appropriate.” In a Jan. 25 “diplomatic note,” Garza went further, charging that “efforts by Mexico to promote regional opposition to measures under consideration in the U.S. Congress,” are “polarizing the debate” and “bolstering” backers of a wall.

Following a Jan. 23 border shootout between Texas police and drug traffickers allegedly dressed in Mexican military garb, incendiary cries about a “Mexican invasion” began to echo down the political and media highways and byways of the neo-conservative right wing. California Gov. Arnold Schwarzenegger has called the border a “high-risk zone,” while Colorado Republican Rep. Tom Tancredo, a zealous supporter of Sensenbrenner’s wall, called for U.S. troops to be immediately deployed to the border. The Jan. 27 *Washington Times* published a column by senior *Times* editor Robert Stacy McCain, which drew parallels with President Woodrow Wilson’s 1917 war on Mexico, supposedly triggered by Pancho Villa’s raids across the border. The *Times* columnist pointed to President Wilson’s justification for the invasion of Mexico—that German saboteurs could be crossing from Mexico into the U.S.—and made an explicit comparison to an alleged al-Qaeda threat from south of the border.

## Border Patrol Memo: ‘Deadly Force’

On Jan. 31, the Mexican daily *La Jornada* revealed that an internal memo being circulated by U.S. Border Patrol director David Aguilar, declared the Patrol ready and willing to use “deadly force” against any future excursions by “armed comandos.” The memo reports that attacks on U.S. law enforcement on the border went from 396 in 2004, to 778 in 2005, with 153 attacks reported in January 2006. What the memo does not say is that the dramatic increase in drug-related violence on both sides of the border is a direct consequence of Washington’s free-trade policies, which have decimated the Mexican economy, giving free rein to the drug trade, and its violence.

As Lyndon LaRouche told a Mexican university audience in November 2005, the only solution to the border crisis is cooperative development: “You see a situation on the border, poor people who can’t get employment, become ‘mules’ carrying drugs across the border out of desperation. . . . The United States has never taken effective action on this. It’s in our interest, and Mexico’s interest, . . . to develop Mexico, to develop its agriculture, to develop new cities, new communities. It’s in the interest of the United States to have security, and U.S. security depends upon the security of Mexico. If Mexico is more secure, then we are more secure.”

### Budget Outlook: Deficits As Far as the Eye Can See

On Jan. 26, the Congressional Budget Office released its outlook for Fiscal Year 2007, which projects a future that does not exist, as Democrats were quick to point out. Acting Congressional Budget Office (CBO) director Donald Marron admitted as much when he told reporters, "We are not actually in the business of making forecasts. We are in the business of making projections based on certain assumptions, and among those key assumptions are that existing policies stay in place." One of those existing policies is that the tax cuts passed in 2001, 2002, and 2003, which are set to expire by 2011, actually are allowed to expire, something which President Bush and Congressional Republicans are not about to let happen. As a result of just this one assumption, the CBO projects a budget surplus in 2012 of \$38 billion, and \$67 billion in 2016.

Rep. John Spratt (D-S.C.), the ranking Democrat on the House Budget Committee, and Sen. Kent Conrad (D-N.D.), Spratt's counterpart in the Senate, wasted no time tearing apart that projection. Spratt noted that if the tax cuts are indeed extended as President Bush is demanding, then the \$67 billion surplus in 2016 turns into a \$584 billion deficit. A reform of the alternative minimum tax, such that it would only affect those who are affected by it, today, would cost another \$864 billion in revenues over the next ten years. None of that figures in the continuing costs of the wars in Iraq and Afghanistan, which Spratt and Conrad calculate could be another \$387 billion. Overall, they estimate that the Bush Administration's policies will incur \$3.9 trillion in deficits over the next ten years.

However, these numbers may be optimistic, given the CBO's economic

projections. The CBO report expects annual growth in GDP of 3.6% in 2006, 3.4% in 2007, an average of 3.1% between 2008 and 2011, and 2.6% from 2012 to 2016. The report claims that while the housing market is expected to cool, "firms' continued need to expand productive capacity" along with certain other factors will continue to drive economic growth. This, of course, flies in the face of the plans of the automotive industry to reduce its production capacity by approximately one-third, which will cut more than 100,000 jobs.

### Military in Danger of Being Broken, say Dems

A task force led by former Secretary of Defense William Perry and former Secretary of State Madeleine Albright, issued a report on Jan. 25, warning that the U.S. military is so overstretched that it risks being broken. Sen. Jack Reed (D-R.I.), who appeared at a press conference along with Perry and Albright, said that "the leading indicator of this crisis is a crisis in recruiting soldiers." He noted that while retention is strong, the Army missed its recruiting goals for 2005. The Bush Administration is proposing to reduce authorized manning for both the Army Reserve and the Army National Guard. "When you have oversized missions, undersizing the force doesn't make any sense," Reed said. "I think it's a tacit admission by the Army, at least, that they cannot fill all the slots they need."

Perry warned that this strain will have "highly corrosive and long term effects on the military," if not relieved. He noted that every active-duty combat brigade in the Army has been used in Iraq or Afghanistan at least once, many twice or even three times, and

all active-duty Marines are on a tight rotation of six to seven months in Iraq and seven to ten months at home. The strain is even greater on the National Guard, 95% of which has been mobilized since 9/11. On top of the strain on people is the wear and tear on equipment, which Perry said will cost \$50 billion to repair or replace.

### Democrats Keep Spotlight On Medicare Drug Fiasco

On Jan. 30, Representatives John Dingell (D-Mich.), Fortney "Pete" Stark (D-Calif.), and Henry Waxman (D-Calif.) announced the introduction of legislation to guarantee that senior citizens, particularly those eligible for both Medicaid and Medicare, are able to get the prescription drugs they need, regardless of whether their plans cover those drugs. "It is clear," Dingell said, that when the 2003 Medicare drug bill was drafted, "beneficiaries' needs were given a back seat to the needs of private insurance companies and drug companies. Indeed, it was written behind closed doors with the assistance only of drug companies and insurance companies."

Stark went even further, accusing the Republicans of intending to make Medicare dysfunctional in order to pave the way for privatization. "Our efforts to make constructive corrections to a bill will be repulsed because that's not what the Republicans want," he said. "They want the government plan to fail and to see it replaced, at best, by a voucher." Waxman added that the Congress needs to look at the corruption behind the process by which the bill was passed. "I believe the corruption of the process heavily influenced the outcome of Medicare legislation," he said, "and American seniors and taxpayers are bearing the burden of this result."

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# National News

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## Reality Sends Rumsfeld Even More Ballistic

The suggestion that the U.S. Army is in bad need of repair caused Secretary of Defense Donald Rumsfeld to launch another ballistic rant, upon being confronted with that reality.

In late January, AP broke a story of a new report, written under contract to the Pentagon, by Andrew Krepinevich, a retired army officer and director of the Center for Strategic and Budgetary Assessments. In that report, Krepinevich concluded that the Army cannot sustain the pace of troop deployments in Iraq long enough to break the back of the insurgency. He suggested that the Pentagon's decision to begin reducing troop levels in Iraq to 100,000, this year, is in response to the realization that the Army is overextended.

In the report, he warned that the Army is "in a race against time" to adjust to the demands of war "or risk 'breaking' the force through a catastrophic decline" in recruitment and re-enlistment.

Not surprisingly, Rumsfeld went ballistic when asked about the report at a Pentagon briefing. "Unless people are telling me something other than the facts, that's just false. . . . I just can't imagine someone looking at the United States armed forces today and suggesting that they're close to breaking," Rumsfeld said. "That's just not the case."

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## Arnie, Bush Kill Funds For High-Speed Rail

California Gov. Arnold Schwarzenegger and the Bush Administration moved in lockstep recently to stop high-speed rail even before it starts.

After ten years, the California High Speed Rail Authority is nearly ready to start construction on a 700-mile-long system, which would whiz electric-powered bullet trains between San Francisco and Los Angeles (and other destinations) at speeds of up to 220 miles an hour.

But the Terminator has said that he plans

to remove the project's \$9.95 billion bond issue from the 2006 ballot. In an effort to salvage the system, Democratic State Sen. Don Perata has proposed a \$1 billion California bond package bill.

On Feb. 1, at the behest of the Bush Administration, House Ways and Means Committee chair Bill Thomas of California deleted a tax-bonding provision for high-speed rail in H.R. 1631. He justified getting rid of the provision by saying that "not every region of the country would benefit by the development of high-speed passenger rail service," according to the Congressional Quarterly.

But the fight for rail development doesn't break solely on party lines. Republican Sen. Trent Lott (Miss.) continues to press for the passage of the Lott-Lautenberg bill, S. 1516. Announcing his bid for reelection Jan. 17, Lott said, "Part of my goal is to put a little pressure on the Administration, because I don't think their [passenger rail] proposals have any credibility at all, and on the House to go ahead to address this issue."

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## Mrs. King 'Stood Firm, Comforting Others'

Amelia Boynton Robinson, the civil rights heroine and vice chairman of the Schiller Institute, made public note of the death of her longtime friend and colleague, Coretta Scott King, in a statement in which she said that Mrs. King had "quietly laid the draperies of her beautiful past behind her," when she died Jan. 31.

Mrs. Robinson was among the first to be asked to become a board member of the King Center, which Mrs. King founded in Atlanta, following the assassination of her husband, Dr. Martin Luther King, Jr.

"I gleaned from Coretta King, more patience, determination and courage in fighting discrimination among the white citizens, and deep-seated fear among people of my race," wrote Mrs. Robinson. "Coretta was a very strong woman, having to raise four children, while she loaned her husband to the world, withstanding non-believers who hated the troubling of the political racial waters. She stood firm, comforting others."

"There were many dark days that brought pains, and nights when she could not sleep, but through it all she never became discouraged, or gave up hope, as she took the bitters with the sweets: The victory of winning the right for the citizens of the United States of America to vote and the Civil Rights Act were sweet rewards."

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## And Where Were You, Justice Antonin Scalia?

The *New York Times* and ABC's "Nightline" report that Supreme Court Associate Justice Antonin Scalia had more pressing matters than to attend the swearing-in of new Supreme Court Chief Justice John Roberts.

The Ritz Carlton Hotel in the mountains near Vail, Colo. beckoned. What was there? The Schmittlerian Federalist Society's September three-day bash. Between tennis, fishing, and cocktail sessions, Scalia weighed in with a ten-hour course for attending lawyers, many of whom appear before the Supreme Court.

One of the elbow-bending sessions was sponsored by the lobbying and law firm where Jack Abramoff used to have an office.

Scalia was the only Supreme Court associate justice to miss Roberts's swearing-in ceremony.

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## Rebuild U.S.A., Says Bipartisan Majority

The office of GOP Sen. Pete Domenici (N.M.) reports that 60 Senators have now signed on as co-sponsors of the three bills, jointly called the Protecting America's Competitiveness Edge Act (PACE). The co-sponsors are 30 Democrats and 30 Republicans. The bills provide tax incentives for R&D, innovation, and continuing education; support for graduate and undergraduate students in science and math, and fellowships for teachers; and to strengthen basic research programs at the Energy Department, and science and math education, using the national labs.

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## South Africa's PBMR: World's Most Versatile Nuclear System

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*Jonathan Tennenbaum reports on an international conference in London to discuss the fantastic economic potential worldwide of South Africa's Pebble Bed Nuclear Reactor.*

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Next year the Republic of South Africa will begin on-site construction of the first Pebble Bed Modular Reactor (PBMR)—a revolutionary nuclear power source which South Africa's Minister of Public Enterprises calls "the perfect nuclear technology for Africa and the developing countries."

With the PBMR, South Africa has taken the leading edge in fourth-generation nuclear technology, combining extraordinary simplicity, robustness, and "inherent safety" with the capability to produce high-temperature heat for the production of hydrogen-based fuels and other industrial processes, as well as cheap electricity.

The PBMR is a leading exemplar of the High Temperature Reactor (HTR) technology, which Lyndon LaRouche and his collaborators have long identified, in the context of development programs (for example, the Eurasian Land Bridge and the recent campaign for re-industrialization of the United States), as the key "workhorse" power system for global economic reconstruction and growth in the coming period.

The PBMR project builds upon a long historical development, which began in the 1950s, when the German nuclear physicist Prof. Rudolf Schulten began to think about creating a 100% "inherently safe" nuclear power source, which could be deployed all over the world, including in developing countries, as an efficient industrial heat source and for the generation of electricity. A key to Schulten's ingenious solution was to encapsulate small particles of fuel within ceramic materials that could withstand high temperatures, in such a way that the

radioactive fission products remained permanently trapped in situ, where they are created.

At the same time, Schulten tailored the choice of fuel, helium coolant, and reactor construction, to ensure a uniquely favorable nuclear reaction behavior, which excludes the danger of a runaway chain reaction, and permits routine operation at temperatures up to 1,000 degrees. Schulten's concept was tried and proven in over 20 years' operation of the AVR 30-megawatt test reactor at the nuclear research center in Jülich, Germany.

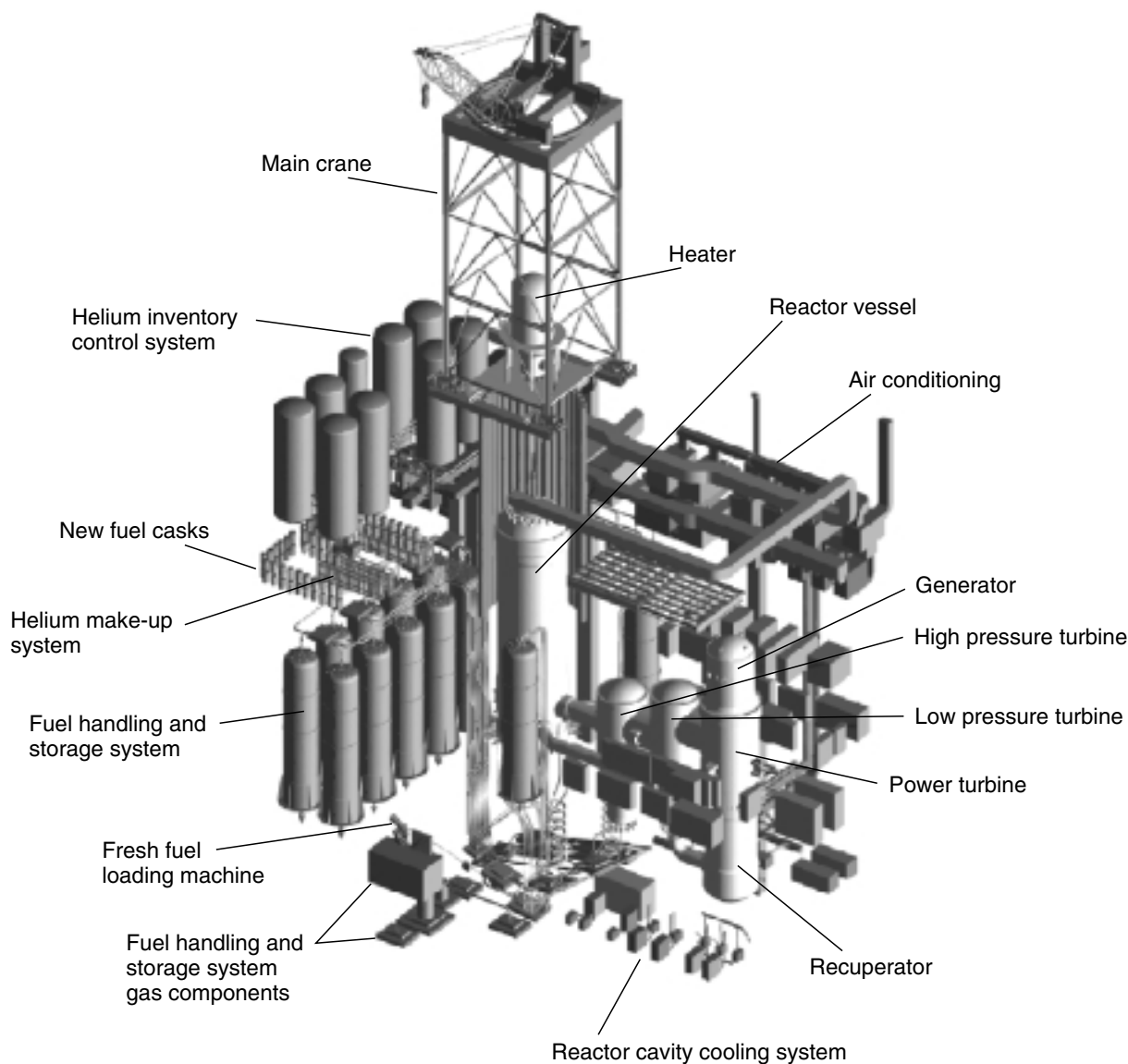
A somewhat different reactor type, based on the same basic ceramic-coated particle principle, was pursued by General Atomics in the United States. The General Atomics' GT-MHR uses tiny fuel particles, but places them in small rods that are stacked into columns, not as loose pebbles.

Unfortunately, after brief operation of a larger, 300-MW HTR version, all work on Schulten's concept was dropped in Germany, as part of the politically motivated, virtual shutdown of that nation's once-proud nuclear sector. The U.S. HTR work did not fare much better, and it is only thanks to three countries, South Africa, China, and Japan, that this technology has been kept alive.

Today, HTR test reactors are operating in China and Japan—the first based on Schulten's essential design, the second closer to the U.S. design. China has recently announced that it will move to large-scale production of commercial HTR units as part of its nuclear energy program. General Atomics has a joint project with Russia to build a GT-MHR

FIGURE 1

## South Africa's PBMR: A Meltdown-Proof Reactor



Courtesy of Eskom

*This schematic drawing shows the main power and support systems for the Pebble Bed Modular Reactor.*

that will burn weapons plutonium. However, by far the most advanced project, one which promises to deliver a crucial, long-delayed breakthrough for Schulten's original concept of a universally applicable nuclear energy, is South Africa's PBMR.

### The International PBMR Conference

On Jan. 30 of this year, Britain's Nuclear Industry Association sponsored an international conference devoted entirely to the PBMR, and attended by some 200 industrialists, nuclear

experts, and political representatives from South Africa, the United Kingdom, the United States, Japan, France, Germany, Spain, and Switzerland. The conference, addressed by leaders of the South African program, as well as that nation's Minister of Public Enterprises, served both as a first full-fledged public presentation of the entire PBMR program in Europe, and as a follow-up meeting of international suppliers and investors, to an August meeting in South Africa.

The account of the conference presented here speaks for itself, and should enable the reader to become familiar with

leading features of the technology and its potential importance. I shall not comment on the geostrategic implications of this technology not being produced in Germany (its country of origin) nor in the United States, but in a nation of the British Commonwealth. This should be a wake-up call to all, that the era of suppression and stagnation of nuclear energy development has drawn to an end.

The author was also impressed by the display of national pride and optimism on the part of the representatives from South Africa, and also of a certain basic competence in industrial and economic policy, which is a highly refreshing contrast to the sheer insanity that still dominates policy-making in the United States and Europe. If there was a certain, understandable amount of “hype” in the PBMR presentations, it was a pleasant one.

Greeting the conference, Robert Hawley, former Chief Executive of British Energy, emphasized two points. First, the major technological advances embodied in the PBMR; its simplicity, speed of design, and rapid construction. The 165-megawatt-electric modules are very appropriate for developing countries, which lack extensive electricity grids. Hawley noted also the massive support given to the project by the South African government and the state-owned electricity company, Eskom, as well as the wise decision by both to draw in world-renowned industries, such as Mitsubishi Heavy Machinery, in supplying certain key components of the reactor, alongside the major role of South Africa’s own domestic industry.

“Tears of frustration come to my eyes when I compare the attitude of the UK government to that of South Africa,” Hawley said.

Dr. Alistair Ruiters, the chairman of the PBMR project, emphasized the fruits of “14 years of hard work,” starting with the 1990 decision by Eskom to devote a small budget to examining the potential of the original German technology. A crucial turning-point came in 1994-95, when South Africa voluntarily abandoned its originally military nuclear program and redeployed its manpower and resources into the PBMR project. Now the project is engaging suppliers spanning the globe, guaranteeing the commercial viability of a new path for nuclear energy. At the same time, the PBMR will constitute a major contribution by South Africa to improving the lives of people in Africa.

### ‘Join Us on an Exciting Journey’

Jaco Kriek, CEO of PBMR, showed an upbeat video on the South African project, entitled “Expand your mind.” The basic message was well presented: In the context of the need to upgrade an infrastructure that is already strained by South Africa’s rapid economic growth, and at the same time to recapitalize the country’s heavy industry and scientific-technological capability, South Africa has decided to make itself into a “global center for nuclear excellence,” placing export of standardized nuclear reactor modules at the forefront of a



Courtesy of General Atomics

*The predecessor of the PBMR, the AVR experimental pebble bed reactor in Jülich, Germany, came on line in 1967 and operated successfully for 22 years. It demonstrated many safety effects of the high-temperature reactor. One test showed that in a total sudden shutdown, the plant cools down and the fuel remains intact.*

strategy to cement the country’s role as a major exporter of capital equipment. At least 12 countries are currently interested in purchasing PBMRs.

Kriek noted that “energy is a hot topic,” and that the PBMR is “South Africa’s unique contribution to the global challenge” of meeting mankind’s power needs, not only for electricity, but also for transport and industry. He pointed to the decisive importance of this technology for Africa in particular—the giant continent that shows up nearly totally dark, from lack of electric power, in the satellite image of the world at night. Power is the key to kick-starting the African economies.

The first pilot PBMR will be completed in 2011, to be followed by commercial mass production of at least 30 commercial modules for domestic use and export. Eventually, hundreds could be produced. At present the approximate timetable looks something like this: First commercial units produced by 2014; production rising to 6 modules a year by 2015; at least 24 modules eventually to be delivered to the electric utility, Eskom. It could go even faster.

Key components of the technical infrastructure already being set up for the PBMR effort include a pilot fuel-element plant at Palindaba, the HTR helium test facility, and the HTTF, Heat Transfer Test Facility. These, Kriek emphasized, are world-class test facilities that will offer their services worldwide, in addition to supporting the PBMR program itself.

Kriek emphasized also PBMR's commitment to leverage the project toward creating new jobs in South Africa. Besides beefing up the country's high-value capital goods export potential, PBMR is encouraging international suppliers to the project to localize parts of the production in South Africa itself. Production of PBMR modules will have a local content of about 60%, while international partners will provide the remaining 40%.

The electricity-producing version of the PBMR already has a large customer in the South African power company, Eskom, which is committed to purchasing a total of at least 4,000 megawatts-electric of PBMR capacity, as the spearhead of its modernizing and expansion program for power production. However, in the future, the process-heat application may be even more interesting, not least of all for hydrogen production. PBMR is already planning to construct a second demonstration plant that will demonstrate the process-heat capability.

PBMR is classified as a "National Strategic Project," but at the same time it involves a remarkable international cooperation. The list of PBMR's international suppliers includes Mitsubishi Heavy Industries (MHI), which will provide the crucial helium turbine systems for the PBMR direct-cycle electricity production, as well as British Nuclear Fuels/Westinghouse, Germany's Nukem and Uhde, SGL Carbon, Spain's steel supplier ENSA, Canada's SNC-Lavalin, Murray Roberts, and many more.

## **Africa Needs Power!**

Most interesting was the presentation by the CEO of South Africa's state-owned national electricity company Eskom, Thulani Gcabashe. Eskom is currently the 9th largest electrical utility in the world, he noted, producing 95% of South Africa's electricity and 50% of the entire electricity consumed on the continent of Africa.

Gcabashe showed once again the impressive satellite mosaic of the Earth at night, pointing to the fact that Africa—very literally the dark continent in the picture—accounts for 12% of the world's population, but only 2% of the world's energy consumption. On the other hand, Africa has extremely plentiful natural resources for energy generation, in terms of hydro, coal, and uranium, which could be used. Gcabashe made clear that Eskom's strategy takes into consideration not merely South Africa's needs, but the requirements of the entire African continent, home now to 700 million people.

For the last ten years, despite a massive electrification campaign in South Africa, Eskom has maintained an excess of power-generation capacity. That excess is rapidly shrinking, however, and the country is now only one year away from the point at which a rapidly growing demand for electricity will overtake presently installed capacity. As an immediate measure, Eskom added an additional 3,600 megawatts-electric of capacity in 2005, by bringing several power plants back on line that had been mothballed since the 1980s. Further capac-

ity of 5,304 megawatts-electric is being added, by upgrading the performance of existing units. But in the medium term, it is only by mounting a massive program of new plant construction, that South Africa will be able to keep up with the skyrocketing demand.

After taking into account all available options, Eskom decided to choose nuclear energy, in the form of the PBMR, as the key vehicle to meet this challenge. The crucial areas of application are the rapidly growing coastal regions in the Cape and Kwa-Zulu regions of South Africa, which are located far from the country's coal-producing area.

After a detailed feasibility study in 2002, Eskom made its initial commitment to install a minimum of 1,100 megawatts-electric of nuclear PBMR capacity, beginning with the "Strategic National Demonstration Project" that goes into construction next year. Beyond this, Eskom is looking at a total of at least 4,000 megawatts-electric of PBMRs. Gcabashe's projections suggest that in the longer term, some 10,000 megawatts-electric of additional capacity will be needed, corresponding to about 60 of the standardized PBMR modular units.

## **How To Build a Stable Energy System**

South Africa's Minister of Public Enterprises, Alec Erwin, elaborated on the thinking process behind the strategic decision by the South African government to go for its ambitious PBMR-based nuclear energy program. Why would a country like South Africa opt for such a policy course? For a long time, energy was not at the forefront of the government's agenda. But after ten years of rapid economic growth, Erwin said, we had to really start thinking about the problem: How do you get a stable energy system?

Because there are no powerful energy suppliers among the neighboring countries, the emphasis would have to be on South Africa's own production. The nature of South Africa's economy dictated the need to diversify, and at the same time provide for long-term stability of energy production and energy costs.

The South African government decided to keep the electricity company Eskom in state hands, giving it the ability to raise capital and to carry out sophisticated projects. South Africa is one of the world's largest uranium producers. In addition, South Africa possesses an entire complex of facilities previously connected to the military nuclear program. Going with the PBMR project was not an easy decision, but the technology seemed to fit so well, particularly in view of its potential impact on the industrial development of South Africa's economy.

Further, the favorable fiscal situation gave the government the possibility to support big projects. The worldwide community of scientists and nuclear technology suppliers provided enthusiastic support, giving us the sense that we were not alone, Erwin said. Thus, the PBMR has the character of a global project.



Data: AVHRR, NDVI, SEAwifs, MODIS, NCEP, DMSP, and Sky2000 star catalog; texture: Reto Stockli; Visualization: Marit Jenoft-Nilsen

*Africa's lack of electricity is striking in this satellite view of the continent at night, where electric lights show up as white dots. Although the continent has 12% of the world's population, Africa accounts for only 2% of the world's energy consumption.*

Erwin emphasized the unique advantages of the PBMR for the developing countries in Africa and around the world (see accompanying interview). He noted the major interest from many countries with whom South Africa is in discussion, including Brazil, India, and China. China, which is already operating a small test reactor based on the same basic pebble-bed technology, has signed a memorandum of understanding for cooperation with South Africa.

There is a certain amount of opposition to nuclear energy in the country, Erwin noted, but most of it is coming through the global non-governmental organizations, NGOs. The debate in South Africa is more reasonable than it has been in the so-called developed world, and in reality, the so-called renewables like wind provide no serious alternative to nuclear technology, he said.

All in all, Erwin concluded, "this is an important time for nuclear energy as a whole" and a "wonderful confluence of events" that placed South Africa in a position to play the leading role in realizing the revolutionary PBMR technology.

### **Nuclear Modules in Six-Packs**

A particularly enthusiastic note was added from the United States by Regis Matzie, Chief Technical Officer of Westinghouse Electric Corporation. Matzie called the PBMR project a "model of international cooperation," noting that in addition to the international suppliers already mentioned, Russia was also playing an important supporting role by providing testing facilities for the PBMR fuel elements.

Matzie had high praise for the South African effort and

the full-hearted support given to it by the government. Already 4.3 million man-hours have gone into the design, and world-class test facilities. South Africa's Northwest University has carried out extensive work on the Brayton-cycle helium cooling system, and the helium test facility with its 40-meter tower is nearly completed.

"There are no serious technical issues left," Matzie said, noting that the PBMR construction will incorporate the proven fuel element design and operating experience of the AVR and THTR systems in Germany, as well as standardized materials from the conventional light water reactor industry.

What about the future market? When we speak of the PBMR being able to supply a "niche" for plants with total power of 700 megawatts-electric or lower, "that niche is pretty big." It includes much of the developing sector of the world economy. Moreover, the possibility of combining many standardized PMBR modules in "four-packs," "six-packs," and "eight-packs" (so-called "multi-modular design") could make them building-blocks for commercial plants worldwide.

But the process heat applications, Matzie said, are potentially even larger. Of the U.S. energy consumption, for example, about one-third is electricity, but two-thirds is transportation and heat applications. The PBMR will be key to a future hydrogen economy.

### **Europe's Energy Challenge**

Dr. Sue Ion, technical director of the company British Nuclear Fuels (BNF), which has been a major partner of the

South African project, spoke about “A European perspective on nuclear energy and the PBMR.”

“Could there be a renaissance of nuclear energy in the UK and Europe?” Dr. Ion asked. The European Union is the largest energy importer in the world, and the import quota could increase from 50% to as much as 70% in the coming decades.

The stability and security of energy supplies is in serious question. She said the UK is facing a gradual depletion of the North Sea oil and gas reserves. The reserve storage of natural gas in the UK is a mere 14 days. Europe currently has 685 gigawatts-electric of electric-generating capacity, which must be expanded to more than 900 gigawatts-electric by the year 2020. At the same time, much of the existing fleet of power plants is aging and must be replaced, many already in the coming 10- to 15-year period. The present state of the electricity distribution system in Europe, including the limited capacity for interconnections, leaves no alternative to a major push for new plant construction.

In this context, European countries are having to look very seriously at the role of nuclear energy. France is set to begin major replacements of its nuclear reactor fleet. In the UK, influential “environmentalists” such as Gaia proponent James Lovelock and Hugh Montefiore have come out in favor of nuclear energy, and recent studies of the British Institute of Civil Engineers have underlined the weakness of wind power and other so-called alternative technologies. Finland is building a new nuclear power plant, and in Switzerland the population voted in a referendum to keep the nuclear option open, Ion said.

In addition to the electricity-generation problem, we must do something about the energy requirements of the transport sector, which accounts for nearly 56% of energy use in the European Union, she said. Here the pebble-bed technology, as a heat source for hydrogen and other synthetic fuels, gives us “the first real breakthrough.”

“The PBMR is a fantastic technology,” Ion said, and would be ideal for a number of locations in Great Britain itself, where smaller units are most suitable. In addition, the UK could exploit its extensive experience with gas-cooled reactor technology. “I hope I live to see the first PBMR switched on here,” she concluded.

## Building on a Long History

Dieter Matzner, the general manager of the Power Plant Division of PBMR, detailed the historical process leading to South Africa’s taking up the High Temperature Reactor technology originally developed in Germany. A key turning-point, ironically, was the German government’s own decision in 1990 to discontinue all work on its HTR. This crazy decision came just months after the basic HTR modular reactor design, which provided the take-off-point for the later PBMR development, had been officially licensed by Germany’s Nuclear Safety Commission.

The inventor of the HTR, Prof. Rudolf Schulten, died

suddenly in April 1995, just two weeks after having signed a crucial agreement with South Africa for the transfer of the HTR technology. South Africa’s early interest in the HTR was heightened by realization of the implications of large-scale desalination for a largely arid country, as well as the large distances separating the country’s huge coal fields from most of its population centers.

Matzner emphasized the uniqueness of the safety features of the PBMR, underscoring the difference between so-called “passive” safety incorporated into the latest-generation light water reactor designs of the European EPR and the Westinghouse AP-1000 on the one side, and the “inherent safety” of the PBMR on the other. A crucial difference is that in the PBMR a meltdown of the reactor core is not only extremely improbable—as in the EPR and AP-1000—but literally *impossible*.

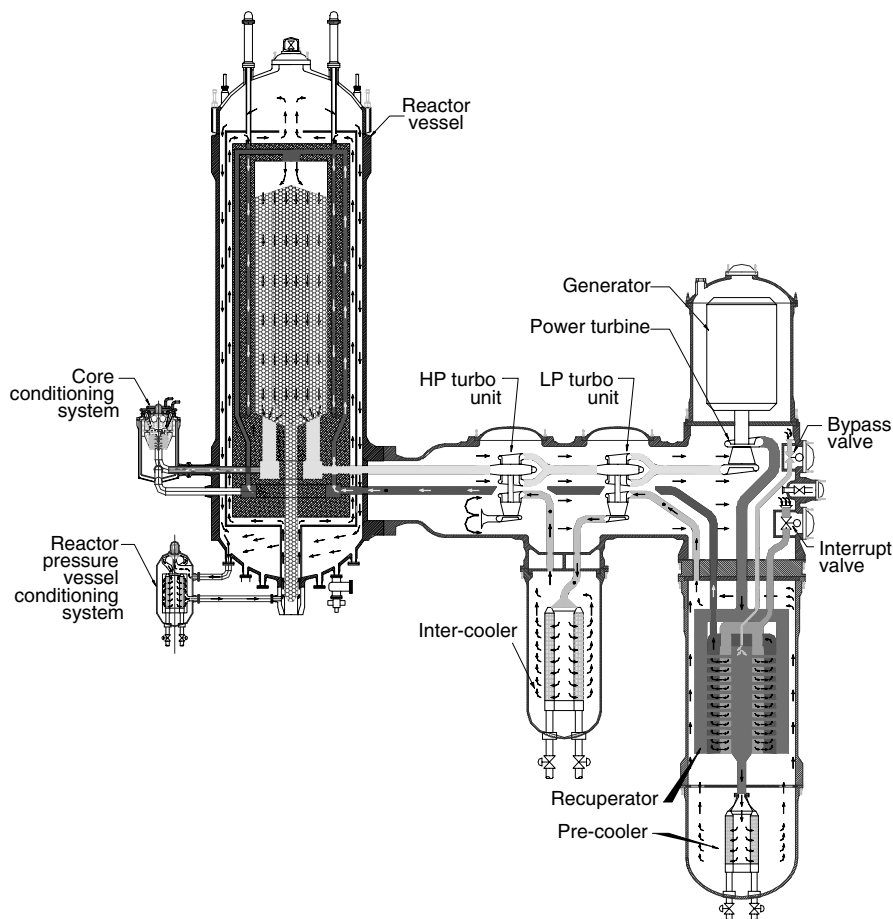
In addition, Matzner said, the same design for the spherical fuel elements, based on encapsulating tiny particles of fissile fuel in high-temperature ceramic coatings, which is key to the inherent safety features of the PBMR, also provides an unrivaled packaging system for nuclear waste. The ceramic materials employed, remain stable and corrosion-proof for millions of years. In the context of the reactor fuel, the ceramic encapsulation prevents significant release of radioactive substances up to temperatures of 1,800° F or more, far above the maximum temperatures attained in the reactor, even in the “worst-case” accident scenarios.

Among other additional advantages of the PBMR design (see accompanying interview), Matzner mentioned the uniquely favorable dynamic behavior of the reactor, which is linked to its strongly negative-temperature coefficient. This means, that when the reactor temperature increases beyond a certain point, the efficiency of the fission reactions decreases rapidly, leading to the chain reaction “shutting off” by itself. This not only excludes the possibility of a dangerous runaway chain reaction, with overheating and other negative effects, but also means that the reactor’s power output can be regulated essentially by the rate of cooling that the cooling system provides. The faster we cool it, the more power the reactor supplies. And the less we cool it, the less heat the reactor produces, as the fission reactions slow down automatically.

## Japanese Know-how

A very important feature of the South African PBMR system, is the decision to use a “direct-cycle” helium turbine to power the generator for electricity production. Virtually all existing nuclear power stations and conventional electricity plants employ steam turbines for their power generation. The very high (900°) operating temperature of the PBMR, the extremely low level of release of radioactivity from the fuel, and the characteristics of the coolant itself—inert helium gas—provide the possibility of operating a gas turbine at very high efficiencies, while at the same time avoiding the bulky and complex heat exchangers of conventional light water nuclear power plants.

FIGURE 2

**Cutaway View of the PBMR**

*Shown is the reactor vessel of the Pebble Bed Modular Reactor (at left) along with the direct-cycle helium turbine (right).*

Source: Courtesy of Eskom

It also affords great ease of repairs and maintenance in a low-radioactivity environment.

The helium turbine of the PBMR has some similarity to a jet engine; it is simpler, relatively much smaller, and has a higher power density than the steam turbines of conventional power plants.

For this high-technology item, the South Africans decided to bring in the experience and expertise of Japan's famous Mitsubishi Heavy Industries (MHI), one of the world's major producers of power turbines, including gas turbines for natural gas-based power plants. Mitsubishi was represented on the conference panel by Yoshiaki Tsukuda, general manager of MHI's Takasago Machinery Works.

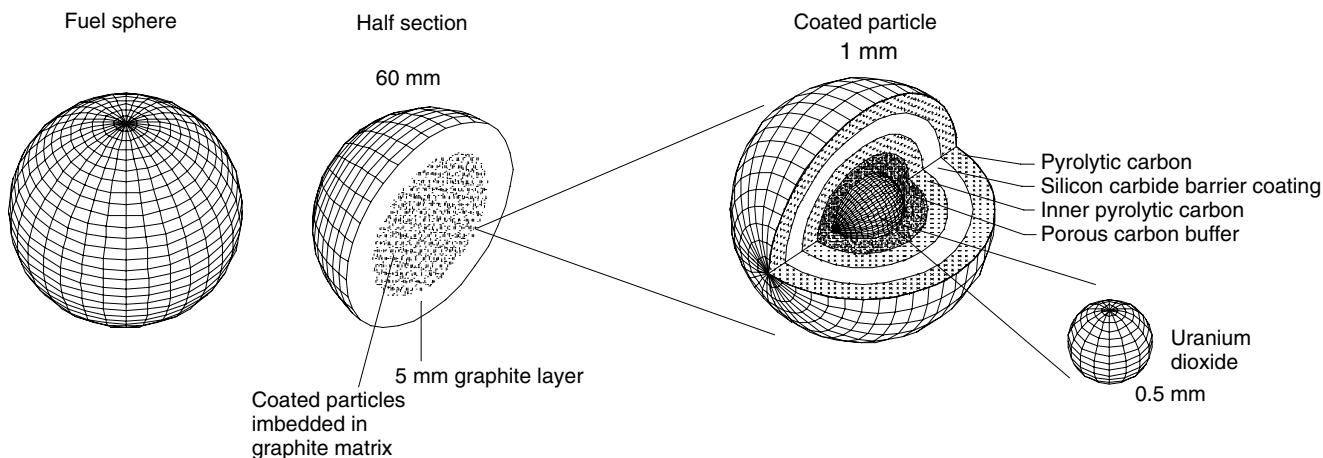
### **On the Way to a Hydrogen-Based World Economy**

Willem Kriel, manager of U.S. Programs for the PBMR company, gave an exciting overview of the potential of the HTR-PBMR system as a source of high-temperature heat for

industrial processes—applications that promise to generate an even greater economic impact, than that of electricity generation. These include large-scale hydrogen production; synthetic natural gas and other liquid and gaseous fuels from coal, oil, or other carbon sources; process heat for refineries and other chemical plants; heat and steam for recovery of heavy oil and other resources; large-scale desalination, and so on.

Kriel spoke of a "new frontier" opening up, symptomized by the suddenly emerging interest on the part of fossil-based fuel companies, to explore the possibility of applying nuclear energy to "leverage" existing hydrocarbon reserves. The PBMR is presently the only existing technology, apart from combustion of fossil fuels, which can economically provide large amounts of heat in the range of 900 degrees. It is also the only carbon-dioxide-free source. Applying this heat to endothermic steps in the conversion of coal and oil to synthetic fuels, and to the thermochemical production of hydrogen, which is an important intermediate for synthetic fuels,

FIGURE 3

**Pebble-Bed Fuel Pellets**

Source: Courtesy of Eskom

The fuel pellets for the PBMR are coated particles of uranium dioxide surrounded by several concentric layers of high-temperature-resistant ceramics, that “contain” the fission reaction. Several of these micro-particles are embedded in a graphite matrix to make up a tennis-ball-size sphere.

will make it possible, in effect, to “stretch” existing fossil fuel reserves by a very considerable factor.

The PBMR could leverage gas by 30%, and coal by 100%, while at the same time providing the basis for economically exploiting vast amounts of oil sands existing in various locations. The recoverable hydrocarbons from the oil sands in Canada and Venezuela alone, would exceed in equivalent the entire oil reserves of Saudi Arabia, Kriel said.

In this context, “he who hesitates will be last,” Kriel declared, pointing to five conditions defining a unique “window of opportunity” for the introduction of nuclear process heat into the world’s energy market. To succeed, any proposed technology: 1) must come soon; 2) must be safe, in order to be located close to process heat-consuming plants; 3) must be economical; 4) must have the right size, ideally in the range 400-500 megawatts-thermal; and 5) must produce the right temperatures, in the range of 800-1,000 degrees. The PBMR modules fit exactly these requirements, with no serious competition on the scene.

Kriel praised the “revolutionary” pioneering work of Prof. Rudolf Schulten and his collaborators in Germany during the 1960s, on applications of HTR process heat. It was a pity, he said, that political circumstances prevented that work from coming to full fruition. But with the PBMR, “nuclear energy has finally broken the shackles of only being able to make electricity.”

Parallel with the effort to complete the demonstration PBMR for electricity production, work is now going on to prepare for a pilot plant for process-heat application, in discussion with a variety of potential industrial users, including the petrochemical industry. Kriel spoke of “three to four near-

term applications” which could potentially involve “large numbers” of PBMR modules. The modules in question would be “dedicated” to heat production, and would not need the elaborate heat-to-electricity conversion system of the electricity-producing PBMR.

At the same time, work is proceeding on addressing the details of matching the output heat production of the reactor, to the different characteristics of the consuming processing plants. The first demonstration facility will involve a consortium of industrial clients. The required heat-exchanger and chemical reactor technology can be developed and tested in parallel, separately from the nuclear reactor, using other heat sources, Kriel said.

There are “three to four possible projects” in the near-term, Kriel stated, and the priority now is to push ahead with planning, complete technical development in 2007-2012, and have pilot plants running by 2015, which would be the date of “commercial roll-out” of process-heat PBMRs.

**Educating a Young African Labor Force**

Thabang Makubire, general manager of the Fuel Plant Division of PBMR, took his audience through the fascinating process of production of the spherical fuel elements—the “pebbles”—which constitute the heart of the PBMR technology. First, microspheres of enriched uranium-containing solution are formed in special nozzles, and then jelled and calcinated at high temperatures, producing tiny “kernels” of uranium dioxide of 0.5 millimeter diameter. These are then run through a Chemical Vapor Disposition furnace at temperatures of 1,000° C, where they are coated with successive layers of silicon carbide ceramic and pyrolytic carbon.

The result is a hermetically sealed, coated particle of a little less than 1 millimeter diameter, which is extremely hard and high-temperature resistant. This multiple coating constitutes a practically fail-safe barrier to the release of the radioactive fission products generated in the uranium kernel as a result of the nuclear reactions. Approximately 15,000 of these coated particles are then mixed with graphite powder and resin, and pressed into a sphere of about 6 centimeters diameter, covered with an additional layer of pure carbon (graphite) as a “buffer,” and finally sintered, annealed, and machined to extreme hardness.

The core of the PBMR module—the pebble bed—consists of 450,000-500,000 of these tennis-ball-size fuel elements. In the course of operation, the pile of fuel elements is constantly renewed and recycled, as fuel balls are gradually introduced into the annular-shaped core from the top, and withdrawn from the bottom. Each fuel ball makes about six passes through the core, with the degree of “burn-up” measured in between.

Because this is a continuous fueling process, it is no longer necessary to shut down the reactor at frequent (18-20 month) intervals for refueling, as is necessary for conventional, nuclear power stations. A pilot fuel-element production plant is already in operation, and has produced a small lot of 81 fuel balls, which are now being tested in Russia under reactor conditions.

A full-scale fuel element plant is scheduled to be commissioned in 2008-2009. Meanwhile, the South Africans are using the pilot plant to train technical staff for the commercial plant. This, as Makubire emphasized, is part of a broader policy of PBMR and the South African government, to use the nuclear energy program as a driver for labor-force development, focussing on so-called “localization” of production, and drawing into the process young Africans, who are the key to the country’s future.

### Crucial Role of Government Institutions

The conference drew to a close with a presentation by Mukesh Bhavan, executive vice president of South Africa’s state-owned, but self-financed Industrial Development Corporation (IDC), and by final remarks by PBMR CEO Jaco Kriek.

Bhavan noted that the IDC’s present role in the financing of the PBMR project continues a very long tradition of support for government-identified strategic projects directed toward developing South Africa’s industry. A key success story was the creation of SASOL, the chemical giant which leads the world in the production of gasoline and other hydrocarbon products based on coal. At present, SASOL’s coal liquefaction plants produce about a third of South Africa’s gasoline and diesel consumption. The technology developed in the context of SASOL has had “phenomenal spin-offs” for the country’s industry and economy generally, Bhavan said, “and we have the same vision for the PBMR.” The IDC is increas-

ingly engaged, also, in financing industrial projects in other African countries.

As a National Strategic Project of the South African government, the PBMR seems indeed to be on the road to success—reminding us of the kinds of things the United States and some other countries used to do so well, before the insane, radical “free market” ideology took over. Time for rethinking?

Meanwhile, South Africa is on the countdown, with officially 2,096 days to go, for its first pebble-bed modular reactor to go online.

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## Interview: Alex Erwin

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# PBMR Is ‘Perfect’ for Africa’s Development

*Mr. Erwin is Minister of Public Enterprises of the Republic of South Africa. He was interviewed by Jonathan Tennenbaum on Jan. 30 at the London conference on the PBMR.*



**EIR:** Somebody might exclaim, “my goodness, Africa is starting at such a low level and now you are bringing in such an advanced technology like nuclear. Isn’t this a complete mismatch?” What would you say to that?

**Erwin:** Well, I think that would be a naive view. If you look at the South African economy itself, it ranks as 25th largest in the world. It is an increasingly sophisticated manufacturing exporter. More than 60% of our exports are manufactured products. We are now a significant exporter of automobiles and motor cars, and we make significant amount of avionics and aerospace equipment.

In South Africa you already have an industrial base that is strong, and if you look at Africa’s needs, which are the exploitation of its mineral resources, increasing its agricultural potential, and so on, it needs energy to do that.

So, in fact, the contrary is true; this is the *perfect* technology for Africa—and not just for Africa, but for many developing countries. This is wonderful: You can take a plant, you can put it close to your energy needs, you can put it close to the surrounding town, and you don’t have to put in gigantic grids, because the management of grids across an extensive



Courtesy of Eskom

*South Africa's Koeberg Nuclear Power Plant has two conventional 922-MW reactors that have been in commercial operation since 1984 and 1985. Nuclear now supplies about 4.5 of South Africa's electricity.*

terrain is a difficult process. In Africa only South Africa has that capacity. So I think this is actually one of the reasons we backed it so strongly: It is the most appropriate technology for the developing countries. It will allow Africa to exploit its massive potential.

**EIR:** Many think of nuclear as mainly a black box, only concerned with obtaining electricity as cheaply as possible, but what about the effect of having a nuclear energy program on the economy, on the labor force, and so on. How do you look at that?

**Erwin:** I am glad you raised that. There are three components which went into our strategic decision-making. Some relate to South Africa specifically; some are relevant for the rest of Africa.

First, we do have an industrial base. And this helps us to rebuild many of the heavier industrial componentry of our base, which were linked with the mining industry. Second, it allows us to enhance our scientific and technological capacity; it's a very useful component of that.

But third, the heat uses we can devise here are very very important. A very basic one for us is the prospect of desalination of water, which is very exciting for us. And we will be working with our own very big company, SASOL, which is a very advanced chemical company, pioneering gas-to-liquid

technologies and coal-to-liquid technologies. We are going to do pilot plants with them.

So you have the spin-off effects from the point of view of your industrial base, your science and technology base, but also the heat-transfer uses that will have an important industrial effect on the economies.

**EIR:** In the United States, one of the big projects of Roosevelt was the rural electrification program, which had an enormous impact, especially in developing some of the poorest and most backward areas. What is the situation in your country, and how might the PBMR be brought into play beyond South Africa per se?

**Erwin:** South Africa is in a fortunate position. It has probably mounted one of the largest electrification programs in history. In the last ten years, we have connected 3.8 million households. Electricity connectivity now rises above 70% of the economy. We are now starting the second big round of doing that, reaching even farther into our rural areas. So it shows we can do it.

Now, we have the advantage of a big grid, that allows us to do that. What is wonderful about this PBMR technology, is that it would allow three things to happen for a developing country. You could start your mining activity, but now at the mine (with the PBMR as a heat and power source), you could put your processing activities directly at the mining point, so you get value addition. And you can at the same time supply surrounding electrification for agricultural activities and for residential and household uses. So I think the flexibility is tremendous.

We are now working on a massive project from the Inga hydroelectric project in the Congo, which will have very big transmission lines traversing southern Africa. Now to be able to complement that distribution network with the pebble-bed reactors along the way, would allow for a genuine electrification program for agricultural, industrial, mining, and residential use. So this is an exciting set of possibilities that will allow the African economies to develop.

African economies are short of energy. They are short of infrastructure. And both of these can, to an extent, be solved by the PBMR over time. So we are looking at the next ten years or more, but it is very exciting.

**EIR:** I and my colleagues were involved in 1978 in writing a book, *The Industrialization of Africa*, which among other things included a proposal for an African railroad grid. Africa still does not have a modern transport grid. More recently, we have emphasized the importance of "infrastructure development corridors," in which transport, energy, communications, and water systems are "bundled" together as the most efficient means to develop a large territory. Are you looking in that direction for Africa?

**Erwin:** Yes, it's very interesting. Through the new partnership for Africa's development, NEPAD (New Partnership

for Africa's Development), which is now an African Union project, there are a range of projects. We took up that idea of the corridors; in fact, we financed it. If you look at the Maputo development corridor, we did just that. We built a new highway, we are upgrading the rail line, we upgraded the telecommunications; and the Mozambican government is bringing in new operators for their port.

So you've got a whole logistical and telecommunications passage going down through to Moputo. Obviously it's easier there because you can use the strength of the South African economy. But you can do this in many African countries. So we are looking at that.

And another point I should make, of course, is that with telecommunications you also need energy. The telecommunications industry in Africa is growing very fast, led in the main by the big South African telecommunications companies, and this is mainly wireless and mobile telephone, but that needs energy to get coverage. So again, you see the complementarity between the energy and the other infrastructure.

And quite clearly also with the rail system. There are a number of projects put forward in NEPAD that we are looking at developing. I would say that the main obstacle we are having on those projects at the moment is raising finances. In South Africa we can use more sophisticated public-private partnerships; our big state companies, rail companies can enter the capital markets successfully. Elsewhere in Africa, we are probably still dependent on a higher element of grant assistance, and that is a restraining factor in Africa at the moment which we need to change.

**EIR:** Neo-liberal dogma says that governments should stay out of the economy. But in South Africa, the government plays a crucial role in infrastructure and economic development. How do you see this issue?

**Erwin:** Our view is that you must examine your economic position at any point in time. The state will always play a role, also in the United States. But what role it plays and how it does that successfully is always a question of the moment. There are no religious dogmas on these things either way.

We have a very specific set of roles that we see the state playing. For example, the state will retain ownership of the electricity company, Eskom, because that gives us a much clearer strategic shareholding. But we then designed the total electricity system in a way that brings in private capital, through independent power producers (IPPs) and other areas. So you get a genuine structural partnership between the private and the public sectors. And you can adjust the proportionality of that partnership as the economic circumstances change.

For us in South Africa now, we need a strong state involvement; but the instruments we use are not necessarily the old-style ones. Our state-owned enterprises, as we call them, Eskom, our transport companies, and so on, have to be capable of entering the capital market, raising private capital

at rates that are equal to the sovereign rate. So that puts a lot of pressure on the management and the boards to manage their companies efficiently. But we do give them an economic mandate. They are not profit-maximizers. We say that you have to meet these targets with social delivery.

For South Africa, we have an exceptionally important program. Because of poverty, we have a situation where we provide a basic free allowance of water, sewage treatment, and electricity to the poorest of poor households. So you get the basic allowance which is free, in terms of electricity, that is enough to keep your lights and cooking going for the year, and it allows kids to study, with a reasonable standard of living. We can do that because we use the instruments not just to maximize profit, but to achieve certain economic objectives.

But the mix with the private sector is very strong. We work closely with the private sector; we bring them into the investment plan. So this should not be some matter of religion, it should be a matter of concrete economics.

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## Interview: Dieter Matzner

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# A Safe, Foolproof Nuclear Reactor

*Dieter Matzner is General Manager of the Power Plant Division of PBMR. He was interviewed by Jonathan Tennenbaum on Jan. 30 at the London conference on the PBMR.*



PBMR/G.Bennett

**EIR:** I think that building a fundamentally new type of reactor has not happened for 40 years.

**Matzner:** Yes, it's probably 40 years.

**EIR:** What do you think are the most interesting and challenging features that people should keep in mind about the PBMR?

**Matzner:** I think the most important feature by far is that the PBMR reactor design utilizes ceramic fuel, and the whole core design is made of ceramics—that is graphite materials which can withstand very high temperatures. The basic advantage of this is that the fuel is meltdown-proof. A core melt is made *impossible* essentially by the choice of materials, and therefore there is no need even for discussion about a

probability of a core melt. That is the unique advantage of this high-temperature gas-cooled reactor.

Of course, there are many other advantages which this reactor has, starting with the whole idea that it has an on-line fueling system. There is only one other reactor in the world like that, Canada's CANDU reactor, a heavy water reactor [which uses natural uranium fuel].

This on-line fueling system has some very unique advantages. First and foremost, you can design the reactor with a very low excess reactivity, which means that in case of an accident, you are essentially safeguarded by the design from a reactivity event [runaway chain reaction].

On-line fueling of course enables you to have much longer operational cycles between maintenance outages—planned shutdowns. In our case, the aim is to achieve an outage cycle of 30 days every six years, instead of the conventional 18-24 months' fueling and refueling cycles of light water reactors. In theory, this should give you an availability capability of about 97.5%, if, of course, all the mechanical equipment performs satisfactorily. But in principle, it's possible to achieve this very high availability. That, for the nuclear power generation industry, is very important.

The other thing is that because outage cycles are not determined by the fueling cycles, you have much greater flexibility to schedule maintenance outages. So, when there are, say, outages of other power-generating equipment, you are in a much better position to plan when the reactor must come off-line for maintenance.

The other very important advantage of this pebble-bed reactor is that the pebble itself, the fuel form, lends itself perfectly for heat transfer, because the heat transfer around the sphere is optimal. It has a high surface area and stress distributions in the fuel are optimal because of its symmetrical fuel arrangement. That in itself is very unique. You are not restricted in any sense in the design.

The other interesting fact about this reactor is that it is very proliferation-resistant. It is very efficient in burning plutonium, and in fact you would never deploy this technology for the purpose of breeding weapons-grade material.

**EIR:** Do you mean that any plutonium that is generated in the reactor is burned up right away?

**Matzner:** Yes, it is burned up right away, and there is very little plutonium left. To get enough plutonium from this reactor for a bomb would require something like 100,000 fuel elements to be diverted, which is unthinkable in a process inspected by an international authority like the International Atomic Energy Agency. Therefore, we see this as a very strong feature of this technology.

Furthermore, the technology lends itself very well to handling multiple fuel cycles. In South Africa we utilize  $\text{UO}_2$ , uranium dioxide, but it is very thinkable that different fuel cycles could be introduced into the same reactor without changing its design. First and foremost, in Germany the

thorium-uranium fuel cycle was demonstrated very successfully. If you wish to do so, you could burn plutonium in this reactor, and even mixed oxide (MOX) fuels would be possible. All these different fuel cycles could be introduced into this reactor without actually needing to make any reactor design changes.

**EIR:** Are there any other unusual features of the PBMR?

**Matzner:** Another unique feature of this reactor technology is that it is unrivaled in terms of its high-temperature process heat application. In other words, this is the only carbon-dioxide-free high-temperature heat source available to mankind at this point in time. There is just no other way around this.

This reactor also has a very high burn-up rate of the fuel. The achievable burn-up at the present enrichment of 9.6%, is about 92,000 megawatt-days a ton of heavy metal. This leads to a significant reduction in high-level waste, and of course promotes the economics of the reactor from a fuel-efficiency point of view.

We have opted to couple this reactor technology with a gas-turbine cycle, which is unique, and that enables us to utilize the high-temperature capability of the reactor with a subsequent increase in efficiency. Normal reactor technologies coupled to the steam cycles give you on the order of 25-36% thermal cycle efficiencies, but we are on the order of 42%, which is a significant increase.

So in principle therefore, the specific safety features of a meltdown-proof core, the on-line fueling capability, the high efficiency capability, the process-heat applicability, the proliferation-resistance of this reactor technology, make it a very unique system design, and therefore it can be truly labelled as a so-called Generation IV reactor.

**EIR:** How does the design complexity of the PBMR compare to that of the traditional light water reactor? Conventional light water reactors have extremely complex safety systems.

**Matzner:** We have done a comparison to an AP1000 [Westinghouse] reactor, which is regarded as the Generation III-plus reactor and which relies much more on passive safety features than the traditional Generation II reactors. The PBMR essentially has about half the systems which the AP1000 reactor has, in order to support the whole power-generation process. I haven't got the exact figures to tell you now, but this study has been done and it is amazing how few systems the PBMR really utilizes.

Of course it is true that because of the very low energy-densities in the reactor, there are very large reactor structures, for a relatively small power output. That in itself means that there are few components, but these components are very large, and are essentially of the same size as a large light-water reactor.

**EIR:** So, you save on the safety systems, but pay more for

the components. And do you have confidence that in the overall cost, the PBMR will be competitive with the conventional light water reactor or even with coal generation?

**Matzner:** Of course, you have to compare like with like. We cannot compete with a large coal-fired station located directly at the coal field. We have very cheap coal. So we must compare ourselves with power-generation options on the coast-line, which is far away from our coal fields. There we can say that we are definitely competitive with combined-cycle base-load gas. There is no question about it—in fact, we are cheaper than that.

But I would expect that our technology is more expensive than the large light-water reactors. That is because the new generation of light water reactors, going up to 1,600 megawatts, are very large machines, and they have achieved economy-of-scale benefits by their larger size.

We have a definite disadvantage because of the small size, but it is for that reason that we picture ourselves not in the areas where large-scale power requirements are, but rather in the areas where you have 600 megawatts and less for power requirements. There are many countries, specifically in the developing world and most notably in Africa, which need only 200 or 400 or 600 megawatts of power for the country's grid. They would never be able to afford to buy a large 1,600-MW light water reactor.

Even South Africa, with its distribution grid, it would not be considered viable to have one large machine put onto the coast line, for the simple reason that if that machine goes off-line for maintenance, or whatever, then you have no power. So you still have to install the spinning reserves in the transmission grid in order to be able to compensate for the loss of such a machine.

And benefits of size, in terms of power-generation, also bring financing risks. Because the financing risks of such a large power station are substantial, the utilization risk that it would not be utilized from day one, and the disruption factor of not being able to feed an area where a large machine goes off-line—these extract a premium in the price.

**EIR:** How big a market do you envision developing countries to be for the PBMR, and where would the staffing come from?

**Matzner:** The most important challenge with respect to the deployment of this technology in Third World countries, at the moment, is that most of these countries do not have the nuclear regulatory frameworks and regimes. And, therefore, we would have to find a way to be able to deploy these systems in these countries. I believe it is quite likely that in Africa, specifically sub-Saharan Africa, one could probably find a way where the South African licensing regimes, also with Eskom which is a major regional utility, would provide the operational support, within the regulatory framework from South Africa, under which these reactors could be licensed in these countries.

What is certainly true is, that we see it as one of the opera-

tional benefits that the costs of power generation, are less from a staffing point of view. We expect to have less staff on a station like this, because it is a simple station. Also because it is such a foregiving technology. In other words, this is probably one of the big advantages: If anything goes wrong, you have days, not minutes, before something happens. Even in the worst case, with this technology you will not have a catastrophic accident. You might lose your investment, but you will certainly not have a core melt. This is, of course, totally different from the other reactor technologies.

So from that perspective, I don't want to say that you can get away with unskilled and untrained personnel, but the severity of an accident, is much less, even if the plant doesn't have the most highly trained persons there. So this is exactly the technology of the future that can be deployed in the developing countries, where there is a shortage of skills and where the large power requirements are just not there.

**EIR:** In terms of the plant construction, what are the requirements for the nuclear-quality components?

**Matzner:** About 40% of the cost of the plant is in good-quality industrial equipment, like that you would find in any country, on the electrical side and chemical auxiliaries, civil structures, and so on. Of course, the reactor itself and the turbo machinery are high-quality components, and those always have to be imported or manufactured in factories which can make them according very stringent quality control. That's already a requirement in order to have not only safe operation but reliable operation. And that is the intent of any utility.

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## Interview: Dr. Regis Matzie

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# How the U.S. Plans To Use the PBMR

*Dr. Regis Matzie is Senior Vice President and Chief Technical Officer, Westinghouse Electric Company. He was interviewed by Jonathan Tennenbaum on Jan. 30 at the London conference on the PBMR.*



**EIR:** How do you see the situation with PBMR applications in the U.S.A.?

**Matzie:** We have started the early phases of licensing in the Nuclear Regulatory Commission (NRC) of the pebble-bed reactor, the so-called pre-application review. Pre-application

means before the official design certification application, which is our process in the United States.

We're going to take about two years to complete pre-application review, and what we do in those two years is, first of all, educate the regulator about the design and the safety case. Second, we address a handful—six, seven, eight issues—that you need to get agreement on how to resolve them, before you submit a licensing report, a safety analysis report. We are picking issues that are very fundamental: What are the classifications of the systems and components, the safety classification? What are the codes and standards that you would use? What is the requirement for fuel qualification, and so on? So there's about six or seven of those that we are addressing, and we're resolving those while we're licensing this plant in South Africa.

So the current intention is, that once the South Africans are finished licensing the plant, so that they can start construction there, then we'll be ready to submit a similar application in the United States.

**EIR:** Would you be building essentially the same design in the United States as the South African PBMR?

**Matzie:** That is the current intention. The question is, I don't think we will be building what you would call a single unit, one module. Probably they'll come in four-packs, which is about 660-700 megawatts-electric. Another question, however, at this time, is, do we go ahead, and make the application for the electric plant, which would be a multi-module (probably four), or do we go ahead and license the process heat plant?

Now the process-heat plant is behind the electric plant in terms of the engineering, but we're working on that right now. The other aspect is, that we haven't quite figured out how to approach the subject with the U.S. Nuclear Regulatory Commission. Can we license the basic safety case for one module, and then have just certain types of interface requirements, so that we can have a two-pack, four-pack, and eight-pack [of modules]?

You don't want to have to license each individual configuration on a modular reactor. You want to get a basic safety case. They have never done that before, so we are going to work through that issue with them.

**EIR:** There has been discussion in the United States—including, for example, from Bill Ford, the head of the Ford Motor Company—of launching major government-supported programs to bring in hydrogen and other synthetic fuels, and new types of automobiles using hydrogen-based fuels. How are you thinking about these issues?

**Matzie:** When I say the process-heat plant, there are specific types of applications. One of them is to generate syngas, another is to convert coal to liquid. Now South Africa SASOL is a major company that produces about one-third of all the petroleum products in South Africa; gasoline, diesel are converted from coal; these are all coal-based. SASOL does a

coal-based conversion to liquid, that puts it into the transportation sector.

**EIR:** And they also burn some of the coal to get energy for those processes?

**Matzie:** Exactly right. There are a lot of emissions, as they are burning fossil fuels to do that conversion. What we want to do is develop the processes with the process-heat plant as a heat source, and also to generate hydrogen. Then hydrogen goes into the conversion process, and you can convert all the carbon to liquid petroleum. Right now, a significant percentage of the carbon goes up the stack when you're doing the current conversion process.

**EIR:** What do you mean by liquid petroleum?

**Matzie:** Diesel, gasoline, the whole set. And so we are looking at that with people like SASOL, British Petroleum, and so on. We have had preliminary discussions with many of them, and the question is, can we bring them along? It is a big step for people in the fossil industry to get involved in nuclear; it's kind of a psychological hurdle. So you have to bring them along. And of course today we do not have a product, where you can sort of show them the entire product.

We're designing the electric plant, and we're going to build that. So we'll prove the nuclear technology. We need to finish the design work on the process-heat plant plus the process side: How do you integrate the heat into, say, a coal-to-liquid or a syngas process, with the reformers and all the things that are on that side. Because there are different designs of those components, too.

We are going down that road. For the early stages, we're working with a process-heat company that does this for these types of companies, and we're getting there slowly.

**EIR:** Will this also include hydrogen production?

**Matzie:** Thermo-chemical water-splitting is what we think is the most economical way to generate the hydrogen.

**EIR:** I think that the inherent safety of the PBMR will be helpful in incorporating the industrial companies into the project.

**Matzie:** It should be helpful in convincing them that this is not a technology they have to worry about. It should be helpful in allowing siting of the nuclear plant close to these chemical plants; what is the stand-off distance you need from the reactor—all this has to play together.

**EIR:** What about the cost of the process-heat plants?

**Matzie:** Right now, if you look at electricity, it's probably competitive with natural gas at around \$6 per million BTU. Hydrogen production is in the same range, because most hydrogen today is done by steam methane reforming, where they're now using natural gas. So electricity and hydrogen are in the same general range, and of course natural gas prices are above that today, and they will probably stay above that.

## West Virginia Coal Crisis: A Matter of Criminal Negligence?

by Paul Gallagher and Mark Bender

With far less public notice and comment by policy-makers, the same process of replacement of union by non-union work, which is threatening the U.S. auto and auto parts industries, has hit the nation's coal mines since the 1990s—especially during the reign of “Energy Task Force Cheney.” In the country's new strip-mining center, the Powder River Basin of Cheney's Wyoming and Montana, the mine workforce—largely never unionized—has paid with the lack of health care and pension benefits, and often with lower wages. But in the older, largely deep-mining Appalachian center from West Virginia and Kentucky down to Alabama—where “distressed” mines are being acquired and stripped of their unions along with their coal—miners are paying with their lives.

The forcing process since 2002, is one of deregulation, and mergers and acquisitions by very large international coal speculations and banks, during which the mine-mouth price of a ton of coal for electric generation has doubled to \$30-35. The resulting drive to double and triple production from old, heavily worked mines is playing havoc with safety regulations, and killing miners. After much boasting by the deregulators that “self-regulation” caused there to be only 22 mine deaths nationally in 2005, January 2006 alone has seen 19 miners die, 16 of them in West Virginia's mines. The upward price spiral is blamed in the “industry,” typically, on China's reducing its huge coal production in 2005—shutting mines for safety reasons!—but as in oil and other commodities during the same period, it is merger-and-acquisition speculation by banks, hedge funds, and the coal mega-companies, pushing the price up.

West Virginia's legislature has immediately passed new mine safety laws, and Members of Congress from the state, with bipartisan support in the Senate, have quickly put forward the same. But Congress has to raise and investigate harder questions: Is this willful criminal negligence by mine operators? Should some West Virginia coal mines be re-

opened, after a stand-down, under new management? Should recent speculative mergers be broken up again, and the pulled teeth of the Federal Trade Commission and the Security and Exchange Commission (as well as the Mine Safety and Health Administration, MSHA) be re-implanted? And particularly in the paradigmatic case of industrial speculator Wilbur Ross's International Coal Group, in whose Sago Mine 12 miners died on Jan. 2 in Upshur County, West Virginia: Is there operating an intent to make profit by killing people?

### ‘Safety Stand-Down’

Indicating that there were actually three mine accidents in one day—two of them fatal—in West Virginia coal mines on Feb. 1, Gov. Joe Manchin immediately called for a “mine safety stand-down” of all 544 mines in the state, which produces 160 million tons of coal a year. “Today has once again been a difficult day for our state's miners, their families, and our mining industry,” Manchin said. “I am calling on the industry to cease production activities immediately, and go into a mine safety stand-down.” He added, “Each mine in the state is currently scheduled to be inspected every three months. We will immediately begin the process of inspecting every mine in the state and their equipment, conditions, engineering plans, safety procedures and safe work practices.”

The two mines where the most recent fatalities occurred are identified as Black Castle strip mine in Dawdry, run by Elk Run Coal Co., a subsidiary of the huge Massey Energy Corp.; and the No. 18 Long Branch Energy underground coal mine. Both are in Boone County, West Virginia. Massey mines have had two fatal accidents, killing three miners, in three weeks.

Senator Robert Byrd, calling White House Chief of Staff Andrew Card on Feb. 1, said, “This is fast becoming a coal mine safety crisis. The Governor has asked the Labor Department [the MSHA] for manpower, inspectors, engineers, and

certified specialists to get the job done. I ask that the White House help to expedite this request.”

On Feb. 3, sources in West Virginia reported that many mines were on stand-down and being inspected by state inspectors—about 80 of whom were out on a special inspection sweep. Production was being delayed on most shifts, cancelled on some shifts, but had not stopped. At unionized mines, the United Mineworkers were seeking to enforce the inspections. Statewide, Governor Manchin was putting the heat on mine operators to get safety devices—locator/transponders for miners to carry, and more oxygen cannisters—into the mines. Manchin on Feb. 2 promulgated new regulations based on the new state legislation. Meanwhile, the Federal MSHA planned to send “about 100 safety officials” to West Virginia on Feb. 6—but, only about 25 inspectors. The rest were to be safety education specialists who will lecture the miners! Senator Byrd criticized “safety lectures” on Senate floor on Feb. 2; he was demanding fast passage of the new Senate safety legislation.

Rep. Nick Rahall (D-W.Va.) denounced the White House for its feckless “me-too” call, on the evening of Feb. 1, for all mines in the country to stop and do a one-hour safety check next Monday. “How many miners have to die before the Federal government starts paying attention?” Rahall asked. “And now, here they are asking for an hour to review safety! But they remain unwilling to step up enforcement or change safety regulations. It’s a complete outrage.” Byrd said in a statement that day, “This situation is intolerable.”

However, to ICG owner Wilbur Ross, the situation looked quite different. The miners’ deaths “are a human tragedy,” Ross opined to Fox-TV News on Feb. 2, “but they are not an economic tragedy. It’s a fact of life that half of America’s electricity comes from coal.” The implication was clear that the West Virginia coal-mine speed-up for which ICG is becoming notorious, was not to be interrupted by 16 miners’ deaths in one month.

## Minefield Moguls Run MSHA

MSHA head Rep. George Miller (D-Calif.), who is demanding hearings in the House Education and Workforce Committee on the Sago and Alma Mine disasters, released a report Jan. 31 which detailed the degeneration of the MSHA into a rubber-stamp and synecure for coal executives. “Task Force Cheney” reduced the MSHA into the opposite of the agency for protection of miners’ safety it is intended to be. Miller lists the five top MSHA officials as of early 2005, and identifies all of them as coal or minerals mining executives or lawyers for the American Mining Congress. And three of the four “review commissioners” of the MSHA are the same.

In fact, with world’s-biggest Peabody Coal owning Energy West, and in turn owned by Lehman Brothers investment bank, two of the MSHA’s top five officials had effectively been executives of the same company, including its chief, Cheney-Bush’s Assistant Secretary of Labor for Mine Health and Safety David Lauriski. A third official worked for British

Commonwealth coal giant BHP Billiton. Lauriski quit during 2005 under a cloud of combustible coal dust, so to speak, after awarding MSHA safety training contracts, without bids, to companies he and fellow mining execs were involved in; David Dye, now “acting” administrator, walked out of Senate mine safety hearings on Jan. 23, infuriating Sen. Arlen Specter (R-Penna.) who was chairing the session.

Lauriski, on taking office in 2001, had pulled the same “one-hour national safety stand-down” stunt which Dye is repeating now. But after that showy move, Lauriski—as Miller’s report documents—proceeded to suspend 18 key safety rules enacted or proposed during the Clinton Administration. The most important: requiring two mine-rescue teams to be ready within an hour of every mining area; requiring caches of oxygen and breathing devices in every deep mine; requiring flame-resistant coal conveyor belts (where many fires start); lowering exposure to combustible coal dust in the air of mines; and banning diesel-fuel-burning machinery in metals mines.

After five consecutive years of the Clinton Administration requesting increases of up to 9.6% for the MSHA budget, Cheney-Bush have requested cuts for five consecutive years, of up to 14.6%. Some 190 coal enforcement staff have been lost. As for safety violation fines, Sago Mine is enough evidence: It was assessed a grand total of \$24,374 in penalties in 2005 for 208 violations, 21 of which involved unsafe combustible accumulations and 17 of which involved “imminent danger to mine employees.” ICG is a \$500 million annual revenue company.

## Don’t Dig, Acquire

Through a wave of mergers and acquisitions under increasing globalization and energy deregulation, U.S. mine ownership today is more than 50% concentrated among a half-dozen coal companies topped by Lehman’s Peabody; to these, add the operations of “distressed company” wrecking specialists led by W.L. Ross, which is carrying out the same operations in several other industries. After Peabody come Arch Coal, controlled by the Hunt family, the major player in the Western Powder Basin fields; and Kennecott Energy, owned by Rio Tinto, Inc., the British imperial commodities giant. A.T. Massey Coal is number six.

Ross created ICG to buy up and operate Appalachian mines, and—working initially with Enron—to lock up coal-supply contracts for large electric utilities, such as Dominion Virginia Power.. This followed Ross’s previous industrial union-wrecking models of ISG (International Steel Group), and the ITG (International Textile Group) conducted after he spun off from Rothschild, Inc., where for 26 years, he had been “corporate restructuring” expert. He has now formed IAG, International Auto Group.

Ross’ specialty, aided by Bush Administration court decisions, has been to eliminate miners’ health and retirement benefit costs. For example, on Sept. 30, 2004, Horizon Natural Resources was permitted by a Federal court to terminate

health care for nearly 5,000 active and retired miners; Ross's purchase of it was completed the next day, ICG shedding \$1.47 billion in predecessor obligations for health care and pensions. ICG had bought at least two other West Virginia coal companies including Anker Coal, which had owned the Sago Mine.

In the case of the Powder River Basin deposits, during this Bush Administration the green light was given for extreme consolidation. Also in September 2004, the U.S. Circuit Court for the District of Columbia denied a blocking motion by the Federal Trade Commission, thus allowing the Hunts' Arch Coal, Inc. to buy (rival northern Wyoming producer) Triton Coal Co. (FTC v. Arch Coal, 2004 U.S. Dist. Lexis 15996). Over 40% of U.S. electric utility coal ("steam coal") comes from the Powder River Basin. These deposits are low-sulphur, and have been promoted, during the anti-nuclear decades, as the "clean" solution for power (compared to Appalachian high-ash coal.)

Throughout both coal regions, the largest operators are cashing in by buying rivals, instead of gambling on developing new mines, because it is cheaper. And new mines, especially deep mines, would mean investing in new mining and safety technology. As one Reuters survey concluded in 2002, "While everybody is expecting more deals out West, the major coal miners are also looking to pick up distressed assets in Appalachia." Large parts of the West Virginia/Kentucky fields, through this process, are becoming non-union, like the Sago and Alma mines.

New Congressional mine safety legislation is being pushed hard by the entire West Virginia delegation, including Republican Representative Shelley Moore Capito, and Ann Northup of Kentucky. The legislation could put user fees on companies to pay for safety improvements; it would toughen the regulations of the MSHA. Like the new laws quickly passed in West Virginia on Jan. 23, it would 1) fine mining companies \$100,000 if they fail to notify emergency officials within 15 minutes of a mining accident—ICG took more than an hour to notify the MSHA of the Sago mine explosion; 2) require companies to provide transponder wireless tracking devices to locate and communicate with miners; 3) require companies to store cannister supplies of oxygen in the mines, in addition to the one hour's worth miners now carry; and 4) provide one-way, low-frequency communication systems which allow sending text messages to miners equipped with receivers, to inform them of an emergency and their best evacuation route. The Senate Health, Education, Labor, and Pensions Committee will start hearings on March 2.

But Congress needs to investigate the "money behind these mines," and the accelerating, speculative mergers and acquisitions process in coal; the "productivity" speed-up in coal operations which has gone with it (after ICG doubled production at Sago Mine in 2005, Ross still wanted to triple it again in 2006!); and the potential criminal negligence which has come in its train, and is taking the lives of miners.

## British Reconsider New Nuclear Plants

by Marsha Freeman

After 30 years of insanity and anti-science folly, some leading governments, including both Britain and the United States, are "going nuclear."

On Jan. 19, the leader of the Amicus union in Great Britain, representing more than 1 million public and private sector workers, issued a statement urging the British government to deal with the impending energy crisis, or "the UK could face blackouts, job losses, and rocketing household fuel bills over the next five years." The main reason for the outsourcing of jobs, the union states, "is no longer labour costs; it's high energy costs." Amicus states that "successive governments have shied away from difficult decisions, and left us with ageing nuclear power stations, and as yet no plans to start a new building program."

The union plans a public education campaign to reverse this policy. Its membership includes workers in the steel, auto, aerospace, energy, construction, shipbuilding, food, paper, and other manufacturing industries. Support for a nuclear revival has already come from the companies that employ Amicus members, in the Confederation of British Industry,

If Britain does not return to a nuclear infrastructure policy, it will become more dependent upon fossil fuels to produce electricity. As imported natural gas becomes more necessary and more expensive, and the cost of producing power in plants using domestic coal skyrockets in order to meet environmental restrictions, the cost of energy will rise.

Also contributing to the British government's charting a new energy course are: the political turn in the United States, after 30 years, back to the building of new nuclear power plants; the example set by Finland, which will put a new nuclear plant on line by 2009, showing that this can be done in Europe; the supply problems with increasingly imported natural gas; and the realization that depleting supplies of domestic petroleum from the North Sea will lead to increased imports.

But this is not just a problem for one nation. At a meeting of European Union Energy Ministers in Brussels on Jan. 24, the French government presented a proposal for other countries to do what France has done to avert rising energy costs and potential supply crises—go nuclear. (France is almost 80% nuclear.) The paper is France's contribution to the European Commission's Green Book on energy policy, scheduled to be published in March.



Teollisuuden Voima Oy

*Will Britain follow Finland's nuclear lead? The first European nuclear power plant to be constructed in a decade, shown here in an artist's illustration, is Finland's 1,600-MW Pressurized Water Reactor, being built by Areva and Siemens. This is Finland's fifth nuclear plant, and is scheduled to be on line by 2009.*

Pragmatically noting the results of the insane free-market deregulation policy of the European Union, the French proposal warns, "Owing to the existence of a European electricity market, the member states as a whole will then have to absorb the resulting price rises."

### **Toward a Sane Industrial Policy**

Last November, the British government announced a new review of energy policy. On Jan. 23, British Trade and Industry Secretary Alan Johnson reported that the review will include a serious look at building a new generation of nuclear power plants. He released a "consultation document" titled, "Meeting the Energy Challenge," which poses five key challenges that the energy review will consider. "There is not a do-nothing option," Johnson stated, given what Britain faces. Those energy challenges will be discussed publicly for the next three months, and the government will release its new energy policy proposals by Summer.

The review will undoubtedly overturn the 2003 energy policy review, which opted for conservation, and ridiculous projections for increased use of expensive and inefficient windmills and other "renewable" energy sources. At that time, it was proposed that renewable resources would provide 20% of electricity by 2020. Much of that was to come from heavily subsidized and totally unreliable wind power.

The current review is being carried out by Energy Minister Malcolm Wicks. Wicks believes there are no practical obstacles to a new generation of nuclear power plants, and he posed the question: "If gas, as well as renewables, were to fill the gap, how comfortable will we be relying on imports for 80% of our supplies?" Energy is "not just a question of keeping the lights on, but national security," he said.

The major weakness in the plan the government is considering is the continuation of the "liberalized and privatized"

market structure, which, in fact, has nearly destroyed Britain's nuclear industry. Minister Wicks told the *Guardian* on Jan. 23 that it was "dead wrong" to think that the private sector would not invest in nuclear power.

The sell-off of the state-owned nuclear industry to the private sector in Great Britain in the past several years left that nation without a nuclear industry, because electricity deregulation drove prices so low, that nuclear providers could not remain financially solvent.

The other obstacle is that of political sabotage. The United States has changed its nuclear oversight procedures in order to protect nuclear plant suppliers from the anti-nuclear political sabotage and unreasonable regulations that led to the cancellation of more than 100 domestic nuclear power plants in the past 30 years. Now British Nuclear Fuels has already made the government aware that nuclear plant licensing has to be "fast tracked," eliminating the ability of anti-nuclear intervenors to delay construction, as has been the case in the past.

The British manufacturers' group Engineering Employers Federation (EEF) is urging the government to move quickly on the review.

### **Nuclear or Bust**

Nuclear energy generates about 20% of Britain's electricity. Natural gas provides a stunning 40%, since Britain moved away from nuclear and coal-fired capacity over the past decade, as did the United States. Currently, 90% of the natural gas comes from Britain's North Sea fields, but because of the reportedly faster-than-expected decline in reserves, 10% of the gas is now imported via the European gas network. Depletion of the North Sea fields is projected to lead to an 80% import dependence for gas by 2020.

Over the next 15 years, old nuclear plants that have reached the end of their productive lifetime will be decommissioned. If they are not replaced, nuclear power could provide as little as 7% of Britain's electricity requirements by 2020.

Prime Minister Tony Blair, and his chief science advisor Sir David King, who told *The Independent* last May that public perception of the dangers of nuclear did not necessarily accord with reality, have their work cut out for them. Putting nuclear power plants back on the agenda of Britain's energy policy will be a political fight, especially since the Labour government has supported and promoted every unscientific environmental hoax in the book, leading with the danger of global warming from increased atmospheric carbon dioxide emissions. King, in fact, is infamous for his extremist statement in November 2004, that "global warming is a far greater threat to the world than international terrorism."

A serious revival in nuclear energy in Great Britain will mean leaving behind the unscientific jibberish of global warming and the Kyoto Protocol. But the nuclear issue is now on the table, and the outcome will not only be critical for Britain, but for Europe as a whole.

# Russia's Putin Charts Nuclear Power Revival

by Rachel Douglas

Addressing Russia's Security Council Dec. 22, 2005 on "Russia's role in world energy security," President Vladimir Putin boasted about his country's position as the world's number one natural gas exporter and number two crude oil exporter—a status that fills Russian coffers, but is hardly the sign of a healthy economy, for a nation of 143 million people. But Putin also called attention to the prospects for renewed development of nuclear power, something that could mark a major shift within the Russian economy and have big implications for countries that would buy nuclear plants from Russia.

The activity of Rosatom, the Russian nuclear agency, in January, was every bit as dramatic as Russia's "gas war" with Ukraine, though the latter grabbed more headlines. Under the new leadership of former Prime Minister Sergei Kiriyenko, Rosatom presented bold plans to resuscitate the Russian nuclear industry, notably through cooperation with Ukraine, Kazakhstan, and other countries that have parts of what was the larger, Soviet nuclear power capability.

Then Putin, during his Jan. 31 annual press conference, spoke animatedly about a turn towards advanced technology-vectored industry as not only a good economic policy goal, but one that rises to the status of a "national idea," or mission-orientation, for Russia. "One of the key tasks we set ourselves is the *diversification* of the Russian economy, a move to *innovation-based* approaches," said Putin. A very important statistic from 2005, he added, is that out of \$121 billion invested in "fixed capital" (plant and equipment), only \$8.7 billion went into the oil and gas sector. "Everything else was for manufacturing, transport, agriculture, and communications. This shows that there appears to be a tendency towards innovation-based development—only a tendency."

The goal of doubling nuclear power output was enunciated already in the *Energy Strategy for Russia Until 2020*, issued in 2003. Industry expert Yuri Krupnov, author of a recently published project titled *Russia's Nuclear Doctrine*, commented to Pravda.ru on Jan. 11 that those plans have remained only on paper, until recently. With Kiriyenko's sudden appointment in November of last year (he had been Presidential Representative in the Volga Federal District), things got moving.

In interviews published over the past two months, Kiriyenko laid out his intentions. Whereas Russia's 31 nuclear reactors account for 16-17% of the country's electricity generation, construction of 40 new reactors will bring that share

up to 25% by 2030. "We need to build two nuclear reactors per year, beginning in 2011 or 2012," Kiriyenko said. Rosatom will become a joint stock company, in order better to handle large investments, but will remain under government control. Putin confirmed these figures at a Jan. 20 meeting with Kiriyenko, and repeated them at his press conference. Upgrades of existing capacity are also scheduled, such as replacing the reactors at the Leningrad Nuclear Power Plant, commissioned in the 1970s; on Jan. 26, Putin ordered Kiriyenko to go ahead with that project.

## Soviet Power Industry

Coordination with Ukraine and Kazakhstan will be crucial. Upon the break-up of the Soviet Union in 1991, Moscow moved to preserve the integrity of its space program, securing a long-term lease on launch facilities in Kazakhstan and arrangements with non-Russia-based manufacturers of key equipment. There were not similar efforts for the nuclear industry, which was still reeling from the 1986 Chernobyl accident. Putin and Kiriyenko are working to redress the resulting fragmentation of the industry, 20% of which is outside Russia. Half the uranium for Russian nuclear power is imported. While in Kazakhstan for the inauguration of President Nursultan Nazarbayev in January, Putin met with Nazarbayev and with Ukrainian President Victor Yushchenko about nuclear cooperation.

Russian state companies have a 45% stake in a new uranium mine in Kazakhstan, the *Moscow Times* reported Jan. 13. Kazakhstan is expected to use its earnings to finance new Russian-built nuclear power plants in Kazakhstan.

On Jan. 21, Kiriyenko flew to Kiev for talks with Fuel and Energy Minister Ivan Plachkov and Olena Mykolaychuk, chairman of the State Committee for Nuclear Regulation of Ukraine. Ukrainian industry makes the turbines for Russian nuclear power plants. The two sides signed a protocol on coordinated nuclear fuel pricing policies, collaboration between nuclear industry executives and scientists, a Feb. 10 meeting on uranium mining, and a June 2006 conference for presentation of products by Ukrainian and Russian nuclear industry firms.

Kiriyenko and others have raised several other potential novel elements. First, the new head of Rosatom wants Russia to *export* as many nuclear plants as it builds at home, or even more: 40 to 60 plants overseas. Kiriyenko sees Asia as a major market. Second, Russian media leaked a report that officials of the government-run natural gas monopoly and top export earner, Gazprom, believe it could profitably invest in Russia's nuclear power expansion.

And on Jan. 25, Nikolai Sevastyanov, head of the Energiya Russian Space Company, outlined an ambitious plan to obtain fuel for the next type of nuclear power: thermonuclear fusion. He said Russia should mine helium-3 (which is rare on Earth) on the Moon. Putin at his press conference supported this perspective, too.

# The Real Danish Model: Building Infrastructure

by Poul E. Rasmussen

During the past year, a strange ghost has haunted the discussions about how to revive the depression-stricken European economies. It has appeared on many occasions in the political debates in France, and it moved across the stage during the Bundestag elections in Germany last Fall. It was presented to the public as the *Wunderwaffen* to end all economic woes in a “humane way”—that is, not through the brutal and bloody austerity which is usually administered to ailing economies, as dictated by the gospel of Anglo-Saxon liberal economics.

The ghost is called “Danish labor market model,” and if properly applied to a depressed economy (e.g., in Germany), it is supposed to make it vibrant and highly competitive on the global markets, without uprooting the welfare state. The magic of this “Danish model” is said to be the combination a “flexible labor market,” where companies can hire and fire almost as they please, and high labor-union-based unemployment benefits, on top of a generous social welfare system, which removes the fear of economic and social dislocation, in case of sustained unemployment.

In other words, industry is allowed to become highly competitive through an easily adjustable workforce, while the welfare state is preserved. Apparently, the perfect survival kit for the modern welfare state in the brutal world of “globalization.” But, as the saying goes: “If it sounds too good to be true, it probably is.”

The attractive lure of the “Danish model” stems from the present, apparently miraculous state of the Danish economy. While most European economies suffer from unemployment rates well above 10%, growing deficits of the public budgets, and stagnant or negative economic growth rates, Denmark seems firmly embedded in an upward-flowing economic stream, with official unemployment rates down to around 5% and still falling, permanent and growing surplus of the public budget, solid current account surpluses, and a national economic growth rate expected to reach 3.5% in 2006.

However, a closer look at this fairy tale reveals a somewhat different picture. Three million Danes, out of a total population of 5.4 million, are in the working age between 18 and 66, but only 2.2 million are currently employed in the labor market. Of the missing 800,000, a considerable number are on disability, or on early retirement, more or less voluntarily. The official unemployment rate of 5.1%, or around 140,000 people, is calculated on the basis of an actual workforce of 2.7 million. At least 160,000 people are stuck in



*The three huge projects at the heart of the Danish model.*

artificial make-work programs, or useless job-training programs, and if they were included in the official unemployment statistics, the real figure would be 300,000, or an unemployment rate of almost 11%. Nothing to brag about compared to the rest of Europe.

Other parts of the fabled Danish model can’t stand a closer look either. Foreign refugees and asylum seekers are forced to live on half the normal minimum social benefit, leaving thousands in ugly poverty, not worthy of a civilized society. And despite the wholesome surpluses on the public accounts, the general social infrastructure—schools, hospitals, and nursing homes—are undergoing the same seemingly unstoppable decay as in the rest of the Western world. The fine figures on the national public budget would shine a little less brightly, if health care and the social infrastructure were maintained at a somewhat decent standard.

On top of it all, the fairy tale about the miraculous Danish economy, is exposed by a housing bubble unlike anything seen in history. Housing prices in Copenhagen and the larger Danish cities are up between 20 and 40% on an annual basis, and some of the popular Summer houses along the coasts have seen prices shoot up above 50%. On paper, more Danes are joining the ranks of the multi-millionaires than ever before. The end, when the bubble bursts, will not be a happy one.

## What’s the Secret?

Nevertheless, housing bubbles and fairy tales aside, the average Danish household’s income is rising faster than dur-



Jan Kofod Winther

*Øresund Bridge, opened in 2000, is an 16-kilometer bridge connecting Denmark and Sweden, replacing an hour-long ferry ride. It is the longest combined road and rail bridge in Europe. Shown here is the part of the bridge leading to Sweden.*

ing the economic upswing of the 1960s. Denmark is not caught in the same economic black hole as Germany and the rest of Europe. So, what is the secret? The freedom to fire workers at will? That is a liberal economic fantasy or wishful thinking, rather than a serious answer.

The Danish labor market model, where close to 80% of the workforce is unionized, and minimum wages and working conditions are settled by negotiations and labor market agreements, and not by law, was also fully functioning when Denmark, in the late 1970s and early 1980s, teetered at the brink of national economic bankruptcy. The Danish labor market was no magic solution, when the country, by the end of the 1980s, set a world record, with 27 years of unbroken deficits on the balance of payments, and surpassed most Ibero-American countries in foreign debt per capita.

No, the real Danish model has to be found somewhere else. Go back to the Danish reaction to the fall of the Berlin Wall in 1989. Already by the Spring of 1990, a giant infrastructure plan had been approved by the Danish parliament, centered around three huge projects: 1) the combined rail and road, bridge and tunnel across the Great Belt, integrating



Wikipedia.com

*The eastern part of the Great Belt Fixed Link consists of a 6.7 kilometer road suspension bridge (the world's second largest suspension bridge), and 8-kilometer twin railway tunnels. Opened to rail traffic in 1997, and road traffic in 1998, it is the largest construction project in Danish history.*

eastern and western Denmark, 2) the combined rail and road connection across the Øresund, linking southern Sweden to Denmark, and 3) the combined road and rail bridge across the Fehmarn Belt connection from Denmark to Northern Germany.

The purpose of these projects, together with a general expansion of the national transport infrastructure, was to bring the Danish economy up to a position to take full advantage of the new European economic potential, brought about by the then-anticipated German reunification. This was stated explicitly by the Danish government!

Now, 16 years later, the Fehmarn Belt project has not yet materialized, mainly due to German political foot-dragging, but the two other giant bridges have been operating for several years. In the case of the Great Belt Bridge in particular, the contribution to the national economic process has been significant. From the day the bridge opened, east-west traffic in Denmark has more than doubled, and a national economic integration process was ignited on a much greater scale than anybody had anticipated.

At the same time, the construction of the Øresund Bridge became the spark of a general infrastructure buildup in the greater Copenhagen area, which is still expanding. A new metro subway system is continuously being extended, and a whole new section of the city, the Ørestad, is taking form with breathtaking speed. In December 2005, the parliament passed a new major infrastructure plan for Copenhagen, which will include a highway tunnel system under the entire inner city harbor, running 12.5 kilometers north-south. Deep under ground and under water, right at the mouth of the old city harbour, Nyhavn, a giant parking garage will be constructed, pulling most of the traffic away from the congested inner city.

## ‘The Woman With the Eggs’

For many Danes, the fairy tale of the “miraculous Danish economy” and the unstoppable housing bubble creating scores of multi-millionaires, evokes childhood memories of a poem by the storyteller Hans Christian Andersen. It was published in December of 1836, under the title “The Woman With the Eggs” with the subtitle “An old Story made to rhyme,” and every schoolchild in Denmark has read it with great amusement.

It is a story about a woman who had a hen that laid an egg—each and every day. When a couple of scores of eggs had been laid, the woman put them in a basket, placing it on her head, and went to the market.

On her way, she started to fantasize about what she would do with all the money she was going to earn from the eggs. Speaking out loud to herself as she was marching down the road, she decided to buy two more hens. With three hens, she would get thrice the amount of eggs.

The extra money from the extra eggs, she would use to buy yet another three hens. Half of the eggs from the six hens she would sell on the market, while out of the other half, new chickens would be hatched, creating a whole chicken yard. “My sweet God, I’m going to be rich,” she exclaimed, and she decided to buy two geese and a sheep, and with the future production of eggs, feathers, and wool, her “moneybag will get full.”

Then she would buy a pig, and a cow—well, maybe even two. And in just a year’s time, she would have a house with servants and cows and sheep. She would be really rich, and maybe someone would come by her door and propose to her. He would kiss her hand, and she would become a Lady, because his farm is bigger than hers.

“I am going to be so high up, so proud and fine, that I am not going to tolerate any gossip. Oh yes, I am going to keep my head up high.” Which she did, and splash! All the eggs fell to the ground.

With the eggs, Hans Christian Andersen writes, all her bliss fell to the ground. And that was not so bad, after all.

While transport infrastructure has been continuously expanding on land, the A.P. Møller Mærsk Group has consolidated and expanded Danish oil and gas production in the North Sea. Denmark has been a net oil exporter for more than a decade, a significant contributing factor to the relatively rosy economic state of affairs in Denmark.

The combined investments in transport and industrial infrastructure, on sea and land, are massive, from any economic standpoint; but seen from the perspective of a tiny economy of only 5.4 million people, they are even more impressive. While it still has a way to go before reaching the goal of 50% of a national economy set aside for public investments, as recommended by the American physical economist Lyndon LaRouche, Denmark is far ahead of any other European nation. How much of the national economic wealth, percentage-wise, is actually invested, is not easy to ascertain from the official figures. Construction of regular roads and highways is posted on the national budget, of course, but all the great infrastructure projects are financed through “publicly owned private companies,” removing the direct construction costs from the official national public budget.

If one were to identify, from the complex multitude of human activities that make up a national economy, that one major factor that sets the Danish economy apart from the other national economies of Europe at this moment in time, it would be the level of public and private investments into transport and industrial infrastructure. It is true, that the Danish labor market is flexible. Approximately 15% of the labor force changes jobs every year, the highest rate in all of Europe.

But without the basic economic infrastructure in place, this “flexibility” would just create the fastest-growing unemployment line on the planet. So, the “real Danish model” is massive infrastructure investments.

But if Germany and the rest of Europe were to attempt to copy that model, major political changes would have to be implemented. The financing of infrastructure investments on the required scale is not compatible with the European Union’s Maastricht Treaty. And the neat little Danish creation, “publicly owned private companies,” won’t help either. Denmark rejected the Maastricht Treaty in a public referendum in 1992, and rejected participation in the euro in a new referendum in 2000. Therefore, the Danish financing model has not been a subject of scrutiny by the European Central Bank. Were Germany and the rest of Europe to replicate the scale of the Danish infrastructure investments, the Maastricht Treaty would have to go.

Similarly, if the “real Danish model” were to be extended beyond the borders of Europe, the present free-flowing capital markets would have to be replaced by a New Bretton Woods financial system, in which national generation of credit for large public infrastructure projects, would be allowed. And that ought to be the real political discussion concerning how to save the depressed European economies: dumping the Maastricht Treaty, and establishing a New Bretton Woods system. Not maintaining empty fantasies of saving the European welfare states from the predators in the jungle of globalization, by chasing a ghost called the “Danish labor market model.”

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## Editorial

### *Lessons of The Alito Fight*

Why should anyone be surprised that the Bush Administration is now moving hellbent for leather toward military confrontation with Iran? *This was the lawful, and widely forecast, result of the U.S. Senate's decision not to fight effectively to stop the Alito confirmation.* It was a grave mistake for leading Senate Democrats not to follow LaRouche's advice and call the Federalist Society's Alito the fascist that he is. Now, the Administration is coming forward with its fascist, imperial war policy—and the gauntlet has been thrown down once more.

If anyone still thinks that the war against fascist policies, by name, can be put off until the elections in November, he or she is insane!

The spearpoint was put on the situation on Feb. 2-3, when Secretary of Defense Donald Rumsfeld used his appearance at the National Press Club and his presentation of the Quadrennial Defense Review to promote the allegedly new doctrine of the "long war." But, as Lyndon LaRouche pointed out immediately, any competent historian knows this is a fraud. The policy of a "long war" is not a new theory: It's the perpetual-war policy as practiced by the Roman Empire, through the deployment of its legions, to destroy the ability of subject nations to be able to resist. This imperial war policy was picked up as the model, then, for Hitler's fascist military policy.

So now, even as the Administration spokesmen brag that Bush can violate Congress's laws, and make his own law, on domestic surveillance—and ram through a Supreme Court Justice who clearly is poised to support this philosophy of Hitler's "crown jurist" Carl Schmitt—the Administration's leading military men brag about the adoption of a Roman imperial war policy. And, backed by European imperial powers Great Britain and France, they are determined to demand surrender to this policy by all who oppose them.

But what is most outrageous about this situation is not what the Administration is doing, but what the Congressional leadership, particularly in the Senate, has so far refused to do.

For the reality is, that the American population, and

a large portion of the Senate, if not the House, understand that both the domestic and international aspects of these policies are disastrous for the United States, and the world. And yet, they back off making the fight in the only historical terms which define its importance.

The LaRouche PAC's mobilization of the base of the Democratic Party against the Alito nomination underscored this point. Time and again, local leaders responded to the briefing that the issue in the Alito fight was "Hitler," by saying that they had already suspected that he was a fascist, and that they knew an all-out fight against his confirmation had to be made. The U.S. population has picked up the smell of fascism from this Administration—and it is just waiting for leadership to wage an effective fight to stop it.

Yet, many leading Democrats continue to resist waging that fight. While saying they understand the threat of fascist dictatorship, they evade the confrontation by saying that the party's concentration should be on the fall elections, not now. Even more incredibly, while loudly attacking the Administration's lies and strategic insanity on the war against Iraq, they mouth the "politically correct" line of confrontation with Iran. Hasn't any one of them noticed that military action in Southwest Asia is provoking increasingly ugly irregular warfare against the United States by Muslims worldwide, and doing nothing to create the basis for peace? Hasn't any one of them noticed that military strikes against Iran are going to serve the purposes of those Synarchist bankers who want to destroy not only the nation-states of Southwest Asia, but also the United States?

Whether it be a lack of historical understanding, or cowardice, or corruption, this pullback from the battle against the fascist policies of this Administration must be stopped now. There is hardly an issue on which the Cheneyacs are not vulnerable—from warrantless eavesdropping, to leaking the name of covert agent Valerie Plame, to just old-style corruption. Many of their crimes are impeachable on their face.

There is no excuse to "wait for the next election." As in Hitler's time, the likelihood is that it will never come.