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## **This Week You Need To Know**

### **PROLEGOMENA FOR A PARTY PLATFORM**

## **Franklin Roosevelt's Legacy**

**by Lyndon H. LaRouche, Jr.**

February 18, 2006

To play a useful role in history, influential leaders of institutions are those, like President Franklin Roosevelt, who act to prevent, or to prepare for a crisis before it has happened, while it could still be prevented.

Now, the U.S. Democratic Party approaches a new general election, when that party has a pressing need for the immediate circulation of a platform which represents an actually programmatic approach to the crucial policy-decisions with which the presently oncoming world crisis already threatens us.

This crisis is expressed, on the one side, by the failure of the Party, so far, to speak openly, with sufficient clarity, resolution, and force, on the deeper implications of even the obvious issues which are presently under discussion among some of the Party's leading circles. This involves, on the deeper level, the apparent lack of any expressed programmatic comprehension of certain deeper issues which must be brought to the table now, because decision, or lack of policy thinking on these issues will determine the future of all mankind for a very long time to come.

The mistaken recent assumption among some notable Democrats, an assumption which we must now, immediately correct, has been the expressed attitude, in practice, that crucial issues could be postponed until after the coming, November mid-term elections, when a riper form of an already grave crisis will appear. So, in effect, it has been assumed, mistakenly, by some Democrats, as others, that any firm position on crucial issues of long-term policy, would be a matter which were better postponed until that point later in this year, perhaps after the actuality of the presently oncoming economic disaster has become irreparable.

As we should have recognized after the near-fiasco of the Senate hearings on the Alito confirmation, such delays in coming to grips with strategic issues now, would leave the Party, for the moment, as it were a flopping assortment of fish on the beach, fish left behind by the outgoing political tide.

For that reason, for the lack of a program for this occasion, the party's halting efforts fell victim, hopefully only temporarily, to the blight of that same quality of Sophistry which had doomed ancient Athens' plunge into the doom of the Peloponnesian War. That blight is to be recognized as, largely, a symptom of that break of the young-adult, campus-based youth movement of the 68ers, from the then-existing mainstream of the generality defined by the role of agricultural, manufacturing, and science-specialist producers. These 68ers represented, in their most vocal expression, a break within

the ranks of the pre-Vietnam War constituency, a break away from the outlook on which the Party's strength had depended since the 1932 election of President Franklin Roosevelt....

[...Complete presentation, PDF](#)

## Latest From LaRouche

### Make a Platonic Revolution To Save Our Civilization

*Lyndon LaRouche addressed an international webcast on behalf of the LaRouche Political Action Committee (LPAC) on Feb. 23, 2006.*

Over the past three weeks, my wife has been checking with people in France and in Germany on the so-called bird flu problem. Now, recently, there were a number of dead swans, who turned up on the island of Ruegen, which is off the North Sea coast of Germany. And this typifies a pattern, in which Europeans, European leaders, in France and in Germany, have put the issue of bird flu, as one of the three great strategic problems which Europe faces at this time.

The problem is, that this particular strain, which is this H5N1, if this becomes cross-related with an influenza epidemic, we would have, globally, something comparable to the 1918 flu epidemic: in which, with a much lower population than now, and a much less vulnerable world than now, because of transportation and things of that sort, 20 million people died then. Much more, or a larger part of the population, perhaps as high as 100 million, would die, as a result, today. And there are very few precautions taken, on a scale and with a seriousness which would deal with this kind of problem. That's typical.

Today, overnight, there was a crisis in Iceland. That's really hitting the flank! The northern flank of Europe—not quite Greenland, but Iceland. Because Iceland was being used as a place for some fast-money operations of a very large dimension. The Iceland market collapsed, today. It could mean something like what happened in August-September of 1998. That does not mean that the world financial crisis has happened, as of today. It simply signifies that we're in a situation, where you've got gasoline all over the floor in a heated room, and people are smoking cigarettes.

It can happen at any time.

Now then, turn your attention, with this kind of event—and there are many such events, like the threatened war with Iran; other Middle East, so-called, problems: The world is ready to blow up. The President of the United States is an insane dry drunk. And it sounds like the Vice President is a not-so-dry drunk. We have a deficit beyond belief, growing beyond belief. The country is falling apart. The industry and agricultural sector are falling apart. They can't fix what happened with Katrina—they won't even try. And we have 100 days, now, to the next hurricane season. And the Gulf Coast, of course, and Florida, and so forth, these areas will be hit. Nothing has been done, to improve the response over Katrina. Nothing—less than nothing!

So, we have an utterly incompetent and terrible government—and mean-spirited, and stupid, and psychotic—all those wonderful qualities....

[...Complete presentation, PDF](#)

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## Feature:

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### **Make a Platonic Revolution To Save Our Civilization**

**Lyndon H. LaRouche, Jr.**'s opening presentation to a Washington webcast on Feb. 23. Outlining the manifold crises that threaten us— bird flu, economic breakdown, and war—he declares: 'In Europe, and in the United States, in particular, there is no sane response to the situation which now exists, and the conditions which threaten to break out. This is an unusual part of our history. And you have to think back, as to how this came about, and what we do about it.' The essential problem is Sophism, and the solution is to learn from history, and return to the respect for truth and creative discovery that was embodied in the work of Plato's Academy.

## Economics:

### **India Adopts 'Chinese Model'—With Some Variations**

Despite the high praise from the International Monetary Fund and others, for India's rate of economic growth, as many as 400 million Indians live in dire poverty. **Ramtanu Maitra** reports, following a trip to New Delhi.

### **Argentina: 'When We Speak of Greed, We Speak of Monsanto'**

Argentina's Agriculture Secretary has characterized as 'extortion' and 'abuse,' the confiscation, by European authorities, of shipments of Argentine soy flour, acting on orders of the biotechnology giant, Monsanto. Documentation: From 'The State's Action Against Monsanto's Coercion,' a chronology issued by the Agriculture, Cattle, Fishing and Food Secretariat of the Argentine Finance Ministry.

- ***Interview: Pat Trask***

#### **Monsanto's Power Grab: 'An Evil Objective'**

On Feb. 16, 2006, a lawsuit was filed in the Northern District of California, calling on the court to rescind the deregulated status—that is, permission for commercial sale—of Monsanto's Roundup Ready alfalfa, that was granted in 2005 by the U.S. Department of Agriculture (USDA). Named are Agriculture Secretary Mike Johanns; Ron DeHaven, Administrator of the Animal Plant Health and Inspection Service (APHIS); and Steve Johnson, Administrator of the Environmental Protection Agency. Calling the USDA's action on behalf of Monsanto 'arbitrary and capricious,' the suit was brought by a grouping including two farmers, one from Oregon, the other, Pat Trask, from South Dakota.

# International:

## **Threat of Pandemic Requires Crash Bio Defense Initiative**

**by Helga Zepp-LaRouche**

Since the beginning of February, 13 more nations on three continents have announced the outbreak of bird flu, of the highly contagious strain H5N1. After the discovery of dead wild fowl on [the northern German island] Ru`gen and the neighboring territory, now the first European Union cases of infected commercial animals have appeared in Austria. According to information from the World Health Organization (WHO), approximately 170 cases have been reported worldwide, in which human beings have been infected with this virus, and so far there have been 92 deaths; but the scientists also report that the virus, through the course of its mutation, has become more resistant and more dangerous. It is, in all probability, only a question of time, before the H5N1 virus mutates into a virus which can immediately be communicated from person to person, 'growing together' with the normal flu virus.

## **British Promote Religious War in Iraq**

**by Muriel Mirak-Weissbach**

The Feb. 22 bombing of the Imam al-Askari mosque in Samarra immediately raised the specter of civil war in Iraq. To be more precise, what is threatened is civil war along sectarian lines—full-fledged religious warfare, in the infamous tradition of the Crusades, the religious wars which wracked Europe from the expulsion of the Jews from Spain in 1492 to the Treaty of Westphalia in 1648, and, in modern times, the Lebanese civil war and so on. Like those wars, the threatened conflict in Iraq is 'an imperial tactic,' as Lyndon LaRouche put it in his Feb. 23 webcast, to wit, a British imperial tactic aimed at wreaking chaos in the entire region.

# National:

## **LaRouche: What We Need Is A Groundswell Against Cheney**

**by Edward Spannaus**

When asked, during his Feb. 23 webcast about the issue of foreign ownership of ports, which has triggered a Republican revolt against the Administration and a huge furor in Congress, Lyndon LaRouche answered in a manner that must have surprised many of his listeners. First, LaRouche said, the issue is globalization and deindustrialization, and it's not going to be straightened out until someone has the guts to raise the issue of the return of nuclear power. LaRouche declared that we must reverse the policy shifts that took place between 1971 and 1981, under Henry Kissinger and Zbigniew Brzezinski, and he stressed that without confronting the question of nuclear power, you can't deal with the petroleum crisis in the United States.

## **U.S. Economic/Financial News**

### **Why Nobody Believes the Cheney-Bush 'Recovery' Fraud**

Behind the heavily doctored Bureau of Labor Statistics "consumer price inflation" report for January, was the additional report that the real hourly wages of American workers have now fallen for three consecutive years.

Even by the completely fraudulent Consumer Price Index (CPI), from which most potential sources of inflation have been progressively edited and removed over the past 20 years of government statistical practice, prices rose 0.7% in January, and were 4.4% above a year ago. Even by this measure, American workers' real wages fell by 0.7% from January 2005 to January 2006, the third straight yearly decline. Private-sector workers' real wages fell by 0.9%, and those of government employees by 0.3%.

For the three years 2003-05, private-sector workers' real wages have fallen 2.1% relative to the pathetic CPI, and those of government workers have fallen by 1.7%.

## Hyperinflationary Bubble Hidden by Producer Price Index

Economists clucked over the "unexpected" January rise of 0.4% in what the Bureau of Labor Statistics calls the "core rate" of inflation in producer prices. For an overview of how blatantly false this index is, relative to the ongoing actual *hyperinflation* in producer prices, see *EIR*'s Feb. 24 issue. Here's one example:

There is an across-the-board hyperinflation in industrial plastics prices, generally up about 45% in the past six months. One very important plastic feedstock, low-density polyethylene (LDPE), used for films, industrial molds, etc., has temporarily priced itself off the market in Europe, "with [industrial] buyers unable to pay the 1,200 euro/tonne price, only producers and speculators are making purchases, for inventory and hedge purposes," reported the Feb. 23-29 *ICIS Chemical Business*. And a new plastic, linear low-density polyethylene (LLDPE), considered a superior replacement for LDPE for many purposes, has zoomed up 45% price since June 2005, from 900 to 1,300 euro/ton. The big speculators driving the bubbles are so-called commodity price index funds, and hedge funds.

## New Foreclosures Soar in January, Hitting Minorities and Poor

New urban foreclosures nationwide in January jumped 27% from December, and up a whopping 45% from January 2005, according to RealtyTrac. More than 100,000 residential properties entered some stage of foreclosure during the month. The national foreclosure rate continues its upward trend, after rising in every quarter of 2005, now at rate of one new foreclosure for every 1,117 households.

According to a front-page *New York Times* story Feb. 22, minorities and poor in places like Cleveland, Chicago, Philadelphia, and Atlanta, are experiencing a sharp rise in foreclosures on their homes. A few months ago, stories were written about increasing ownership of homes by blacks and minorities in the United States. The percentage of home ownership was cited as being as high as 50% in 2004. Now, this article says, ownership has begun to drop this year and has already gone below the ownership rate in 2005.

## U.S. Farmers Launch Suit Against Monsanto

On Feb. 16, in Federal District Court in San Francisco, South Dakota farmer Pat Trask, along with other farm and environmentalist groups, filed suit against Agriculture Secretary Mike Johanns, and other top Federal officials, for their action in June 2005, of granting the right to Monsanto Co., to sell its patented alfalfa seed, bioengineering to withstand Monsanto's patented Round-Up herbicide, glyphosphate.

Alfalfa is called the "king of all forages," explained Trask, who outlined the "number of serious issues" involved in the USDA having wrongly given Monsanto the green light (*EIR* interview, March 3 issue). Keep in mind, alfalfa is the fourth-largest crop grown in the USA, after wheat, corn, and soybeans; and is a key link in both the feed and food chain. Alfalfa is a nitrogen-fixing plant, which builds up the soil; and is grown over 83% with no fertilizers or herbicides required.

\* Bees cross-pollinate, and wind carries alfalfa seed far afield, so that the bioengineering chromosome will show up on other farms, where Monsanto will sue for patent infringement. The company has gotten settlements from 90 farmers to date, over corn and soybean claims, ranging from \$3 million down to \$5,000; and tied up 500 other farm families with seed police investigations.

\* Secondly, there is the threat of new, "super weeds" that can be expected from weeds adapting to Round-Up, resulting in new, noxious weed varieties.

\* There is no difference at all in the yields from Monsanto's Round-Up Ready alfalfa seed, and conventional seed.

Trask stresses that Monsanto is part of a world food-control apparatus, including Cargill, Tysons, and others, which in recent years have consolidated their grip. Monsanto is not just a regular company, any more than "Al Capone was just a kind of Robin Hood...." (See InDepth for "Argentina: 'When We Speak of Greed, We Speak of Monsanto,'" by Cynthia R. Rush.)

## World Economic News

### Iceland Hot-Money Crash Had Global Impact

Following a sudden downgrading by the British rating agency Fitch, there was a crash of the Iceland stock market Feb. 22, revealing the obvious: that Iceland had become a bubble economy. Fitch pointed to the "material deterioration" in Iceland's so-called macroeconomic risk indicators, including the "unsustainable" widening of the country's current account deficit to 15% of GDP. Furthermore, Fitch noted that Iceland is showing imbalances like those in Asian countries before the outbreak of the 1997 Asian crisis. In reaction, Iceland's stock and bond markets were crashing, and the currency, the krona, plunged by 9% in a single day.

Iceland recently had been transformed into a hot-money place similar to offshore centers in the Caribbean. Financial bubbles have been built up on stock markets and in the real estate sector. The stock market was pushed up by 282% between summer 2003 and mid-February, and house prices in Reykjavik had doubled in the same period. On top of hot-money inflows, there had been an explosion of debt in Iceland, pushing up private-sector borrowing from close to zero to 300% of gross domestic product (GDP) within three years. Interest rates in Iceland were pushed up from 5% to 10.75% during the last two years, allowing for the generation of a special kind of "carry trade," that is, investors borrowed in euros—at interest rates around 3%—and then put the money into Iceland bonds at higher rates of return.

Some of the money channelled to Iceland has been used for buying up assets all over Northern Europe. As an example, Iceland retailer Jon Asgeir Johanneson was able to buy up ten retail chains in Britain. Kaupthing, Iceland's largest bank, meanwhile, bought up banks throughout the Nordic region.

In contrast to other financial media, these events were prominently featured by London's *Financial Times* on Feb. 23 and 24. "A financial crash in Iceland snowballed yesterday, setting off a series of tremors as far afield as Brazil and South Africa," the *FT* announced. It noted that the "collapse" of the krona and the "generalised sell-off in Icelandic assets" was "sparked by Fitch" and was followed by global panic selling of high-yield bonds: "The crash sparked a sell-off among hitherto strong performing emerging market currencies across the globe, with the Brazilian real falling almost 3% at one point and the Turkish lira, South African rand, Mexican peso, and Indonesian rupiah each losing at least 1%, before recovering later in the session."

### Daily Telegraph: 'Global Credit Ocean Dries Up'

This was the headline on a piece by Ambrose Evans-Pritchard in the *Daily Telegraph* Feb. 24, pointing to the Iceland market crash (see above) as the precursor to the coming global breakdown of the "carry trades" due to rising interest rates. He says: "One by one, the eurozone, the Swedes, the Swiss and now even the Japanese, are turning off the tap of ultra-cheap credit that has flushed the global system for the past year, keeping the ageing asset boom alive. The 'carry trade'—as it is known—is a near limitless cash machine for banks and hedge funds. They can borrow at near zero interest rates in Japan, or 1% in Switzerland, to re-lend anywhere in the world that offers higher yields, whether Argentine notes or U.S. mortgage securities."

Pritchard then quotes David Bloom of HSBC, noting that every single market has been effected by "carry trades." However, "It's going to come to an end later this year and it's going to be ugly." Stephen Lewis of Monument Securities is quoted, saying "There are several hundred billion dollars of positions in the carry trade that will be unwound as soon as they become unprofitable.... When the Bank of Japan starts tightening we may see some spectacular effects. The world has never been through this before, so there is a high risk of mistakes."

Stephen Roach, chief economist at Morgan Stanley, warns that the carry trade is itself, in all its forms, a major cause of dangerous speculative excess. "The lure of the carry trade is so compelling, it creates artificial demand for 'carryable' assets that has the potential to turn normal asset price appreciation into bubble-like proportions," he said. "History tells us that carry trades end when central bank tightening cycles begin," he said, and we are now exactly at this point.

## **BIS Issues Warning on Looming Disaster**

In an address to the European Financial Services Roundtable in Zurich, Switzerland, on Feb. 7, Bank for International Settlements (BIS) general manager Malcolm D. Knight pointed to a dangerous "disconnect" between "major macroeconomic risks present in the global economy" and the financial markets "perception" of a benign risk environment, as indicated by parameters such as risk premiums or volatility indices. The speech is now posted prominently on the BIS website.

Concerning macroeconomic risks, Knight focussed on the U.S. external deficit, which has doubled to \$800 billion in the last five years: "It is hard to believe that such an unprecedented flow of net savings from 'poor' to 'rich' countries can represent a sustainable global equilibrium. At some point, this highly unusual pattern will have to change." Another area of concern is the present "valuations in housing markets," which "have risen to historically high levels relative to rents in some countries."

Knight concludes: "Several major macroeconomic risks are at high levels and rising: at some point, global imbalances will begin to adjust. If these higher risks were being reflected in signs of increased volatility in financial markets (that is, if they were being priced in), then one could perhaps be reasonably confident that the risks were being properly recognised, and therefore managed, by markets." However, this is just not the case. What makes matters worse are certain trends in financial markets that require a more complex risk management. Here, Knight emphasizes the rapid growth of credit derivatives, the "rising counterparty risk in lending to hedge funds," and "growing concern about liquidity risk. Some markets are increasingly dominated by players that would not necessarily be able to maintain liquidity in adverse market conditions."

"All this means that stress tests, scenario analysis, etc., are more important than ever in determining how to respond to potential abrupt adverse changes in the financial environment.... Perhaps the biggest challenge is to work out how the different risks in the current period might interact. What I have tried to suggest is that the disconnect between macroeconomic risks and the unusually low levels of volatility that prevail in financial markets is currently one of the biggest challenges for the senior management of large private sector financial institutions."

## **Eurozone Has Unsustainable Imbalances**

According to the Spanish central bank, Spain's current account deficit has exploded by almost 60% during the first 11 months of 2005, compared to the previous year. The 11-month deficit reached 60.7 billion euro, equivalent to 7.3% of Spain's gross domestic product (GDP). In relative terms, Spain therefore has surpassed the notorious Anglo-Saxon deficit countries (Australia: 5.9%, US: 5.8%, Britain: 3.4%) and now runs the highest current account deficit among all OECD countries.



The Spanish trade deficit in the first 11 months of 2005 amounted to 63 billion euros as imports were rising by 11.4%, while tourism stagnated. Imports were rising not only due to a higher oil bill but also due to a 14% increase of capital good purchases, in particular from Germany. The import boom is going along with a sharply rising indebtedness of Spanish households and the economy as a whole, and the buildup of a huge housing bubble.

At the same time, the German trade surplus is reaching all-time highs—162 billion euro for 2005. At the same time, Germany's domestic economy—in particular sectors like construction or retail—remain in depression conditions. Before the introduction of the euro, such imbalances could have resulted in a gradual devaluation of the Spanish currency and an revaluation of the D-mark. Under the single currency regime, these balancing mechanisms no longer exist and the trade/current account imbalances are going to grow further.

The credit boom and the respective growth of money supply in the Spanish economy are basically equivalent to the printing of euro notes in Spain to buy up goods from other eurozone members for free. A senior German economist noted that this situation is "utterly, absolutely unsustainable" and that we might soon see calls for the establishment of certain punishment funds for deficit countries, which could be the first step towards the break-up of the euro.

## **Iraq Oil Production Falling Fast, May Collapse**

Iraq's oil production, which stagnated through 2004 and most of 2005 at 80% of Saddam Hussein-regime levels, has fallen steadily since September, all the way down to 1.48 million barrels per day, less than 60% of pre-invasion production. The *Wall Street Journal* warned in an article on Feb. 21 that the problems could get still worse, and become self-feeding, leading to breakdown. Already the three years' low production in Iraq is one of the major oil "interruptions" since World War II, helping the Cheney Task Force keep oil prices sky high. And the U.S. is contributing to the chaos. The U.S. Occupation demand that Iraq slash internal gas and gasoline price subsidies in September, led to the Iraqi Oil Minister's quitting, and he has not been replaced. The Iraq Oil Ministry hasn't spent any money for repair or infrastructure contracts since. There is almost no new drilling of wells going on. Kurdistan in the North, and SouthOilCo in the South, are making their own deals with foreign oil companies for sales. And the U.S. has withheld the import of some American equipment that could stabilize or improve wells.

The situation, says the *Journal*, "raises questions about the country's ability to keep its petroleum industry from spiralling further into disrepair."

## **United States News Digest**

### **California Execution Indefinitely Postponed; Death Penalty Challenged**

In another blow to the barbaric practice of capital punishment, a California execution was indefinitely postponed Feb. 21, when two anesthesiologists refused to participate in the administration of the lethal injection used to kill death-row inmates.

In a decision that has broad implications, far beyond California, the killing of death-row inmate Michael Morales was postponed at least until May, and probably much longer, while a Federal court in San Jose conducts a formal evidentiary hearing on the constitutionality of the state's execution procedures. At issue is the Fourth Amendment prohibition against "cruel and unusual punishment"; California is one of 38 states which employ a lethal three-stage "cocktail"—a sedative, paralytic drug, and heart-stopping chemical—to kill.



U.S. District Judge Jeremy Fogel found that this combination could mask, rather than eliminate, an inmate's pain during execution. Following Fogel's decision, prison officials decided to bring in two doctors to ensure that the inmate was sufficiently anesthetized. However, the anesthesiologists decided at the last minute that their participation raised ethical concerns. Their decision to withdraw was strongly supported by the American Medical Association, the California Medical Association, the American Society of Anesthesiologists, and its California affiliate.

Lethal injection was adopted in many states as being more "humane" than the gas chamber, electric chair, hanging, or other methods of killing.

Now, before too long, capital punishment itself may be condemned to die.

## **Thousands of Declassified Documents Being Reclassified**

U.S. intelligence agencies are madly reclassifying documents already in the public domain, sometimes for years, the *New York Times* reported in a front-page story on Feb. 21. More than 55,000 once-declassified documents have been reclassified as secret since 1999, but at an increasing rate under Bush-Cheney, and even more so since September 2001. The grounds for the reclassification program itself are classified (!), but agencies which argued that "sensitive information" had been declassified hastily in the wake of a declassification order signed by President Bill Clinton in 1995, had a special room at the National Archives built in which they are carrying out their review. Historians sent examples of decades-old documents which had even already been published by the State Department, yet have now been reclassified, to J. William Leonard, head of the National Archives Information Security Oversight Office, who told the *Times* that he's ordered an audit of the whole program, because some of the decisions "boggle the mind" as ludicrous.

## **Landrieu: Washington Was Rebuilt After British Burned It**

Testifying before the Senate Banking Committee on Feb. 15 in support of the bill to set up the Louisiana Recovery Corporation (H.R. 4100/S. 2172), Sen. Mary Landrieu (D-La) took on the Bush-Cheney "don't rebuild" fanatics, arguing: "One hundred ninety-eight years ago, every public building in Washington, D.C. was razed to the ground by invading soldiers of Great Britain. Imagine the very pertinent questions that must have occurred to ... Congress at that time:... We have placed our capital in a very difficult physical environment [and one] at the mercy of the British Navy. Should we rebuild? Should we relocate to the interior?"

She answered the questions: "Of course, we would rebuild Washington. President Madison returned to this city, amid the ruins and devastation, and did the only thing he could: he followed the American spirit of optimism and hope. We always rebuild, bigger, better and smarter. New Orleans will be rebuilt...." The Bush-Cheney regime opposes the legislation.

## **Leading Democrats Working for an Iraq Withdrawal Plan**

According to the Feb. 20 *Boston Globe*, Sen. Jack Reed (D-R.I.), is reportedly in charge of developing a Democratic strategy on the Iraq war, and other Democrats, including Sen. Dianne Feinstein (D-Calif.), are studying a plan for "strategic redeployment" of U.S. troops in Iraq which was authored last September by Lawrence Korb and Brian Katulis of the Center for American Progress. Korb is a former Assistant Secretary of Defense in the Reagan Administration.

In summary, the Korb Plan has three major features:

1. Draw down 80,000 U.S. troops from Iraq by the end of 2006, with near total drawdown [the remaining 60,000] completed by the end of 2007, and no permanent bases left behind.

2. Bring the National Guard and Reserve troops [46,000] home immediately, and send critical forces [about 20,000] to Afghanistan, Southeast Asia, and the Horn of Africa, with quick-strike forces in Kuwait.
3. Refocus our diplomatic, communications, and reconstruction efforts. Our rhetoric on democracy-building must be matched by equally compelling diplomatic and financial commitments to make the transition to democracy a reality.

House Minority Leader Nancy Pelosi's spokesperson reiterated that the California Democrat supports the Murtha initiative, which has 98 other co-sponsors in the House. Sen. Jack Reed, and others, according to the *Globe's* Rick Klein, are opposed to setting a timetable for withdrawal, as both the Murtha and Korb plans do. However, according to Klein, there is a desire to have a definite plan on Iraq withdrawal going into the elections.

### **Lawsuit Filed Against GOP Budget Maneuver**

"Once again, Republican leaders have burned the book on how our laws are made," said House Minority Leader Nancy Pelosi (D-Calif.), referring to the budget reconciliation bill signed last week by the President, even though the identical versions of the bill had not been signed by both houses of Congress, *The Hill* reported Feb. 20.

"Every elementary school student knows that the exact same bill must pass the House and the Senate first, before it can be signed into law by the President," Pelosi said. She has introduced a privileged resolution in the House to put the Republicans on the record defending their leadership's decision not to bring the bill back to the House, to have it amended to read the same as the bill passed by the Senate.

Also, a private citizen, Jim Zeigler, a Mobile, Ala. attorney and delegate to the 2000 and 2004 Republican National Conventions, filed a lawsuit in the U.S. District Court for the Southern District of Alabama to invalidate the bill.

The House Republican leadership says it will not take up the disputed bill again, nor will it answer questions about whether the signed legislation is now actually law.

The difference in the two bills regards Federal subsidies to Medicare recipients who lease "durable medical equipment," such as wheelchairs, walkers, etc. The section of the bill in question was part of a late-night deal between the House leadership and Ohio Republicans, *The Hill* reports.

But the particular nature of the differences is not the point. If the Executive can get away with signing whatever version of a bill it chooses, it will have moved another step closer to eliminating the remaining Constitutional powers of the Legislative branch.

### **Davis Calls for FEMA To Be Pulled from DHS**

Rep. Tom Davis (R-Va.), appearing on ABC's *This Week* Feb. 19, called for the Federal Emergency Management Agency to be pulled out of the Department of Homeland Security, and made into a Cabinet-level agency. Davis, head of the Republican committee whose report blamed the White House for the failure to respond to the Katrina disaster, insisted: "I think FEMA has to be reorganized. I'm not sure it should stay in the Department of Homeland Security for this reason. They are competing for dollars," with terrorist-prevention programs, he said. FEMA should "absolutely" be made into a Cabinet-level agency, "at the right arm of the White House during any crisis," he continued. A bureaucratic layer reporting up through the Secretary, he noted, didn't work out at all.

# Ibero-American News Digest

## Spain's Cheneyac in Mexico to Campaign for the PAN

George Shultz's buddy, the former Prime Minister of Spain and leading Synarchist mouthpiece Jose Maria Aznar, arrived in Mexico last week to campaign for the candidate of the ruling PAN Party, Felipe Calderon, and to rail against the "evils of populism" fermenting in Ibero-America. In an explicit violation of the Mexican Constitution, which prohibits foreigners from involving themselves in the internal affairs of Mexico, Aznar attended a PAN political event on Feb. 21, and called on Mexicans to vote for Calderon in this year's July 2 Presidential elections, because the PAN represented the hope for change in Mexico. He was giving a speech at the PAN national headquarters at the time.

The opposition PRD Party immediately denounced Aznar's comments as an unacceptable violation of Mexican law, and the political coordinating council of the Mexican Chamber of Deputies met Feb. 22 and voted, despite PAN opposition, to call on Government Secretary Carlos Abascal to expel Aznar from the country for violating the constitution. Eduardo Andrade, spokesman for the opposition PRI Party, drew an important historical parallel between the PAN's turning for support to representatives of those who would return Mexico to control of its former colonial rulers, with its predecessors, "who offered the throne to Maximilian" in the 1860s.

All the PAN government did, in the end, was to "inform" Aznar—as he was leaving the country—that he shouldn't intervene in Mexican political affairs.

## Security Crisis Escalates in Northern Mexico

On a single day, Feb. 13, three police chiefs were assassinated in the state of Nuevo Leon—all in broad daylight, in very public areas. This was one day before Mexican President Vicente Fox visited Monterrey, the capital of Nuevo Leon, and fulminated impotently about how "indignant" and "angry" he was at the crimes.

One of those murdered was from the municipality of San Pedro Garza Garcia, a wealthy suburb of Monterrey where many oligarchs, bankers, and drug capos live, and where ex-Mossad private security companies have numerous clients. A second was killed in Sabinas, Hidalgo, which is very close to Nuevo Laredo, the scene of a tremendous amount of drug violence: 30 killings so far this year.

The general sense in media accounts is that this is drug-related violence, but there are no specific leads. The government line is that this is gang warfare, because of the expanding domestic market for drugs, a shocking 20% increase nationally in the last year. Other states similarly hit include Chihuahua, Sinaloa, Sonora, Guerrero and Michoacan.

## Argentine-Uruguay Dispute Targets 'Presidents' Club,' Mercusor

The South American "Presidents' Club" and Mercosur are the real targets of the Argentina-Uruguay "environmental" dispute. As the dispute has escalated over the issue of Uruguay's building of two cellulose plants across the Uruguay River from Argentina's Entre Rios province, a growing chorus of unsavory individuals in both countries is using the real problems in Mercosur (Common Market of the South), to suggest that the customs union, an important element in the integration initiatives now under discussion in the region, is no longer viable.

There are calls inside Uruguay for the Tabare Vasquez government to pull out of Mercosur altogether, or alternatively, to become an associate member, like Chile and Bolivia, in order to have "more rights and fewer obligations." Uruguay's

former neoliberal President Jorge Batlle argued recently that the problem is that Mercosur members haven't accepted globalization and opened the customs union to the world economy. A free-trade agreement with the U.S. is posed as Uruguay's best option, and there are indications that the Vasquez government has already initiated talks with the Bush Administration in this regard. Finance Minister Danilo Astori is a firm proponent of this option.

On Feb. 24, the Organization of American States' Secretary General Jose Miguel Insulza agreed to mediate between the two governments. But the situation remains tense. President Nestor Kirchner wants to take the dispute to the International Court at The Hague, for which he has received Congressional backing. Protests on the Argentine side have shut down two binational bridges into Uruguay, and caused economic hardship to that country. Uruguay's PIT-CNT labor federation warned Feb. 23 that diplomatic relations between the two nations could be broken at any moment, and called for labor leaders of both countries to meet to try to resolve the situation. More evidence is surfacing also on Greenpeace's role in provoking violence and hyping unfounded fears of environmental pollution.

## **Synarchist Pawprints All Over 'Environmental' Clash**

There is a huge stink of manipulation behind the Argentine-Uruguayan border conflict. Greenpeace is one of the key organizers of environmental protest inside Argentina against Uruguay's plans to build paper pulp plants in Fray Bentos, across the Uruguay River from Argentina. Its major argument is that the two foreign companies involved, Spain's Ence and Finland's Botnia, will use Elemental Chlorine Free (ECF) technology, and pollute the river and the environment, and pose health risks to the population on both sides of the river.

But note: The Uruguayan daily *La Republica* points out Feb. 22, that in Australia, Greenpeace has awarded ECF technology its "silver medal" as the second least-polluting option for cellulose production after TCF, or Totally Chlorine Free. Several environmentalist websites point to Greenpeace's role in encouraging the use of ECF in Australia and Indonesia. So what's the problem in Uruguay?

Synarchist pawprints are all over this conflict. Playing into Greenpeace's antics are the foreign promoters of monoculture tree production (such as the U.S. forestry giant Weyerhaeuser), whose expansion has degraded soil quality and displaced traditional Uruguayan crops in recent years. Uruguayan authorities appear to have bought into these globalizers' promises of great economic benefit from the plants' construction, such as jobs. But said "benefits" for the quiet town of Fray Bentos include major real estate projects such as luxury hotels, three shopping malls, two superstores, and a privately owned casino to service the company executives and foreign officials who are expected to frequent the area once the plants are completed.

## **Western European News Digest**

### **Italian 'Reform' Minister Resigns After Provoking Riot**

When the now ex-Reform Minister of Italy Roberto Calderoli, from the Lega Nord (Northern League) party, appeared on TV wearing a T-shirt with a Mohammed cartoon on it, his appearance was a major factor in inflaming emotions during a large demonstration against the cartoons in the Libyan town of Benghazi. After burning the Danish flag, the demonstrators tried to storm the Italian consulate, the only European building around. Police opened fire on the violent crowd, leaving 10 dead and many wounded. The Benghazi police chief and the Libyan Interior Minister have resigned.

On Feb. 17, Italian Prime Minister Silvio Berlusconi demanded Calderoli's immediate resignation, after Calderoli met with Lega Nord's leader Umberto Bossi. Calderoli resigned the following day. This is the first European minister to resign in the continuing drama surrounding the cartoons.

## **Call To End British Queen's Prerogative Powers**

On Feb. 6, the new Conservative Party leader David Cameron called for the devolution of the Queen of England's most important powers to be matters of parliamentary debate and decision. The most important of the four Prerogative Powers is the right to declare war without parliamentary consideration and democratic vote. Labour Prime Minister Tony Blair is said to be opposed to Cameron's latest call; he permitted only one non-binding debate in all the recent five wars the British have been involved in, and that was on the latest British participation in the Gulf War.

## **Laser Is Focus of Continuing Probe into Diana's Death**

The *Daily Express* of London Feb. 6, and author David Pilditch, report that the special Metropolitan Police unit led by former Commissioner Lord Stevens are now investigating a charge that a blinding laser was used to cause the crash of the Mercedes Benz driven by Henri Paul, in which Princess Diana and her companion Dodi al Fayed died. The police believe the blinding laser, which can be hand-held, was used by an MI6 agent driving one of the motorcycles chasing the Mercedes, as it entered a tunnel in Paris.

The investigation, which was supposed to end with Lord Stevens' interview of Prince Charles in December, is now considered to be wide open and likely to reach surprising results, possibly implicating the royals themselves. Another charge, first made by *EIR*, that is under investigation, is that Henri Paul's blood sample had been tampered with to show high levels of alcohol, when Paul had not been drinking.

## **Foreign Ministry Meeting Over Cartoons Urged**

The Danish political opposition is on the offensive, after it was revealed that the Foreign Ministry had recommended the Prime Minister meet with 11 ambassadors from Muslim countries, who had requested a meeting on Oct. 19, to express their concern about a series of anti-Muslim incidents, including the cartoons that had been published in September. At that time, Prime Minister Anders Fogh Rasmussen refused to meet with them, saying that he had no power to intervene on the issue.

## **Egon Bahr Says Europe Is Kept 'Contained' by Brits**

In an interview with the *Sueddeutsche Zeitung* daily Feb. 21, senior German Social Democrat Egon Bahr, a former Cabinet Minister and long-time leader in numerous leading party functions with an emphasis on foreign and strategic policies, charged London with conscious sabotage of the functioning of the European Union. The liberalization of markets in Continental Europe has always been more important to the British, he said, than the strengthening of Europe as a political entity internationally.

Asked what should be done about it, Bahr replied: "[O]ne ought to pose the alternative to the British: either you cooperate fully, or you are basically out of it. But, the EU does not have the muscle to do that." Bahr added that this weakness is a product of incompetence.

## **German Firms Prepare for Avian Flu Pandemic**

One-third of German firms are preparing for a worst-case scenario of avian flu outbreak. Primarily the bigger firms, banks, insurance companies in the private sector, but also firms and other entities in the public sector of Germany have either begun, or are beginning, to prepare for a reduction in working staff by 20 or more percent, because of infection.

Also, some of Germany's 16 states have begun to build up Tamiflu reserves for treating 20% (Saxony) or even 30% (Hessen) of the population in a pandemic emergency. Such a pandemic cannot be ruled out, once the expected 1 million birds that migrate to northern Africa during the winter, begin returning to Germany in the coming weeks.

In the avian flu situation as such, the H5N1 virus has been detected in more than 100 birds on the Baltic German island of Ruegen, and the two neighboring administrative districts of Mecklenburg, on the mainland. Ruegen has been put on catastrophe emergency status, which allows the deployment of special army decontamination units.

None of these 100-plus infected birds has been in the winter-migrating category; the real problem is only to come, therefore. Emergency slaughtering of chicken populations in some of the high-risk regions has begun. (See InDepth, for Helga Zepp-LaRouche's statement, "Threat of Pandemic Requires Crash Bio-Defense Initiative.")

## **Dresden Mayor Plans Housing Sale to Locust Fund**

With the support of the CDU (Christian Democrats), the FDP (Free Democrats), and even some PDS (Left Party) members of the City Council, Dresden Mayor Ingolf Rossberg (FDP) is firmly committed to sell the municipal housing agency WOBA to the Frankfurt-based German branch of the U.S. investment fund Fortress. The final decision on the sale is set for March 9 at a price of 981 million euros. This involves 48,000 flats with 100,000-plus tenants. Rossberg claims the sale would eliminate all of the city's debt at once—and make the creditor banks happy, at once, too—which he did not say.

In addition to local opposition in Dresden—the SPD (Social Democrats), sections of the PDS, and the Greens—the Mieterbund (German Tenants Association) is harshly denouncing the planned sale as a "sacrifice to financial greed," as Mieterbund chairman Franz Georg Rips said. He warned that the high price paid by Fortress implies that more than 100,000 Dresden citizens will be hostage to a fund that is interested only in aggressive revenue increases.

Rips in particular denounced those in the PDS who have "chosen to pull the cart of investor interest, against the interests of the tenants to have affordable housing."

## **Russia and the CIS News Digest**

### **Russia Details Nuclear Power Expansion Plans**

Following a Feb. 22 meeting in Moscow of the board of an association of Russia's territories, and nuclear energy operators, the head of Russia's nuclear energy agency, Sergei Kiriyenko, said the regions could receive \$1.5 billion in federal investment, to build new nuclear power plants. This amount would represent the federal government's contribution; the rest is to be paid for through investments. The regions will present their plans, and compete for the funding. He said that the government had issued instructions to prepare a map for the location of new generating plants in the country. Russia expects to build 40 new plants by 2030, raising the nuclear power portion of its electricity output from 17% to 25%.

### **Kiriyenko Visits Tehran on Nuclear Program**

Russian Atomic Energy Organization (Rosatom) head Sergei Kiriyenko, who also co-chairs the Iran-Russia Economic Cooperation Commission, headed for Tehran on Feb. 23 for talks that Foreign Minister Sergei Lavrov said were aimed to resolve the showdown over Iran's nuclear energy program. Moscow talks on Russia's proposal to provide facilities on Russian soil for a joint Russian-Iranian uranium-enrichment program, held Feb. 20, were inconclusive. More time was

needed, a Russian official told Irna Feb. 24, while an Iranian official was quoted saying, "If an agreement is reached on full details of Russia's proposed project in the upcoming meeting in Tehran, Iran's nuclear dossier will remain on the agenda of the UN nuclear watchdog [the International Atomic Energy Agency (IAEA)] rather than being reported to the UN Security Council."

Lavrov told reporters Feb. 24 that Kiriyenko was to meet with Iranian Vice President and head of the Atomic Energy Organization, Qolamreza Aqazadeh, and other Iranian officials. Lavrov reiterated that Russia respects Iran's right to use peaceful nuclear technology, and also stresses that the provisions of the Non-Proliferation Treaty should be adhered to." Other issues of mutual interest were also on the agenda.

## **U.S. Seeks Georgian Help for Possible Iran Strike**

According to the *Jerusalem Post* of Feb. 20, American officials have been probing whether the government of the Republic of Georgia would participate in a U.S.-led attack on Iran. The *Post* cited unnamed, high-ranking Georgian Foreign Ministry officials, who seem worried that such participation would have a negative effect on Georgia. Tbilisi fears Iranian military retaliation, were U.S. forces to use Georgian territory, yet they feel obligated to please the United States. Both U.S. and Georgian officials denied these waters were being tested.

## **Russia Moves To Consolidate Auto, Aircraft Industries**

On top of recent Russian government moves to consolidate several leading auto firms under the aegis of the state-run armaments export company, Russian President Vladimir Putin announced Feb. 22 the consolidation of all aircraft building into one corporation. The purpose of this move, he said, "is to maintain the scientific-industrial potential of Russia's aircraft manufacturing complex, and to ensure the country's security and defense capabilities." According to Putin's decree, the United Aircraft-Building Corporation (UABC) will be at least 75% owned by the Russian state. The new company will include the MiG, Tupolev, Sukhoy, Irkutsk, Ilyushin, and Yakovlev aircraft design and production companies. UABC, according to Novosti, will consolidate companies and state assets "engaged in the manufacture design and sale of military, non-military, transport and unmanned aircraft."

In the case of the auto industry, the weapons export agency Rosoboroneksport took over the Volga Auto Plant (VAZ) in 2005. Now, what's under discussion is the consolidation of VAZ together with the Soviet-era auto giants GAZ (the Gorky Auto Plant, in Nizhny Novgorod) and KamAZ (the Kama River auto plant, built with assistance from Fiat), into a single state-owned holding company.

While moves to salvage the production capacities of the old Soviet defense-linked manufacturers are understandable and necessary, the plans for each of these industries—as they now stand—also incorporate some of the insanities of doing business in a "globalized" world economy. During his Jan. 31 annual press briefing, Putin pointed up, as an alleged great success, Russia's reaching agreements with six major foreign car makers, and negotiations for 19 more, on setting up auto assembly plants inside Russia. While the cars to be produced there are intended, at least in part, for the Russian domestic market, there is no way around the fact that these assembly operations are essentially outsourcing of the foreign producers' operations, to take advantage of cheaper Russian labor power. Boris Kagarlitsky of the Institute for Globalization Studies commented in the *Moscow Times* of Feb. 9, "A country without a developed industrial sector cannot afford the luxury of specialized R&D. It doesn't need to come up with its own designs. Even the much heralded new automobile holding may well do little more than assemble vehicles that have been designed abroad."

Boeing and Airbus are both buzzing around the Russian aircraft industry, in search of outsourced engineering skills, among other things. The *Financial Times* of Feb. 21 quoted Airbus senior VP Axel Krein, who said that his company wants a "marriage" with the new Russian entity: "a \$25 billion 'lifetime' partnership to develop a new aircraft." Meanwhile



Aeroflot, the Russian national airline, is being courted by Airbus and Boeing to sign a contract for the supply of long-haul airplanes. The *New York Times*, in a Feb. 22 feature on the attempt to revive Russia's aircraft industry through creation of the UABC, noted the outsourcing: "Boeing's design center in Moscow, which opened with a dozen or so engineers hired through a cooperative program with Ilyushin in 1998, employs more than 1,200 Russians today. About 300 Russian engineers designed parts of the Boeing 787." Airbus, too, the article reported, plans to be "tapping Russian engineering talent for future airplane designs."

## Southwest Asia News Digest

### LaRouche on Iran: Religious War Is an Imperial Tactic

*Lyndon LaRouche addressed an international webcast on behalf of the LaRouche Political Action Committee (LPAC) on Feb. 23, 2006 (See InDepth Feature). His spokeswoman Debra Hanania Freeman, who chaired the event, communicated a number of questions to Mr. LaRouche about the crisis in Southwest Asia. The first of these concerned Iran.*

*Freeman:* The first question comes actually from a Democrat who serves on the Senate Foreign Relations Committee. And he says:

"Mr. LaRouche, in early February, you indicated that a military confrontation with Iran, no matter how limited, would detonate a bomb, that would in fact, serve to blow out the entire financial and monetary system. My question to is really a very simple one: Are Cheney and Company ignorant of this? Or is this, in fact, the intention of the policy?"

*LaRouche:* Well, Cheney's intention is a very interesting question. It's like speaking of George Bush's intention: I don't know if he knows what the teleprompter means.

Cheney is a stooge. The administration we're dealing with is a creation, nominally, of George Shultz, who, with Condoleezza Rice and the whole pack of them, created this administration around a guy who's not mentally capable of any other kind of job, except President of the United States. And he doesn't have to do that job, because Cheney does it for him.

So, therefore, the question of *intention*, and reality, in terms of this administration, is very tricky question. What was Cheney aiming at, for example?

So, in the Iran case: The intention does not come from the United States. It comes from—the participation of some people *in* the United States, in the institutions, influential institutions, but not *from* the United States: It comes from London. The orchestration of this policy comes from the British foreign intelligence organization, centered in the British Arab Bureau. Now, the British Arab Bureau is an offshoot of the British East India Company office, back in the time when the Empire started. Before the King Georges got to know they were emperors, long before that, there was already a British Empire: It was the empire of the British East India Company, which was actually running the Empire. Particularly Lord Shelburne, in particular, who was running the Empire, back in the 1770s and 1780s; he was the kingmaker. And the British King was actually a flunky for these financier interests, who actually ran the place.

So, at that point, the British Intelligence Service started, formally, in this form, in many ways, as a freemasonic organization, essentially; for example, the French Revolution was run through what Shelburne created as the British Foreign Office, in 1782, and the key figure of the Foreign Office who ran the secret committee, was Jeremy Bentham. And Jeremy Bentham, in a sense "begat" Lord Shelburne—and they created the British intelligence service. Which was created out of the East India Company.

So, in the process, they took a guy called Al-Afghani, for example—who was a crazy-man, but the British picked him and used him—to create the Muslim Brotherhood, which is a key orchestration factor in Middle East politics. And they build up things against that, too.

The key operation that defines this whole area, is the British agreement with the Russians, with Nicholas II, on the partition of the spheres of influence in Iran, where the British took the southern part, and the Russians took the northern part: 1907.

Now, in this process, since then, the British have orchestrated the whole area, orchestrated the operations in the whole area, and controlled them. They have a fellow in the United States, who was formerly head of the administrative section of the British Arab Bureau, and he is the key advisor to Henry Kissinger and others. Now, it's his office, which has shaped this particular aspect of policy, which is running it.

So, this is a British game. And they're using all kinds of things. For example, the British are orchestrating this Iran crisis—not the United States, the British are orchestrating it. Jack Straw, the Foreign Minister of Great Britain, is a key orchestrator of this operation.

So, this is what we're dealing with. And the problem with Americans, especially in public office, is, they refuse to recognize history: the history of the U.S.-British conflict. And the complication that is not taken into account, is the fact that, you have a section in the United States which is more close to the British than they are to the Americans. You look at the entire history of U.S.-British relations, the conflict from the beginning, from after 1763 on, and it's always of this same character. Americans refuse to recognize, that the British are not intrinsically our allies. They're intrinsically our enemies.

But it's not simply shoot-em-up enemy relations. The British realized, after Lincoln's victory over the Confederacy, which was a British operation—the Confederacy—the British realized they could never take the United States by force after that. So therefore, they used indirect methods, including subversion and economic operations. And a sense, they're allies, in which the people who are married are the worst enemies of each other. And they refuse to recognize that they're enemies. They're each trying to kill each other, or get each other killed, and they're pretending to be happily married in between time, when company comes. So, it's this kind of situation.

So, the problem among American politicians, is—the fact is, they refuse to face the fact, that the British oligarchy is generally the source of the enemy, the important enemy of the United States in every operation, including this Iran operation. Once you recognize that fact, then it becomes very easy to understand what's going on.

Look, Britain went into this thing in Iraq. They knew the thing was a cock-up, they set it up. But what did the British do? They took the southern part of Iraq, as their area of military operations. What they did was: This was a setup to get an Iraqi Shi'a versus Sunni operation going. Because, the British interest was to destroy this area of the world, by setting up this kind of fragmentation and chaos. It's a chaos operation.

This is also part of the operation, which Bernard Lewis, the same fellow, set into operation, which is called "the war against Islam." Now, when did the world last have a war against Islam? This was the war of the Crusades, which went on, for about three and a half centuries—the Crusades. So, Bernard Lewis says, "Start a crusade against Islam!" And Bernard Lewis agents, such as Henry Kissinger and Samuel P. Huntington, and also Zbigniew Brzezinski, all got involved with this setting up a permanent war against Islam! A new Crusade! A religious war—akin to the religious war, which the same circles set up, before the British existed, between 1492 with the Expulsion of the Jews from Spain, by Torquemada, was the beginning of a period of religious war!

Spain, prior to 1480, had been a very peaceful area of the world, relatively speaking in terms of social relations. It had Christians, Jews, and Muslims, living together, in the same country, and generally with peaceful relations. Yes, there were conflicts, feudal conflicts and so forth, but they would always orchestrate things so the country wasn't destroyed. And there was a lot of cooperation. This was destroyed in 1480, with the introduction of the conception by Torquemada of the Inquisition. And in 1492, the Expulsion of the Jews from Spain—the Moors were actually expelled later, about a century later—was the beginning of a period of religious war, which raged back and forth across Europe until 1648 with the Peace of Westphalia.

So, religious war is a tactic, is an *imperial tactic*, which is used by certain forces. It's used primarily by the British, who are really the last empire on this planet. It's not an empire of the British people, it's not an empire of the Kingdom of Britain. It's an empire of a certain interest, which is centered in London. It's an international financier interest, which comes into this country, it's like people like Felix Rohatyn. Felix Rohatyn, he's a fascist. He's the guy that put Pinochet into power, in Chile! Not a nice guy, a real worm. An evil character. One of my personal enemies (which is one of his virtues).

So, they run this kind of thing as an international cabal of the old Venetian style. There's no morality, there's no national patriotism involved. There's a certain sense of an interest, a *financier interest*. And they try to orchestrate the world to fit that.

For example, what are they trying to do, today? What's globalization? Just to get a clear sense of this. And, what do our friends in the Senate think about globalization? They think globalization is a "wave that is coming"? What? A new wave of syphilis? A resistant strain. Or, is it an operation against civilization. Isn't obvious what it is? Instead of saying, "Well, it's a trend, and some people think this, and we gotta go along with popular opinion"—real Sophistry; "we have to go along with popular opinion." "This is the inevitable." Well, your wife is sleeping with ten other men—"but that's inevitable, what can I do about it?" This is typical Sophistry.

So, globalization means, what? It means, simply, that you eliminate the nation-state. You eliminate culture of people. Turn most people in a population of over 6 billion—you want to eliminate the population, you want to reduce it. Your intention is to reduce the population to less than 1 billion people, in a fairly short period of time. How do you do that? By natural methods: Starve them to death! Disease! Bring down the population level—it's been done before. How do you do that? Take away the nation-state. Take production out of the areas where it's occurring, and moving into slave-trade areas, where people work under slave conditions. Take steel production out of the United States and Europe, and put it someplace else. Put it in a country where 70% of the population is starving to death.

And by that process of destroying the infrastructure and the character of a modern economy, you will create mass death.

But some people say, "it's inevitable." It means, they've give up the fight to Satan, so to speak.

So, the problem here, again, is the same thing I responded to earlier: The problem here, on the Iran issue—to me, the Iran issue is a perfectly transparent problem, with complications I may not know, but the general character of the problem I know *very well*! I know *who is doing what to whom, and why*! All the main lineaments. Some of details are missing, but I have the main lineaments. Apparently, the people in the Senate don't know this! I know it! I know it, because I'm experienced in this stuff. They should know it. But they don't want to know it! Because, they want to know it, without having to know certain other things they don't want to be caught knowing.

And that's where I come in—often, in these things. I came in on the impossible situation, because I have nothing to fear at my age. What're they going to do me? Kill me? Hah! What d'you think my life expectancy is? C'mon, don't kid me! I'm not going to *waste* my life, that's the difference. Some people would rather keep their life by wasting it. I would rather keep

my life, by not wasting it.

Okay, so, this thing with Iran, it's real. It's essentially an imperial operation, part of an imperial operation. It's complicated, because the instruments being used to orchestrate the situation create a mask of uncertainty and confusion around it. Essentially, the fact of the matter is: The question you deal with, in a case like Iran is different than saying what's going to happen there. What you have to do is this: Say, we know that in Russia, and in many of the important forces in the continent of Europe, there's a determination to avoid a conflict with Iran. Because any conflict with Iran would be insane, because of the implications of what that would lead to. And the financial system is about to blow up, anyway. All you need is an Iran war, and the whole thing blows.

So therefore, the Russians, the Germans, and others in Europe, are determined to have a diplomatic approach to the Iran situation, and believe that a rational solution for the time being, is possible. If you don't try to settle *everything*, but concentrate on what you have to settle *now*, and then wait until the situation has calmed down, and get to the other matters later.

I dealt with this, in discussions the other day, here, in Washington.

So, do that. That means that, the key thing you have to do is this: In the United States, and in the thinking of people in the Senate and other institutions, you have to think, that every day that George Bush stays in the Presidency, is a deadly threat to the existence of the United States. Every day that Cheney stays in the Vice Presidency, is an even greater threat to the United States. The optimum is, get Cheney out now, and then the Bush problem will be manageable. Because Cheney is the instrument of George Shultz and his international financier group, which is running this whole operation.

My goal is: Get George Shultz's machine broken! *Break his power!* Cheney is something in the way. He's sick, a man with two stents behind his legs, this kind of thing, in his condition, with his alcohol history? And the dope he's on to stay alive, and the woman he's married to—his life expectancy is very poor. So, he is only a disease, he's only a menace. Get him out, with the least effort possible. You don't want to kill, you don't want to do anything else—you just want to get him out of there. He's now halfway out, because—you know, he's like a still-birth or something. He's hanging out there, but he's not really going anyplace. Get him out. Once you get him out, you break the power of the machine *in* there, the tool that's being used, and he's not the source of the problem, he's only a *tool* of the problem.

Then, suddenly George W. Bush will not find a translator, who speaks his language. George speaks English: He doesn't know any English, he speaks it. The teleprompter shows him how. So, then we have to deal with that.

But we have to deal, fundamentally, with what's *behind* this. Why did they put a man—look, George Bush is a mental case! He's a dry drunk. He's a mental case, you saw him on television: He can't think! He says words that he uses, because he thinks he understands the words. He has no correspondence to what he's talking about! The man is an idiot! He's a mental case! Why would somebody knowingly put a mental case like George Bush, into the Presidency? That's your problem! George Bush is not the problem.

Who put the cockroaches in your kitchen? Don't blame the cockroaches. Who put them there? Somebody did it for a purpose. The purpose was to destroy the institutions of our government. And that's the way you have to look at it. If you look at it from that standpoint—of who the enemy is, then, instead of saying, "Do we fight this battle, or do we fight this battle, or do we fight that battle?" You say, "We've got to *defeat the enemy!*"

## Asia News Digest

## **Philippines in Turmoil; State of Emergency Called**

President Gloria Macapagal Arroyo called a State of Emergency Feb. 24 in the Philippines as reports circulated of troop movements around the city of Manila and the Presidential Palace. Tension have been building around the weekend, which is the 20th anniversary of Ferdinand Marcos's overthrow (EDSA I).

Reports of a military coup have circulated in the Philippines media for months as dissatisfaction with the economy, President Gloria Arroyo and her election, man-made and natural disasters have risen. The weekend started with a boast by Army head Lt. Gen. Esperon that a coup by 14 officers had been discovered and foiled. But soon afterwards, Brig. Gen. Danilo Lim, head of the elite Scout Rangers, was arrested and other officers sought.

All troops and police and army units were put on full alert and deployed to strategic locations especially around Manila. Many notable anti-Arroyo figures such as ex-President Cory Aquino vowed to go ahead with protests.

## **Threat of Coup in Thailand Escalates**

The threat of a bloody riot in Bangkok, aimed at facilitating a monarchist/military coup, dramatically escalated Feb. 20, as the front man for the 1992 coup against General Suchinda, Chamlong Srimuang, called for his "Dharma Army" to join in the planned mass demonstration against Prime Minister Thaksin Shinawatra scheduled for Feb. 26. Chamlong, a former general who served as Secretary General under the premiership of Gen. Prem Tinsulanonda (who is now head of the Privy Council, serving the King), was the public figure who rallied mass riots in 1992, fronting for U.S. government and AFL-CIO operations from Washington, much as Cardinal Jaime Sin did in Manila in the overthrow of Ferdinand Marcos in 1986. In 1992, Chamlong led his followers into a slaughter by charging police barricades. The "blood on the streets" forced Suchinda's resignation, and the takeover by IMF-friendly interests. Chamlong, who helped found Thaksin's Thai Rak Thai party, has now turned against him, and stated that if there is violence this weekend, "the government will have to take responsibility."

Chamlong heads the Santi Asoke Buddhist cult, which is in conflict with the Sangha (the central board of Buddhists) of Thailand, but has a significant following.

Despite Thaksin's continued broad popularity outside Bangkok, and the relative stability of the economy, the potential for an explosion is high, due to anger in the population over the Prime Minister's planned free-trade deal with the U.S., highly unpopular privatization plans for the state electricity company, the continuing bloody crisis in the Islamic south of the country, and Thaksin's \$2 billion sale of his telecom company to the Singapore government.

Two experts on Thailand, one Thai and one American, told *EIR* that U.S. support for this scenario, although not public, is certain, and that the target is China—a view with which Lyndon LaRouche concurs. Thaksin, while promoting numerous globalization policies, has also maintained close ties with China and Myanmar, to the anger of the neo-conservatives.

## **Iran and India Put Their Heads Together**

An Iranian delegation, led by Vice Foreign Minister Mehdi Safari, is slated to visit India soon, the *Iran Daily* reported Feb. 22. The objective of the visit is to repair relations and to seek a way to sell gas to India in case UN sanctions are imposed. Reports indicate Iran is now willing to pay for the gas pipeline within the country and into Pakistan, while India will have to purchase the gas at a border terminal.

On Feb. 20, the Managing Director of Ports and Shipping Organization of Iran, Ali Taheri, told the *Tehran Times* that the

Indians have promised to participate actively in the \$150 million deal for the construction of two container piers at Iran's Chabahar Port in southeast Iran bordering Pakistan. India, Iran, and Afghanistan had earlier agreed on a deal whereby India will build a 200-kilometer road connecting Chabahar Port to Afghanistan, connecting the port in essence to Kabul.

## **French President Says India Should Be a Full NPT Member**

French President Jacques Chirac, on a two-day (Feb. 19-20) visit to India, suggested in his talks with Indian Prime Minister Manmohan Singh that France favors India joining the nuclear non-proliferation treaty (NPT) regime as a nuclear weapon state and fulfill all NPT obligations. Chirac added that, in the interest of the global community, India, as a responsible nuclear power, must bear some responsibility, adding, the time has arrived to shed old mindsets. India, like Pakistan, Israel, and Libya, has not signed the NPT, although it is a founder-member of the IAEA.

Earlier, India and France signed a declaration promoting peaceful uses of nuclear energy and an agreement on defense cooperation between the two countries. However, no nuclear reactor deal with India would mean anything concrete unless France arranges a supply of enriched uranium to India. The control of enriched uranium supply worldwide is in the hands of the 40-member nations who belong to the Nuclear Supplier's Group (NSG), and the NSG, in accordance with the NPT regulations, allows supply of enriched uranium to only those countries who have signed the NPT.

## **Trouble Along Afghanistan-Iran Border**

A riot instigated by troublemakers in the Shia-dominated western Afghan city of Herat against the recent Shi'ite celebrations of Muhurram, indicates destabilization along the Afghan-Iran border is in progress.

The western Afghan province of Herat, inhabited largely by Shi'ite Mongols, has always been very close to Iran. Under U.S. pressure, President Hamid Karzai had removed the all-powerful Herat Governor, Ismail Khan, and had given him a Cabinet position in 2004. The offering of a ministerial berth was widely acclaimed as an excuse to remove, under U.S. goading, Ismail Khan, a close ally of Iran, from the sensitive border areas. He was replaced by a governor who is close to Kabul, and, in essence, close to the United States. Subsequent reports indicated that the U.S. Air Force was setting up an airstrip within miles of Iranian borders in the province of Herat.

It is not clear as of yet who triggered the Muhurram incident at the Herat City, but it is said that Ismail Khan, backed by Iran as always, is making a move to get back his seat of power at a time when Iran is threatened with foreign invasion. The Iran-Afghan trade, which passes through Herat City, has been a major source of Ismail Khan's income and the source of his power.

## **A New Flap Around U.S.-India Deal**

On the eve of his visit to India (March 1-3), it is evident that President Bush has shifted position again on a U.S.-India nuclear deal, by demoting India from the ranks of "leading countries with advanced nuclear technology"—the phrase used in the Bush-Manmohan Singh July 18, 2005 India-U.S. agreement—to those who merely have a "developing nuclear energy program." This came out in President Bush's speech at the Asia Society in Washington on Feb. 22.

The significance of this demotion, Indian negotiators point out, is that only those countries that have "advanced civilian nuclear energy programs" will have the right to reprocess spent nuclear fuel under Bush's proposed "Global Nuclear Energy Partnership." On the other hand, those countries that are "developing nuclear energy programs" will have to hand over spent fuel to Britain, France, Japan, or Russia—the countries identified as ones with advanced nuclear energy programs.

India's former DAE (Department of Atomic Energy) chairman, M.R. Srinivasan, called it a major breach of the basis of the July 18 agreement, and he said he is surprised that "even though India set up its first reprocessing plant in Trombay in 1965, Bush has relegated us to the status of a recipient country."

## **Explosion at U.S. Base in Jolo Could Spark Further Violence**

A bomb exploded near the U.S. military base set up in Jolo in the southern Philippines, killing one Filipino; no American Marines have been killed, yet. Such an event was to be expected. The insane deployment of 250 marines for "exercises" in the small island of Jolo in the Mindanao Sea off southern Philippines has set the stage for an attack on U.S. soldiers, which could then spark a U.S. military response, and all hell will break loose in the Philippines. Even Filipino military officers told *EIR* this deployment was lunacy, since Jolo is largely controlled by the terrorist gang Abu Sayyaf, and the population of Jolo remembers still today the bloody battles on the island between Moro warriors and U.S. troops during the Philippines' revolt against the U.S. colonial takeover in the early 20th Century.

The bomb on Feb. 19 in a karaoke bar next to the U.S. base killed a Filipino driver for the U.S. troops. The bomber was not caught. A few days earlier, the head of Jolo's police intelligence unit was murdered in the same vicinity, with the killer easily slipping into the village population and escaping.

## **U.S. Marines Redeploy for Mudslide Rescue**

Over 3,000 U.S. Marines who were in Mindanao for military exercises with the Philippines Army have redeployed for rescue operations at the scene of the mudslide. With thousands feared dead under as much as 100 feet of mud in the town of Guinsaugon on the island of Leyte (the island on which MacArthur's forces landed in the reconquest of the Philippines in World War II), U.S. forces have joined in the gruesome task of digging out the bodies. Two U.S. warships and 17 helicopters have also joined the effort, which will certainly serve a far better service than the legally questionable exercises they were there to conduct, and will win far more support from the Filipino people.

## **This Week in History**

### **February 28 — March 6, 1860**

#### **Presidential Candidate Abraham Lincoln Makes His Principles Crystal-Clear**

On Feb. 28, 1860, Abraham Lincoln boarded a train in New York City and headed for New England. He had just made his memorable speech at the Cooper Union the night before, and was now looking forward to visiting his son Robert, who was studying at Phillips Exeter Academy in New Hampshire. During the round trip, Lincoln would also make nine major speeches in Connecticut, Rhode Island, and New Hampshire, all of them at the request of Republican Party leaders in those states.

During the past year, Lincoln had stood firm on principle, while others wavered or capitulated. During 1859, Lincoln had travelled from state to state, combating the sophistry coming from both Sen. Stephen A. Douglas of Illinois and pro-slavery Southerners. Douglas was using the soothing phrase "popular sovereignty" to mask the spread of slavery to every part of the nation, including the Federal territories. The pro-slavery faction, strongly encouraged and supported by Britain and other European oligarchies, who aimed to thus destroy the American Republic, repeated the mantra that everything would be fine if they were just left alone.



On Oct. 16, 1859, the nation was stunned by John Brown's raid on Harper's Ferry, Va. Southern members of Congress immediately accused the Republicans of having masterminded this "invasion of Southern territory." Senator Douglas, the leading Democratic Presidential hopeful, agreed with them, and stated that the violence at Harper's Ferry was the "natural" and "logical" outcome of the policies of the Northern Republican Party.

Many Republicans began waffling and back-peddling, but not Lincoln. A Chicago editor wrote to Lincoln that he and his colleagues were worried about "the moral health of the Republican Party," and Lincoln agreed. In November and December, he was making almost daily speeches in Kansas, and on Dec. 3, the day after John Brown died on the gallows, Lincoln addressed an audience in Leavenworth, Kansas.

Lincoln told his auditors that hanging Brown was just, "even though he agreed with us in thinking slavery wrong. That cannot excuse violence, bloodshed, and treason. It could avail him nothing that he might think himself right." But, Lincoln warned the pro-slavery ideologues, "If, constitutionally, we elect a President, and therefore you undertake to destroy the Union, it will be our duty to deal with you as old John Brown has been dealt with."

In contrast, the leading contender for the Republican Presidential nomination, Sen. William H. Seward of New York, was very worried about accusations that his statement on the "irrepressible conflict" between free and slave states had led to Harper's Ferry. Two days after Lincoln's Cooper Union speech, Seward rose in the Senate and gave a speech which contrasted the "capital states" of the South, presumably referring to their capital investment in slaves, with the "labor states" of the North, saying that the differences were merely economic.

Lincoln, in his speech at New Haven, Conn., on March 6, clearly defined the issue which had to be dealt with, used humor as his ally, and appealed to the audience's principled patriotism. He began by saying that if the Republican Party "shall ever have the national house entrusted to its keeping, it will be the duty of that party to attend to all the affairs of national housekeeping." It was true that there were many national questions that needed answers, such as the tariff, the management of financial affairs, and how the national lands would be settled. Yet, none of these could get a hearing at present, because of the overriding nature of the slavery question. "For, whether we will or not, the question of Slavery is *the* question, the all absorbing topic of the day."

After tracing all the policies which the Democrats, especially Douglas, had guaranteed would end the agitation over slavery, Lincoln said that even the Democrats now did not pretend that the problem had been solved. "The truth is, that this question is one of national importance, and we cannot help dealing with it: We must do something about it, whether we will or not. We cannot avoid it; the subject is one we cannot avoid considering; we can no more avoid it than a man can live without eating. It is upon us; it attaches to the body politic as much and as closely as the natural wants attach to our natural bodies. Now I think it important that this matter should be taken up in earnest, and really settled. And one way to bring about a true settlement of the question is to understand its true magnitude."

"I think that one of the causes of these repeated failures is that our best and greatest men have greatly underestimated the size of this question. They have constantly brought forward small cures for great sores—plasters too small to cover the wound. That is one reason that all settlements have proved so temporary—so evanescent.

"Look at the magnitude of this subject! One-sixth of our population, in round numbers—not quite one-sixth, and yet more than a seventh—about one-sixth of the whole population of the United States are slaves! The owners of these slaves consider them property. The effect upon the minds of the owners is that of property, and nothing else—it induces them to insist upon all that will favorably affect its value as property, to demand laws and institutions and a public policy that shall increase and secure its value, and make it durable, lasting, and universal. The effect on the minds of the owners is to persuade them that there is no wrong in it. The slaveholder does not like to be considered a mean fellow, for holding that species of property, and hence he has to struggle within himself and sets about arguing himself into the belief that slavery

is right. The property influences his mind.

"The dissenting minister, who argued some theological point with one of the established church, was always met by the reply, 'I can't see it so.' He opened the Bible, and pointed him to a passage, but the orthodox minister replied, 'I can't see it so.' Then he showed him a single word—'Can you see that?' 'Yes, I see it,' was the reply. The dissenter laid a guinea over the word and asked, 'Do you see it now?' So here. Whether the owners of this species of property do really see it as it is, it is not for me to say, but if they do, they see it as it is through 2,000 million of dollars, and that is a pretty thick coating. Certain it is, that they do not see it as we see it. Certain it is, that this 2,000 million of dollars, invested in this species of property, all so concentrated that the mind can grasp it at once—this immense pecuniary interest, has its influence upon their minds.

"But here in Connecticut and at the North, slavery does not exist, and we see it through no such medium. To us it appears natural to think that slaves are human beings; *men*, not property; that some of the things, at least, stated about men in the Declaration of Independence apply to them as well as to us. I say, we think, most of us, that this Charter of Freedom applies to the slave as well as to ourselves, that the class of arguments put forward to batter down that idea, are also calculated to break down the very idea of a free government, even for white men, and to undermine the very foundations of free society."

"Now I have spoken of a policy based on the idea that slavery is wrong, and a policy based upon the idea that it is right. But an effort has been made for a policy that shall treat it as neither right or wrong. It is based upon utter indifference. Its leading advocate has said 'I don't care whether it be voted up or down.' 'It is merely a matter of dollars and cents.' 'The Almighty has drawn a line across this continent, on one side of which all soil must forever be cultivated by slave labor, and on the other by free'; 'When the struggle is between the white man and the Negro, I am for the white man; when it is between the Negro and the crocodile, I am for the Negro.' Its central idea is indifference. It holds that it makes no more difference to us whether the Territories become free or slave States, than whether my neighbor stocks his farm with horned cattle or puts it into tobacco. All recognize this policy, the plausible sugar-coated name of which is '*popular sovereignty*.'"

"This policy chiefly stands in the way of a permanent settlement of the question. I believe there is no danger of its becoming the permanent policy of the country, for it is based on a public indifference. There is nobody that 'don't care.' ALL THE PEOPLE DO CARE! one way or the other. This policy can be brought to prevail if the people can be brought round to say honestly 'we don't care;' if not, it can never be maintained. It is for you to say whether that can be done.

"You are ready to say it cannot, but be not too fast! Remember what a long stride has been taken since the repeal of the Missouri Compromise! Do you know of any Democrat, of either branch of the party—do you know one who declares that he believes that the Declaration of Independence has any application to the Negro? Judge Taney declares that it has not, and Judge Douglas even vilifies me personally and scolds me roundly for saying that the Declaration applies to all men, and that Negroes are men. Is there a Democrat here who does not deny that the Declaration applies to a Negro? Do any of you know of one? Well, I have tried before perhaps 50 audiences, some larger and some smaller than this, to find one such Democrat, and never yet have I found one who said I did not place him right in that. I must assume that Democrats hold that, and now, *not one of these Democrats can show that he said that five years ago!*

"I venture to defy the whole party to produce one man that ever uttered the belief that the Declaration did not apply to Negroes, before the repeal of the Missouri Compromise! Four or five years ago we all thought Negroes were men, and that when '*all men*' were named, Negroes were included. But *the whole Democratic Party has deliberately taken Negroes from the class of men and put them in the class of brutes*. Turn it as you will it is simply the truth! Don't be too hasty then in saying that the people cannot be brought to this new doctrine, but note that long stride. One more as long completes the journey, from where Negroes are estimated as men to where they are estimated as mere brutes—as rightful property!"

When Lincoln came to the end of his speech, he exhorted his audience not to adopt the view of those who looked at slavery as a good or as something neutral. "If our sense of duty forbids this, then let us stand by our duty, fearlessly and effectively. Let us be diverted by none of those sophistical contrivances wherewith we are so industriously plied and belabored—contrivances such as groping for some middle ground between the right and the wrong, vain as the search for a man who should be neither a living man nor a dead man—such as a policy of 'don't care' on a question about which all true men do care—such as Union appeals beseeching true Union men to yield to Disunionists, reversing the Divine Rule, and calling not the sinners, but the righteous to repentance—such as invocations of Washington, imploring men to unsay what Washington did."

Then Lincoln repeated the final phrases from his Cooper Union speech—"Neither let us be slandered from our duty by false accusations against us, nor frightened from it by menaces of destruction to the Government, nor of dungeons to ourselves. Let us have faith that right makes might; and in that faith, let us, to the end, dare to do our duty, as we understand it."

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