

# EIR

Founder and Contributing Editor:

*Lyndon H. LaRouche, Jr.*

Editorial Board: *Lyndon H. LaRouche, Jr., Muriel Mirak-Weissbach, Antony Papert, Gerald Rose, Dennis Small, Edward Spannaus, Nancy Spannaus, Jeffrey Steinberg, William Wertz*

Editor: *Paul Gallagher*

Associate Editors: *Ronald Kokinda, Susan Welsh*

Managing Editor: *John Sigerson*

Science Editor: *Marjorie Mazel Hecht*

Technology Editor: *Marsha Freeman*

Special Projects: *Mark Burdman*

Book Editor: *Denise Henderson*

Photo Editor: *Stuart Lewis*

Circulation Manager: *Stanley Ezrol*

INTELLIGENCE DIRECTORS:

Counterintelligence: *Jeffrey Steinberg,*

*Michele Steinberg*

Economics: *Marcia Merry Baker,*

*Lothar Komp*

History: *Anton Chaitkin*

Ibero-America: *Dennis Small*

Law: *Edward Spannaus*

Russia and Eastern Europe:

*Rachel Douglas*

United States: *Debra Freeman*

INTERNATIONAL BUREAUS:

Bogotá: *Javier Almario*

Berlin: *Rainer Apel*

Caracas: *David Ramoné*

Copenhagen: *Poul Rasmussen*

Houston: *Harley Schlanger*

Lima: *Sara Madueño*

Melbourne: *Robert Barwick*

Mexico City: *Rubén Cota Meza*

Milan: *Leonardo Servadio*

New Delhi: *Ramtanu Maitra*

Paris: *Christine Bierre*

Stockholm: *Michael Ericson*

United Nations, N.Y.C.: *Leni Rubinstein*

Washington, D.C.: *William Jones*

Wiesbaden: *Göran Haglund*

*EIR* (ISSN 0273-6314) is published weekly (50 issues), by *EIR News Service Inc., 317 Pennsylvania Ave., S.E., 3rd Floor, Washington, DC 20003. (202) 543-8002. (703) 777-9451, or toll-free, 888-EIR-3258. World Wide Web site: <http://www.larouchepub.com> e-mail: [eirns@larouchepub.com](mailto:eirns@larouchepub.com)*

**European Headquarters:** Executive Intelligence Review Nachrichtenagentur GmbH, Postfach 2308, D-65013 Wiesbaden, Bahnstrasse 9-A, D-65205, Wiesbaden, Federal Republic of Germany Tel: 49-611-73650.

Homepage: <http://www.eirma.com>

E-mail: [eirma@eirma.com](mailto:eirma@eirma.com)

Executive Directors: Anno Hellenbroich, Michael Liebig

**In Denmark:** EIR, Post Box 2613, 2100 Copenhagen ØE, Tel. 35-43 60 40

**In Mexico:** EIR, Serapio Rendón No. 70 Int. 28, Col. San Rafael, Del. Cuauhtémoc, México, DF 06470. Tels: 55-66-0963, 55-46-2597, 55-46-0931, 55-46-0933 y 55-46-2400.

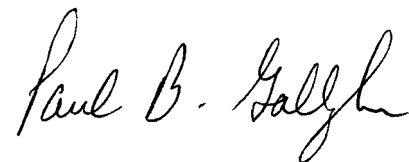
Copyright © 2003 EIR News Service. All rights reserved. Reproduction in whole or in part without permission strictly prohibited.

**Postmaster:** Send all address changes to *EIR*, P.O. Box 17390, Washington, D.C. 20041-0390.

## From the Editor

We go to press with American political situation clearly at a historical turning-point. In its most urgent scene, LaRouche forces are in an impassioned mobilization to stop the otherwise imminent snatching of the governorship of the country's most important state, for an emerging Hitler-figure, a political "beast-man" seen as such both by his financier handlers and his enraged voters. At the same time, the turmoil in Washington over the Iraq invasion fiasco is turning rapidly toward a laser-like focus on Vice President Dick Cheney, the man whose ouster LaRouche has demanded for over a year. Presidential candidate LaRouche, in "U.S. Politics as Tragedy" in our *Feature*, and in "The Fall of the House of McAuliffe" in our *National* section, lays bare the underlying, connected principles of both these battles, as principles truly seen only as those of a classical tragedy on the stage. He shows that Shakespeare's inner eye is needed, to see the tragic consequences of the Democratic Party's cold, passionless "pragmatism" and timidity in this crisis. Why have its leaders refused to fight the California Recall fight as a national battle central to the war to force out Cheney before it is too late to do so?—he and his accomplices were the very pirates who looted California into its present bankruptcy.

In the other part of our *Feature*, Helga Zepp-LaRouche explores the psychological insights of two great mathematical physicists—Johann Friedrich Herbart and Bernhard Riemann—to demonstrate why it is only the rapid spread of a social movement based on *agapē* that can really counter the threats of such evil as are revived in the nations of the world today. And indeed, it has been the rapidly growing LaRouche Youth Movement which has single-mindedly, for over a year, made the ouster of Cheney the issue, over all others, of the Iraq tragedy. Now, that objective is clearly within sight. How clearly the various "institutions of the Presidency" are now moving toward the make-or-break decision—whether Cheney can be forced out—is described in our *National* lead article and accompanying documentation. The deed must be done, now, within weeks. The potential is so clear, that LaRouche will title his next, Oct. 22, international webcast, "The Post-Cheney Era."



# EIRContents

## Cover This Week

*The erstwhile “nine-pack” of Democratic candidates in an earlier debate.*



### 24 Shakespeare As a Scholar: U.S. Politics As Tragedy

By Lyndon H. LaRouche, Jr. “My subject . . . is politics for a time of crisis; the real, no longer postponeable political issues facing our nation’s approach to the 2004 general election today. That subject is one which could never be understood competently, except from the vantage-point of a deep insight into the essential role of Classical art in the education of the modern statesman. The contemporary, even urgent relevance of these references to Shakespeare, will be emphasized in the course of . . . this report.”

### 30 Herbart and Riemann on the Mind: Overcoming Your Fears by Increasing Your *Geistesmassen*

A speech by Helga Zepp-LaRouche to the ICLC/Schiller Institute Labor Day conference in Reston, Virginia on Aug. 31.

**Photo and graphic credits:** Cover, page 25 (candidates), EIRNS/Stuart Lewis. Page 5, EIRNS/Carlos Pérez Galindez. Page 19, IAEA website. Page 20, pppl.gov. Page 26, www.arttoday.com. Page 27, swiss-image.ch/Digital/Remy Steinegger. Page 31, EIRNS. Page 36, clipart.com. Page 38, Library of Congress. Page 44, EIRNS/Karl-Michael Vitt. Page 45, UN Photo/Michelle Poiré. Page 46, UN Photo. Page 47, EIRNS/Muriel Mirak-Weissbach. Page 61, EIRNS/Brendon Barnett. Page 62 (photo), Democratic National Committee website.

## Economics

### 4 ‘Vulture Funds’ Descend On Dying Third World Economies

Argentina’s effort to restructure its foreign debt, on which it defaulted in 2001, has led to renewed attacks by the international “vulture funds.”

### 6 ‘There Is New Pressure To Develop the Mekong’

An interview with Joern Kristensen.

### 12 ‘Dam-Buster’-Ideologue Hosts May Ruin Mekong River Commission Visit to U.S.

### 15 How Will Europe Fill Its Huge Energy Gap in the 21st Century?

The latest power blackouts have made it manifest, that by 2020, more than 200 Gigawatts of electricity capacity must be replaced in the European Union countries, simply due to the aging of existing power facilities; other demands, for growth, make the “energy gap” nearly as large as the entire power grid of the United States.

### 21 German Machine-Builders Survive With China

### 22 Business Briefs

## International

- 42 LaRouche Gives ‘Wake-Up Call’ to Moscow Conference on China**  
Lyndon LaRouche addressed the 14th Conference on “China, Chinese Civilization and the World: Past, Present and Future,” whose main subject was: “China in the 21st Century—Chances and Challenges of Globalization.”
- 42 ‘China and a Community of Principle’**  
From LaRouche’s speech to the Moscow conference.
- 45 Mahathir, at UN, Calls For New Bretton Woods**
- 47 Is Europe Sincere?**  
A commentary by Lyndon H. LaRouche, Jr. written for the October issue of the Turkish magazine of political economy, *Yarin*.
- 48 Mexico: Targetting of Cardinal Sandoval Triggers Religious Warfare Potential**  
Including a statement by Lyndon H. LaRouche, Jr.
- 50 Iran’s Nuclear Energy: A Cheney Casus Belli?**
- 53 An Iranian View of the Nuclear Controversy**
- 54 International Intelligence**

## National

- 56 LaRouche-Led Assault On Cheney Is Drawing Blood**  
Significant U.S. policy institutions have joined the drive to expose and depose Vice President Cheney and the entire neo-conservative gang that hijacked American foreign policy, beginning with Sept. 11, 2001.  
**Documentation:** LaRouche’s record shows why Cheney must be removed.
- 60 The Fall of the House of McAuliffe**  
Lyndon H. LaRouche, Jr. comments on the tragic idiocy of the chairman of the Democratic National Committee.
- 63 Who Is Renting Howard Dean?**
- 65 Senate in ‘Mad Rush’ To Pass Iraq \$87 Billion**
- 66 Congressional Closeup**

## Books

- 68 The U.S. Senate Through Lyndon Johnson’s Eyes**  
*The Years of Lyndon Johnson, Master of the Senate*, by Robert A. Caro.
- 69 New English Translations of Schiller’s Great Works**  
*Friedrich Schiller, Poet of Freedom, Volume IV*, edited by William F. Wertz, Jr.
- 70 The ‘Official Conspiracy’ Theory Dismantled**  
*Die CIA und der 11. September. Internationaler Terror und die Rolle der Geheimdienste [The CIA and September 11: International Terror and the Role of Secret Intelligence Services]*, by Andreas von Bülow; and *Operation 9/11. Angriff auf den Globus [Operation 9/11: Attack on the World]*, by Gerhard Wisnewski.

## Interviews

- 6 Joern Kristensen**  
Mr. Kristensen is the Chief Executive of the Mekong River Commission, which was created in 1995 by the governments of Vietnam, Cambodia, Laos, and Thailand to deal with matters of the economic and related development of the Mekong River Basin.

## Departments

- 72 Editorial**  
Europe’s \$87 Billion.

## ‘Vulture Funds’ Descend On Dying Third World Economies

by Dennis Small

**vulture**—*n* 1: any of various large raptorial birds . . . that subsist chiefly or entirely on carrion 2: a rapacious or predatory person.

—*Webster’s Ninth New Collegiate Dictionary*

Argentine Finance Minister Roberto Lavagna used the high-profile forum of the annual meeting of the International Monetary Fund (IMF) and World Bank in Dubai, United Arab Emirates, to unveil on Sept. 22 Argentina’s long-awaited proposal to restructure some \$94.3 billion in public debt, on which the government had defaulted in December 2001. Lavagna’s proposed “solution” to the world’s longest-running and biggest public debt default, was to write off 75% of the debt’s face value, and service the remaining 25% somewhere down the line.

Howls of outraged protest exploded from spokesmen for Argentina’s international creditors, especially the speculators widely referred to as “vulture funds,” which now hold most of the defaulted bonds. “This is not a serious offer,” blustered Christian Stracke, head of emerging market research at CreditSights. “Scandalous, offensive, morally unacceptable,” fumed Italian bondholder and lawyer Mauro Sandri, without a trace of irony.

Then came the threats of legal action. “There is no way Argentina will avoid going to court with this offer,” warned Stracke. London’s *Financial Times* reported that “frustrated Japanese investors are trying to seize government land in Argentina’s Patagonia, and German investors are trying to appropriate Argentine-embassy assets to recoup losses.” Rumors even began to swirl that the Argentine Presidential jet would shortly be seized.

In fact, one vulture holding defaulted Argentine bonds

has already succeeded in winning just such a judgment. On Sept. 12, a New York court ruled in favor of Kenneth Dart, of Dart Container Corp., granting him a \$700 million judgment. Dart will have the right to start seizing Argentine assets at the end of October.

Finance Minister Lavagna told a TV interviewer: “In this particular case, it’s a vulture fund for \$700 million. . . . These funds that buy the bonds do it for no other reason than to sue governments.” And Argentine President Néstor Kirchner told his advisors, according to the daily *Clarín*, that most of the defaulted Argentine bonds have in fact been bought up by the vulture funds, and that they paid an average 20 cents on the dollar for them.

*In other words, their fulminations notwithstanding, the vultures stand to make a killing, even with Argentina paying on only 25% of face value—let alone if they are able to collect dollar-for-dollar.*

### LaRouche: This Is Fascism

Informed of the Argentine developments, U.S. Presidential pre-candidate Lyndon LaRouche denounced the vulture funds—which typify a very large part of the global financial system today—as being “fascists, just like those who put Hitler in power. These bastards,” LaRouche elaborated, “care even less than President Bush for the stability of the system. Now you’re looking at fascism in the face. And if you want to characterize it, you would say about the vulture funds’ reaction, this gives you the mentality of the same kind of fascists who sacrificed the human race, including all those who died eventually in Auschwitz. This is why people died in Auschwitz: because these vulture funds had to have a government which would do the kind of job they demand.”



The LaRouche Youth Movement organizes at the Economics Department of Buenos Aires University; one sign reads, "The IMF is a poison, LaRouche is the antidote."

As for the New York court finding in favor of Dart, LaRouche noted that it clearly goes beyond the court's jurisdiction and competence, to assess the value of debts owed by a sovereign state. This stinks of Teddy Roosevelt's "Gunboat Diplomacy" to collect the debt, LaRouche concluded.

The Argentina case is in fact typical of the entire global financial bubble: None of the debt can actually be paid, and the only real policy issue is whether to put people's welfare before the debt—as LaRouche demands—or to try desperately to maintain the *illusion* that the debt is somehow still performing, no matter what the human cost. In that latter camp, the vultures are gaining ground against those who are still trying to maintain "stability," and revive the corpse of the world financial system, if need be by swallowing sizeable debt write-downs. The vultures prefer to descend on the body *now*, and be first to pick over the bones. For them, it's every vulture for himself, and the devil take the hindmost.

Argentina, of course, had a choice: to go the LaRouche route, or to become an economic cadaver. The country reached that fork in the road back in December 2001, when interim President Adolfo Rodríguez Saa announced to a cheering Congress that he would stand up to the country's creditors, and declared a foreign debt moratorium on the spot. But Rodríguez Saa was unable to rally sufficient support, domestically and internationally, for this courageous approach, and Argentina's frightened political class and other institutions allowed him to be toppled on Jan. 1, 2002. This

set Argentina on the course of submission to vulture economics that it remains wedded to, to this day.

### Argentina Still Can't Pay

Rhetoric aside, President Kirchner has, in fact, never seriously considered breaking with the IMF. On Sept. 10, his government struck an 11th hour deal with the Fund, under which Argentina agreed to pay \$2.9 billion it owed the IMF. That amount had come due on Sept. 9, and for one day, Kirchner went into technical default against the IMF, in search of more "lenient" terms under which Argentina was to be raped by its creditors.

"We were in default for more than 24 hours," Kirchner reportedly told his closest advisors during a plane ride to New York on Sept. 22. "I could have fallen, but had that happened, the whole IMF

would have fallen with me," he blustered.

Kirchner was referring to the widely known fact that a default against the IMF or the World Bank, as opposed to a mere private lender, is capable of bringing down the entire international financial system. Such a default could prove contagious with other countries, including neighboring Brazil, which has a public debt about twice the size of Argentina's. As an Argentine Finance Ministry source told *La Nación* newspaper, the possibility of an eventual Brazilian debt default "is on a lot of people's minds." Any such sovereign default against the IMF would likely lead to a downgrading of its credit rating, and that could mean the effective bankruptcy of the IMF itself, and of the entire IMF system.

On Sept. 10, Kirchner chose to defend that system, and struck a deal with the IMF, which, he was told, was a prerequisite for negotiating a write-down of the \$94.3 billion in privately held government bonds. The IMF, in turn, was pressured by the Bush Administration to be "lenient" with Argentina, since the stability of the entire global system was considered a higher priority than collecting every penny—at least for now. As an unnamed Bush Administration source soberly told the daily *Clarín*: "Nobody wanted Argentina to again go into default with an international institution."

The IMF thus agreed to Argentina producing a 2004 Primary Budget Surplus, or PBS (with which to pay the public debt) of "only" 3% of GDP—whereas the country's more rapacious creditors had been demanding Brazil-style levels

of 5%. The international financial media then ridiculously characterized the deal by saying that “the IMF blinked” in the face of Kirchner’s “tough” negotiating stance. A manic George Bush further stroked the Argentine President’s ego at a Sept. 23 reception at the United Nations, by greeting him from across the room in a loud voice: “Here comes the man who conquered the IMF!”

The vulture funds, for their part, were furious at how “lenient” the IMF had been with Argentina. As a Bloomberg wire reported, the Italian Mauro Sandri and other vulture bondholders “said they were outraged after Argentina reached an accord with the IMF two weeks ago, that ensures the government pays back multinational lenders while forcing losses on investors.”

IMF spokesman Thomas Dawson defended their deal with Argentina by arguing that it “will lead to a sustainable debt position”—which is a lie. As one Buenos Aires economist told the *Financial Times*: “It’s doubtful Argentina can even service its performing debt with that [a 3% PBS], let alone defaulted loans.”

The reality is that Argentina is not going to be able to service its public debt, even after the 75% write-down. On top of the \$94.3 billion in defaulted bonds—now to be written down to some \$24 billion face value—Argentina has another \$85 billion in supposedly performing public debt. Of that, about \$70 billion is classified as “Senior debt,” meaning that it is paid first, before the renegotiated defaulted debt. This “Senior debt” includes some \$25 billion in *new* government bonds, that were issued after the December 2001 default.

So, even with massive write-offs, Argentina is staring down the barrel of a gun at well over \$100 billion in public debt that it has to pay—an impossibility, given the ongoing destruction of its physical economy.

To achieve even a “low” PBS of 3% in 2004, the government is going to have to impose further massive cuts in government spending on wages for teachers, doctors, and others, as well as in pension payments. This is on top of the 11% plunge in national economic activity in 2002, which, coupled with a 70% forced devaluation of the peso that year, has meant that Argentina’s dollar-denominated GDP plummeted from \$264 billion in 2001, to \$120 billion in 2002—a 55% drop! As a result, over half of Argentina’s 38 million people now live below the poverty line, and unemployment is over 20%.

There is *no* amount of achievable looting that can make Argentina’s debt perform. Analysts estimate that, for Argentina to be able to pay, even after a 75% write-off, it would have to generate a PBS not of 3%, but of 4.5%; and not for one year or two, but for the next 15 years!

This is fascism and lunacy, as LaRouche stated. If adopted, such policies will leave Argentina, and the rest of the developing sector economies that follow it, as a carcass picked over by vultures. And then the debt will be defaulted on, anyway.

---

## Interview: Joern Kristensen

---

# ‘There Is New Pressure To Develop the Mekong’

*Joern Kristensen is the Chief Executive of the Mekong River Commission (MRC). The Commission was created in 1995 by the governments of Vietnam, Cambodia, Laos, and Thailand to deal with matters of the economic and related development of the Mekong River Basin. A delegation from the MRC arrives in the United States in October to study the management of the Mississippi River. Mr. Kristensen was interviewed by phone from Pnomh Penh by Michael and Gail Billington and Marcia Baker on Aug. 25.*

**EIR:** Why was the Mississippi chosen as the candidate for this trip?

**Kristensen:** Well, it happened actually when I attended one year ago the International River Symposium in Brisbane, where we won the international prize for excellency in river management. There was a man who made a presentation on the Mississippi River, and that presentation centered around the considerations, now, to take down some of the structures that were put up by the Army Corps of Engineers after the Second World War. It has been recognized, according to the presentation, that some of the structures actually had a negative impact. In the context of the presentation, he made a reference to the Mekong, so I went over to talk to him and then, when I came back, I followed up through our contact at the American Embassy in Bangkok, the regional environmental coordinator, Mr. Ted Osius, who represents the United States in the countries of the Mekong. I spoke with him and said maybe we should try working on the link to the Mississippi, because it was also interesting in the sense that we knew already that the concept that was taken to the Mekong, when the big development schemes were prepared here in the 1960s, were actually based on the work that had been done one decade earlier on the Mississippi. . . .

**EIR:** Will you be hosted by—or is it involving the Army Corps of Engineers, that has responsibility for the system or other interests?

**Kristensen:** We would be hosted by the Mississippi River Basin Alliance, which is kind of an umbrella organization consisting of a number of civil society organizations, also research organizations, and universities in the region; but the Army Corps of Engineers are also involved in the program, so it will be a program that would introduce our people from the region here, both to the governments as well as to civil

society who are dealing with Mississippi issues, so I think it is a very broad-based program.

**EIR:** What is the composition of the group that would be coming over?

**Kristensen:** That would be altogether 12 people, and that consists of two representatives from each of the four MRC member countries—Vietnam, Cambodia, Laos, Thailand—at Joint Committee Member or Secretary General Level; and then there would be four senior staff from the secretariat.

**EIR:** Another thing about the relationship between the Mississippi and the Mekong goes back to the Vietnam War era. To what extent is the non-development of the Mekong back in that period, in the consciousness of the people coming to look at this?

**Kristensen:** You know there were great schemes made for development of the Mekong back in the 1960s, but because of the war and the hostility that eventually led to the war in the region, these development schemes were never implemented. Now, when peace has returned and seems also to have firmly settled in the region here, there is a renewed interest in, and a new pressure for development of the region here. The people who are coming are very well aware of that, and this is something that can be spoken about openly.

**EIR:** I was interested in the interview you had done previously on this, on the shift in emphasis in terms of the kinds of projects that the Mekong River Commission is looking at, from smaller projects to a more comprehensive work plan for the region as a whole. Can you say anything more about that?

**Kristensen:** You know, if you look to the past—and the past, when we talk about the Mekong, is not that long ago; because it is only within, say, the last 5-6 years that the relationships among the countries, who are sharing the region here, have developed to such a level that it is now possible to work together in an open and positive manner across borders, and that also is what is reflected in the Mekong River Commission's program.

If we go just one decade back, the relationship mainly caused at that time by the still unsettled situation in Cambodia, was still strained in many ways, and it was difficult for the countries to work together. Therefore, the work of the Mekong River Commission during these years was centered much more on, let's say, local or national projects than on regional ones. Local or national projects do not require the same level of regional cooperation as when you move into basin-wide activities, so that's the background for this shift.

**EIR:** 1975 was the point at which the United States pulled out funding for the Mekong River Commission, and now Denmark is the largest funder of the Commission?

**Kristensen:** You know, following the Vietnam War, the U.S. pulled out of most support to the region; and its place as

a donor to the MRC cooperation was, to a large extent, taken over by the Scandinavians, the Nordic countries. It did not happen exactly in 1975. But during the 1980s, the Nordic countries came in as donors, and that coincided with the, let's say, the increase in the global awareness about sustainable development. . . .

Another reason for Denmark's participation here is the issue of poverty alleviation and providing of food security to the poor segment of the population. It is also very high on the agenda in the Danish development strategy, and in this context, Denmark has been the strongest supporter of fisheries. Here in the Mekong, we have one of the world's largest freshwater fisheries, and the development of that has been supported by the Danish government.

**EIR:** If you had access to all the funding that you would need, would there be technologies that you could introduce for the fisheries that would improve them dramatically?

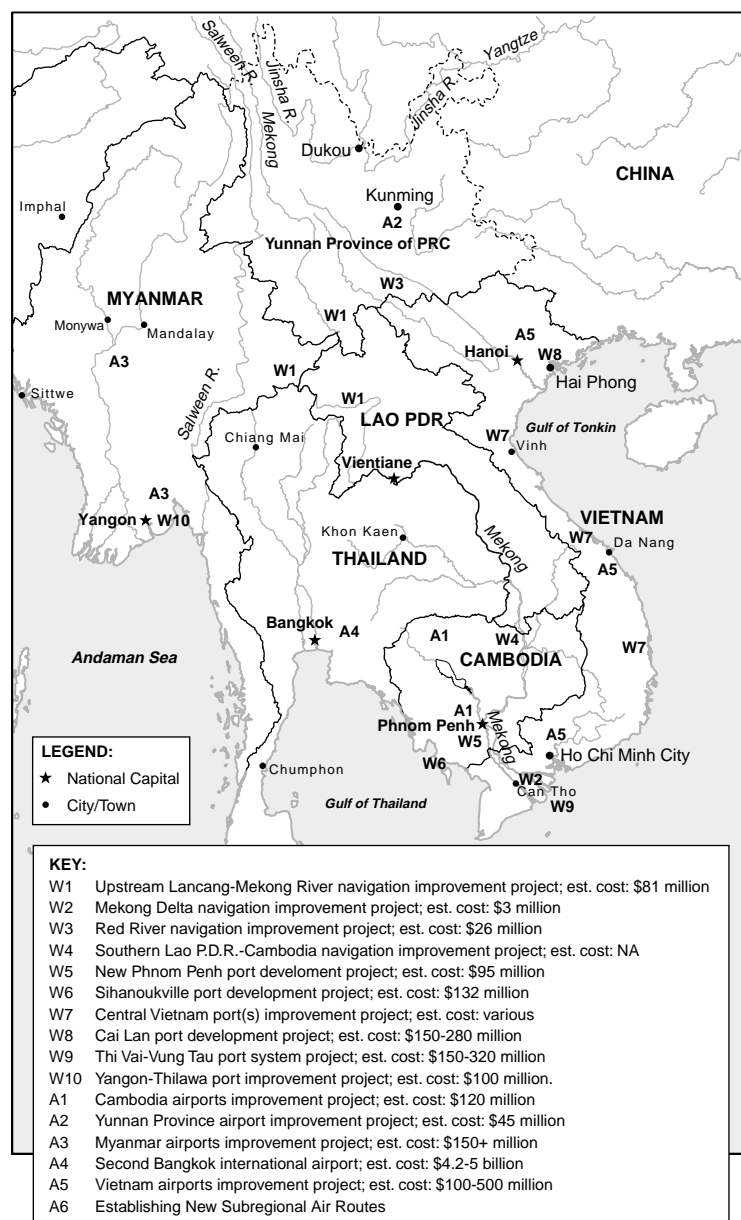
**Kristensen:** There are underutilized opportunities for aquaculture here; we are focussing mainly on capture fishery, but if there were more support available, there are opportunities, great opportunities to increase aquaculture in the region. It is being developed on a private sector basis in the Vietnamese part of the delta; while in Cambodia, where the opportunities are as big as they are in Vietnam, there is still very little aquaculture, so there are opportunities, if there were more funding available.

**EIR:** I think the question that you are talking about, Mr. Kristensen—we're thinking of the history of some of the development in North America, which has a different physical setting, not monsoonal, for example. But there was, first, concern of flooding, and also navigation opportunities; and then later, upstream in the tributaries, there were resources and attention given to small very upstream developments; and, of course the terrain is quite different, but still you still have a tremendous variety in your huge Mekong Basin, do you not?

**Kristensen:** That's true, I think we have in the Mekong—as far as our assessment goes, there are about 20,000 small dams in the sub-watersheds, with water used for irrigation. That's primarily in the Thai part of the basin, which is the most developed. The impact is quite interesting. We have just concluded a study showing that contrary to what has been believed, the water flow in the dry season has actually over the last few decades, increased, when it was believed that there has been a decrease.

We have not been able yet to analyze in detail the reasons for that, but our belief is that that is actually due to the high number of small dams, where water is collected during the wet season, and then released in dry season; so the impact of the small dams has been significant, while the large dams, built for, let's say, the traditional purposes, as you said, to regulate for navigation purposes and also to provide for hydropower, there there has only been very modest development

## Greater Mekong Subregion Water Navigation and Air Transport Projects (as of February 1999)



Source: Asian Development Bank.

*"We believe that the Mekong River Commission is probably at the forefront compared to a number of new river basin initiatives taken in developing countries. We see that also because we are getting an increasing number of visits from Africa, from Central Asia, people who are, let's say, at a more early stage of setting up regional cooperation on shared water resources, who want to come and learn from the Mekong experience."*

so far, nothing of significance in the lower part of the basin, and it's only started now on the higher reaches, up in the Chinese part, on the Lancang, where two dams have so far been commissioned, and more are in the making. So there is today very little impact from large dams, but a certain impact from the large number of small-scale dams.

**EIR:** How are the relations between the countries themselves with China, in looking at these big dams that are being proposed and built?

**Kristensen:** I would say the relationships in the region here, in general, are moving in a positive direction, and that speaks both for the relationship between the countries in Indochina and China, and that also reflects on our relationship, the Commission's relationship with China, which has become much more active in the past few years. We have regular meetings with the Chinese. At the government level, we have an annual dialogue meetings. We have government representatives sent here from the Republic of China participating as observers to our Joint Committee and Counsel meetings, and we also have Chinese experts participating in some workshops. And our experts go to China and make presentations in seminars and workshops there, so there is an increase, but I can also say it is still, if you look at the requirement for the future, it is still at an early stage. . . .

**EIR:** Do you have any ideas or sense of how to resolve the funding problem? Where do you see the possibilities for that—assuming that we could get the United States to do something?

**Kristensen:** At the Commission here, we don't—there are funding problems in the region. At the Commission, we don't have funding problems. We have a robust economy of \$10-15 million dollars per year, which covers sufficiently our need for research, analytical work, and dissemination of our information.

The biggest investments that are needed for development, should not come from the MRC. That would be the World Bank, the Asian Development Bank, bilateral donors, and, hopefully also, private investors; so this is an issue as much for the banks and other agencies I mentioned.

Our role in this is to promote good cooperation here, and also provide the data and information background that is needed for investors and banks to make their decision, and we are working exactly in that direction. I can tell you that tomorrow we will have the first-ever state of the basin report for the Mekong River. We have worked over the last 18



months to put together a very, very comprehensive assessment of the natural resource base, and the cooperation in the region here. That will be released at an event in Phnom Penh tomorrow [Aug. 26].

**EIR:** Do you have any indication from the conference that was held here in Washington, or from this upcoming trip to the Mississippi, that there is any interest being shown by the U.S. government in getting involved in backing these projects?

**Kristensen:** We have had a mission from the U.S. government EPA [Environmental Protection Agency], who were here in July. They visited our secretariat and also went to the four member countries to make an assessment. Issues that are being looked into in that context are water quality issues, so they took the findings back to the U.S.; and now I think, in combination with the upcoming visit to the Mississippi and the return visit that will happen—as far as we are scheduled for early next year—I think that together would help to keep, or even create, greater momentum in the cooperation, so we are hopeful that that will eventually lead to a stronger U.S. involvement. But we are quite happy to see the state where we are now, thinking about . . . that the U.S. pulled out in 1975; and it is obvious that it has taken some work to get the cooperation moving again, but we sensed a very, very strong interest when I was in Washington.

I was there, as you recall, in May, then again, in June, and in both meetings—the first arranged by the State Department and the second one by the Asian Development Bank and *Foreign Policy*—I sensed that both meetings had very strong interest in the U.S., and quite a certain level of passion also for the Mekong.

**EIR:** Who is the return visit going to be from?

**Kristensen:** I don't know if that has been figured out yet, but it is obvious that the Mississippi Alliance, which has received a grant from the U.S. government to support this exchange program, that they will play an important part in this. So Mr. Tim Sullivan, who is the Secretary General or Chief Executive of the Mississippi Alliance, certainly would be at the center of this; and there I believe there would be both representatives from the Corps of Engineers and also from research groups from universities in the region. . . .

**EIR:** We have talked a lot about the idea of “development corridors,” and I was interested in what you had written up about the international Challenge program and the seven benchmark water basins in the world. How is that working? And in Asia itself, what are the contacts between, say, India and Gangetic basin, with the Mekong?

**Kristensen:** On the Challenge program, this is a major program that is supported by a number of big international donors, like the World Bank and also some quite large bilateral donors. The background—I don't know if you are familiar

with the program—but the background is to find ways to produce more food to feed the world's growing population over the next few decades, and the program has been divided into a number of thematic areas; and one is named water and food. The aim here is to produce more food without using more water, in order address the water shortage. . . . So a number of river basins around the world have been identified as focal points for research, where the experience is then disseminated in a global context.

Here at the Mekong, this issue is extremely relevant in the sense that we have a rapidly growing population here within the basin, we count a population at approximately 55-60 million, and this population would grow up to 90-100 million over the next 25-30 years, so there would be certainly a need to increase food production. In addition, we have one of the poorest populations in the world, and there is also a need for a general improvement in socio-economic conditions.

So pressure on the natural resource base here, pressure on water resources in order to increase food production particularly in the lower part of the basin, in Cambodia and Vietnam, where the population pressure would be the largest. We think we can learn from experiences in our own region here where, for example, Thailand is somewhat more advanced, but we also think we can learn from other river basins around the world, and probably also some of these basins can benefit from experiences here, and through this Challenge program, where we were nominated or appointed in November of last year as the coordinator, we get direct access—there is a steering committee—so we get in direct contact with the other river basins.

**EIR:** Is there some other especially analogous, or some particular basin that comes to mind that you think there are useful comparisons or lessons?

**Kristensen:** I can't say that in terms of this particular program, the food program. But in a more general sense, if we go back to where we started, we think that at the Commission here, in many ways we can learn from activities and experiences from more developed river basins, and that's why we are quite excited and very encouraged about the opportunities now to get in professional contact with people from the Mississippi. We have already for some years had a twinning arrangement with the Murray-Darling Basin Commission in Australia, which we have benefitted greatly from here, and in some more specific fields, like navigation, we are in close contact with the Rhine River in Europe, and so on, so we think that particularly from more developed river basins, we have a lot to learn.

When we look into developing countries, we believe that the Mekong River Commission is probably at the forefront compared to a number of new river basin initiatives taken in developing countries. We see that also because we are getting an increasing number of visits from Africa, from Central Asia, people who are, let's say, at a more early stage of setting up



*“Very little development has taken place here for the historical reasons, which we all know; so we have still a pristine river with a lot of opportunities, but also opportunities that include that the river in its natural form provides livelihood and supports the lives of millions of people. . . . The need for cooperation among countries who are former enemies is very strong here.”*

regional cooperation on shared water resources, who want to come and learn from the Mekong experience.

**EIR:** At the Commission, I noticed what you had said earlier that there were at least 15 different nationalities that are participating with the Mekong River Commission at this point.

**Kristensen:** That’s true. It dates back to 1957, when it was established as the Mekong Committee. Our commission today—and let me say that at that time, also going back to one of your earlier questions: Where focus was much more on, let’s say, more traditional projects that could be better described as local or national projects, there was probably not the same need for bringing international expertise, as we have today, so the 15 nationalities I referred to in some of my earlier writing or interviews, described the composition of our staff. We have at the Secretariat employed about 125 staff and about 70 are professionals, and of these 70 professionals, about 40 come from the region here, relatively evenly distributed about among the four countries. So we have 10 Cambodian professionals, 10 Laotians, 10 Vietnamese, and 10 Thais, and then we are about 30 international experts working here, coming from different professional fields and coming from different countries in the world, so that brings it up to this about 15 nationalities working together.

**EIR:** What do you see as the top priorities for the Commission in the next 5-10 years?

**Kristensen:** I would say there are more than one, but probably it can all be described as the need to continue to build the cooperation among the four countries who are the owners, the members of the organization here, and then, on the basis of that cooperation to continue to build relationships with the upstream neighbors, particularly, China.

I mention that because we are in a river basin where, as with many others, there are different interests among upstream and downstream, and that also includes our own members upstream. There is a different perception when you live upstream or you live downstream, and we also see that within

the Mekong, that issue of cooperation . . . in a wider context than just the narrow issue of water, needs to be promoted constantly in order to avoid the countries from drifting away from each other in different directions, more led by their own narrow interests.

**EIR:** In that regard, what is your sense of the potential for the development of the transportation on the river itself and the use of the river for transport, and how do you think enhancing that transportation will actually contribute to the collaboration between the countries?

**Kristensen:** I think when we look at the transportation, we need to look at it from two angles, or let’s say divided into two sections. That’s the upper part of the river where there are navigation opportunities including China, Myanmar, Thailand, and Laos, where it is possible to use the river for transportation from the so-called Golden Triangle area and up to [Xinghong] in China. There is some interest in improving the opportunities to use the river by modification of the river channels, and to open it up for large ships. There are some controversies included in that, because the modification of the river for navigation purposes would have an impact on the fish stocks, and could also impact the flow, which would then, in turn, change or have an impact on the ecological system, and probably also lead to more excessive floods downstream.

So this is a sensitive issue, where there is a need for not only, I would say, for the upstream countries just to move ahead with their ideas, but to do that in a very close consultation with the downstream countries, Cambodia and Vietnam, who would not be part of this. As you know, the river is divided in two sections by the Khone Falls on the border between Cambodia and Laos.

So there are opportunities to improve relationships between the countries which share the upper part, but unless that is handled carefully because it is a sensitive issue, that could lead to negative relationships with the two downstream countries, Cambodia and Vietnam.

On the lower section, there are certainly opportunities to improve the use of the waterways for transportation. The waterway is already here, you can sail with ships up to 5,000 tons between Phnom Penh port and the South China Sea. And if one would recall the situation before 1975, then, the Mekong River between Phnom Penh and Vietnam was also referred to as the “highway” of this region, because all supplies that were brought into Cambodia came up the river and also other resources and materials, and agricultural goods that were produced in Cambodia were taken out on barges down to Vietnam from where they were shipped out.

That came to virtually a standstill after 1975, where you had conflict between the two countries, which were hostile to each other, and it has never really come back again. The river is being used, but it is really underutilized for transportation. Today 20,000 containers are taken by road from Phnom Penh down to Sihanoukville, where they are shipped out from the

deep-sea port. This is expensive, and it also has a negative impact on the environment, so we are working right now with a program where we try to get these opportunities re-activated again to make the lower part of the river here into a highway, and if that could come true—and it will eventually come true—that would be a win-win situation both for Cambodia, and Vietnam would benefit from that.

But you have two distinct situations whether you are talking about upstream or downstream.

**EIR:** Is that purely a political problem on the Vietnam/Cambodia side, or are there physical developments that need to take place?

**Kristensen:** It is mainly a political problem, because the river is there—in principle, the highway is there—so it is just a matter of getting back to basics, I would say, and that means for the Vietnamese and Cambodia governments to sit down and sort out issues on differences on this issue, and then open up for smooth transportation across the border, custom clearance, and things like that.

It's just at the beginning here, you know, that's what makes the Mekong somewhat stand out, say, in comparison to the Mississippi or some of the other big rivers I have talked about. Very, very little development has taken place here for the historical reasons, which we all know; so we have still a pristine river with a lot of opportunities, but also opportunities that include that the river in its natural form provides livelihood, and supports the lives of millions of people, so great care needs to be taken, and the need for cooperation among countries who are former enemies is very strong here, so that development in one part of the river is not being done at the expense of people living in other parts.

**EIR:** I just recently wrote on the Cambodian elections, and if you look at the population profile, the next generation is one that was not directly—or maybe more indirectly suffered the consequences of those wars—but this is a new generation.

**Kristensen:** This is an interesting point you are making here because you find the same in Vietnam, where you have approximately 60% of the population—and the population there today is about 80 million, so it means that about 50 million are born after 1975, after the war—and I think there are similar ratios for Cambodia, although the population is much smaller. But then you see a huge young population now coming to age, which has a very different perspective on life and a very different background than their parents and grandparents. I often talk about, when speaking of this region, that we have a bigger generation gap here than can be seen in most other parts of the world, and there is no doubt that that will have an impact also on the generation that will take charge in the coming decades here. . . .

**EIR:** You mentioned comparison with lessons from other experiences. The Tennessee Valley Authority obviously, it is a certain size, but beside all of the dams for hydropower and

flood control, and for navigation, there was a big social education program on how local, rural backward people could use electricity. But they also had, of course, the famous nuclear power development program. I know that in Vietnam, there's an interest in high-tech research and nuclear power. Do you have anything special to point out about this in what the future could hold in Indochina?

**Kristensen:** I think when we look at the need for energy production, it certainly is a major issue here because if you take the two poorest countries in our cooperation—Cambodia and Laos—probably less than a quarter of the population has access to electricity. So it is obvious, in order to promote improved socio-economic conditions, to promote education, and so on, you also have to bring electricity into the region, and that is one of the challenges. Because there are opportunities to use the river for hydropower production, and we see it already being planned on a number of the major tributaries, having their head at the central highlands in Vietnam, and then running into Cambodia where they join the mainstream.

While so far, there has been no serious considerations on hydropower plants on the mainstream in the lower part of the basin, we already spoke about China; but these issues will probably pop up again. However, when we compare to former Pres. Lyndon Johnson, who spoke about the Tennessee Valley in the 1960s—he compared the development that he was going to support in the Mekong to the Tennessee Valley, where light has been brought through hydropower.

We should remember that, compared to some 40 years ago, there are other opportunities today that were not known at that time, and nuclear power is one. but it seems possible also to say, in general, it is fading; when there are renewable energy sources like solar, and wind, and there is a lot investigation going on in this region here for natural gas and oil.

So I think it is too early to say what would be eventually the response to the need for energy here, but I think none of the options can be excluded for the time being. But I believe there will be much more conscious development, much more understanding on the need to find the right balances.

**EIR:** We have some lessons from the United States, with 50 million people in our blackout a couple of weeks ago, we have big interest—

**Kristensen:** I saw that, yes.

**EIR:** We have a big interest—we leveled off 30 years ago in continuing nuclear, and in spite of our beautiful hydropower up in Quebec or on the Tennessee, we leveled off from technology. So we're fighting in the United States that we should resume technology and infrastructure.

**Kristensen:** It's interesting to see how that can catch the headlines all over the world, when such a big, highly industrialized country loses electricity for four hours; when you see that in the countries where I am working here, as many people who lost electricity for a few hours, have *never had* access to this resource.

# ‘Dam-Buster’-Ideologue Hosts May Ruin Mekong River Commission Visit to U.S.

by Marcia Merry Baker

From October 6-17, a delegation from the Mekong River Commission (MRC), representing its four Southeast Asian states, will visit sites on the Mississippi River, observing infrastructure, natural resources, economic activity, and speaking with a series of interested groups and individuals. The idea of such a visit is most welcome; for the United States to resume an involvement in key projects in Asia, is of great strategic importance.

However, those hosting the Mekong guests represent an extreme current of anti-American opposition to infrastructure development, and even to science itself. Take just one member-group, American Rivers, of the Mississippi River Basin Alliance (MRBA), which is principal host for the Mekong River Commission tour. As American Rivers writes about itself, “We were founded in 1973 to increase the number of rivers protected by the national Wild and Scenic Rivers System and to prevent the construction of large new dams on our last wild rivers. Today, in addition, . . . we focus on dam removal and reform.” Andrew Fahlund, Senior Director, Dams Program, of American Rivers, lists his favorite river movie as “*Dambusters*, a British film from the 1950s about a World War II bomber squadron that blows up dams on the Rhone River.”

## United States Anti-Development Shift

As expressed in the “general welfare” clause, and the Preamble of the Constitution, the United States is founded on the concept of scientifically developing the physical resource base of the nation for the purpose of the general good. The history of U.S. water management shows many such achievements—transformations in the physical resource base, to serve the purpose of present and future civilization. A few landmarks: Tile drainage (underground pipes) was introduced on New York state farms in 1835. A series of Federal Swamp Lands Acts (1849, 1850, 1860) furthered the drainage of vast areas of marshland. In 1858, Central Park was drained in New York City.

Under the 1899 Rivers and Harbors Act, the Army Corps of Engineers received the broad Federal mandate for maintaining navigability of channels. In subsequent decades, the Army Corps was given responsibility for building flood control systems, and for other large projects. In the 1930s Presidency of Franklin Delano Roosevelt, the Tennessee Valley Authority was created for power, water control and naviga-

tion, and other grand projects were undertaken.

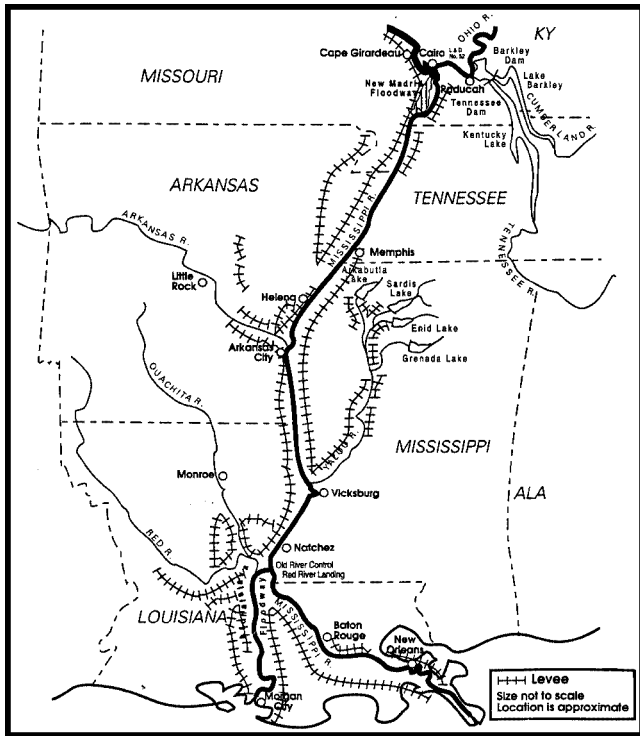
As of mid-20th Century, after World War II, plans were made to continue improvements to the land and water resource base of the continent, including bringing water and power to the “Great American Desert.” In the 1950s, California hydrologists proposed the North American Water and Power Alliance (NAWAPA), which received favorable attention in Congress in the 1960s. This continental-scale project calls for bringing water southward from the Arctic-flowing Alaska and MacKenzie River systems, to benefit Canada, the United States, and Mexico. The Federal government backed R&D efforts for nuclear-powered seawater desalination. This kind of work was a priority for upgrading the water-short Rio Grande River Basin, for example.

In the vast Mississippi Basin, most of the Lower Basin flood control, sea-barrier and other waterworks were completed by mid-century, under the “Comprehensive Flood Control Plan” of the U.S. Army Corps of Engineers (see **Figure 1**. What remained to be done after World War II was to finish plans for the Upper Mississippi Basin (levees, etc., see **Figure 2**), and also the Upper Missouri Basin—and in between, the Basin of the Red River of the North.

But all such plans were halted by the 1970s. A tightening alliance of Wall Street and conglomerate financial interests, and environmentalist foundations and groups, intervened in international and domestic policies to further a *speculation-based* economic shift away from attention to the physical economy. In 1971, the U.S. dollar was floated, and moves to “free” trade undertaken, serving to loot whole nations through rigged terms of trade, etc. The United States itself came to be more and more import-dependent for consumption, as its own domestic agriculture, industry and infrastructure-building atrophied and were looted under “deregulation” schemes for transportation, health care, energy, etc. The shift was called the “post-industrial” or “new economy” era.

One of the false flags under which this shift was made in the 1970s, was that of “ecology” and “environmentalism.” New groups were set up, to coordinate in turning both popular opinion, and the policy outlook at existing institutions—universities, government agencies (U.S. Agriculture Department, the Geological Survey, etc.)—against science and technology. Among them: American Rivers, in 1973; World Watch, in 1974; and the World Resources Institute (part of the MRBA hosting the Mekong guests) in 1982.

FIGURE 1  
**Flood-Controlled Lower Mississippi River**



Source: U.S. Army Corps of Engineers

FIGURE 2  
**Relatively Uncontrolled Missouri–Upper Mississippi Rivers**



**The Eugenical Nature Conservancy**

The hoariest of the lot in this regard, are the Nature Conservancy, founded in 1951 out of a 1940s predecessor group, the Ecological Union; and the related Conservation Foundation, founded in 1948 in Washington, D.C. International interests desired to re-locate there, its predecessor, Brussels-based, pre-war group, the International Office for the Protection of Nature, founded in 1910, and disgraced for its advocacy of master-race feudalism. The first director of the Conservation Foundation was Henry Fairfield Osbourne, the nephew of the infamous proponent of pure-race theories, Fairfield Osbourne, who chaired the 1932 International Eugenics Conference.

Just this Sept. 30, The Nature Conservancy issued a new anti-infrastructure Mississippi River report, timed with the visit of the Mekong guests. The two-year study was funded in part by the U.S. Environmental Protection Agency, Region V, and the McKnight Foundation.

Titled, “Conservation Priorities for Freshwater Biodiversity in the Upper Mississippi River Basin,” the report uses pseudo-science to call for designating 47 sites in the seven-state Upper Basin region, as where “natural” habitat can be preserved, or restored to “recovery.”

The reasoning? The press release states, “The National Research Council names the Upper Mississippi River and the

Illinois River, which are both part of the Basin, as two of only three large-floodplain river ecosystems remaining in the United States where sufficient ecological integrity exists to allow for their recovery.” Moreover, the Nature Conservancy calls for this study to be “a global model” for assessing local ecology in a way to determine which areas should be protected, to preserve “diversity of life on Earth.”

The vision? “Working with stakeholders, sharing scientific information on natural flow regimes, and implementing best agricultural practices, the Conservancy is working to create and implement plans that aid the river system in regaining some of the vitality of its glorious past, ensuring economic health for the people, communities, wildlife, and businesses that rely on the river.”

As the backers of the Nature Conservancy’s see-through rhetoric well know, the economy of much of the Mississippi Basin is collapsing. As for the “glorious past,” look at the damage from the “500-year” Flood of ’93. When it hit the Midwest, the Army Corps of Engineers’ flood control system on the Lower Mississippi Basin held fast, and protected the region, but the Upper Mississippi, lacking fullscale flood control, was devastated. More than 97% of the ’93 flood’s damage

## Recommended Reference Book

*World Water Resources at the Beginning of the 21st Century*: It is not usual to review a physical science reference text, but a new release deserves special mention: *World Water Resources at the Beginning of the Twenty-First Century*, edited by I.A. Shiklomanov, of the State Hydrological Institute, Russian Federation; and John C. Rodda, Past President, International Association of Hydrological Sciences, Centre for Ecology and Hydrology, Wallingford, Oxon. Copyrighted by UNESCO in 2003, the new release is 435-pages long, hardbound, and published by Cambridge University Press at \$150.

The monograph is valuable for the fact that it has, all in one place, the most recent data on world fresh-water resources—by continent, by country, and with analysis. But its main usefulness comes from the openness of its

premises regarding what it calls, the “anthropogenic” impact on rivers and lakes. Academician Shiklomanov states in his introduction, “For the first time in history the availability of water resources and their distribution in space and time has begun to be determined by human activity, in addition to the natural variations in climate.”

Therefore, the point is implicitly posed, in the regional summaries throughout the book, that mankind’s intervention can and must be made, using technology, to increase “natural” resources. In the case of North America, the author of this section, A.Z. Ismailova, reviews the largescale water transfer projects that were proposed decades ago—the North American Water and Power Alliance (NAWAPA), the CeNAWP (Central American Water Project), and the GRAND Canal (Grand Recycling and Northern Development) Project. But, as the book notes, as of the 1970s, this kind of outlook was abandoned. The truthful identification of such a shift, and other features of the study, recommend it.—*Marcia Merry Baker*

was in the Upper Basin, amounting to \$15-25 billion in losses.

It is also worth noting The Nature Conservancy’s own “glorious past.” Eugenics to one side: In July this year, the U.S. Senate Finance Committee began a detailed investigation of how The Conservancy has been engaged in multi-million dollar real estate deals, loans, and schemes to serve its own staff, trustees, board members, and family relations, all under the guise of nature preservation. Besides the flim-flam now under scrutiny regarding how The Nature Conservancy has put some 15 million acres in the United States into “preservation” since 1951, there are 102 million acres internationally locked-up, many in debt-for-nature schemes, against the sovereign rights of nations.

So much for the false friends of the environment. But there are apparently “two sides” of the debate raging in the headlines in the U.S. right now. As indicated, one is the radical environmentalist stance, that dams (levees, and all such installations) are wrong, and should be removed. Swamps must be maintained. Rivers must roam free. For example, *New York Times*, a Corporate Partner of American Rivers, reported in its *Science* section, at the time of 1993’s “500-year Flood” of the Mississippi, that the river should have its flood protection systems removed, and return to “freedom.”

The fake-opposite view supports dams, ports, and waterworks where—and only where—it suits their own private looting schemes. For example, Cargill, headquartered in Minnesota, but part of the international syndicate controlling commodities (grains, salt, meat processing, etc.), wants the aged locks and dams of the Mississippi system repaired and expanded. Not for the public good of general development; rather, for its own bulk-commodities freight.

In contrast, the *science-based approach to the Missis-*

*sippi*, and to the entire resource base of North and South America, is indicated in a newly released 40-page white paper, *The Sovereign States of the Americas*, issued in September by the Lyndon LaRouche campaign for the Democratic Presidential nomination. The paper contains maps and descriptions of the overdue infrastructure projects for the Americas, in particular for launching “NAWAPA-Plus”—meaning the North American Water and Power Alliance combined with related projects in Mexico and Canada—and also, finishing the water management work never completed on the Upper Mississippi and in other basins.

LaRouche’s *Sovereign States* economic development document proceeds from the idea of mankind’s betterment coming through a commitment to science and to transforming the Earth. LaRouche writes, “The full development of such a NAWAPA-Plus program will span a capital-cycle of about two generations—fifty years, including a primary construction cycle of about a quarter-century. This is comparable to the present long-term development program of China. China’s long-term infrastructure building, such as the Three Gorges Dam and kindred ventures, will develop the interior regions of China with significant improvements, leading into a take-off growth of productivity to erupt during the second twenty-five-year interval of a fifty-year span. The development of the NAWAPA-Plus development, from the Arctic down to Mexico’s southern border, will be a comparable effort. . . .

“Contrary to the popularized delusions among many self-styled ecologists, human progress does not necessarily occur at the expense of the well-being of other living processes; but rather, with the guidance of science, the Biosphere as a whole is improved by man in ways which the Biosphere could not benefit otherwise.”

# How Will Europe Fill Its Huge Energy Gap in the 21st Century?

by Lothar Komp

The latest power blackouts have made it manifest, that by 2020, more than 200 Gigawatts of electricity capacity must be replaced in the European Union countries, due to the aging of existing power facilities; this is the equivalent of about 150 very large conventional nuclear reactor units. The same countries must, in the same two decades, make very large additions to existing capacity levels, which are clearly inadequate. The necessity for Europe, in total, is nearly comparable to replacing the entire electricity-generation capacity of the United States, over the coming quarter-century.

The constant availability of energy in plentiful quantity and of high quality, is one of the most important bases of every economy. Without electricity and gas, the private household sits freezing in the dark, and can neither cook nor wash. Without electricity and fuel, the traffic of roads and rails comes to a stop. Industry depends entirely on energy supplies in manifold forms: electricity, heat, especially process heat. And even in the service sector, without electricity, whether in the finance sector or at the travel bureau on the corner, chaos immediately breaks out.

No country can gamble away its own energy sufficiency through short-sighted austerity policy or ideologically-grounded experiments, without paying for it by the loss of jobs, income, and living standards. That is true in particular degree for the German economy, in which every third job depends immediately upon the export of high-value industrial goods, and in which high technology-dependent production reacts very sensitively to quantitative or qualitative disturbances in the supply of energy.

In spite of all this, in Germany as in all leading industrial countries, dramatic upheavals are taking place in energy policy, which are already producing devastating consequences, and without speedy steps to reverse them in the near future, can lead to economic catastrophe.

The great majority of the powerplants and other energy infrastructure of the western industrial countries was built in the first three decades after the Second World War. But in the three subsequent decades, investments in energy production were constantly driven down, and long ago fell below the level demanded simply for the maintenance of existing production capacity. Behind this development is the spread of a series of utopian ideologies inimical both to industry and to the general economic welfare, which can collectively be called “eco-liberal, eco-free trade fundamentalism.”

## **Dereg Brings ‘Privilege of Blackouts’ to the West**

In the past, persistent electricity outages affecting millions of households were a privilege of the underdeveloped countries, or a sacrifice to communist scarcity economies. But thanks to the success of radical free-trade ideologies in the 1980s—according to which the supply of electricity or water was no longer supposed to come under the principle of the general welfare, but rather under the principle of profit-maximization of private firms—widespread blackouts, or price explosions brought about by energy scarcities, have also multiplied since then in the West. And first in the headlines for this, have been the “Anglo-Saxon states” which carried out electricity deregulation on a rush basis.

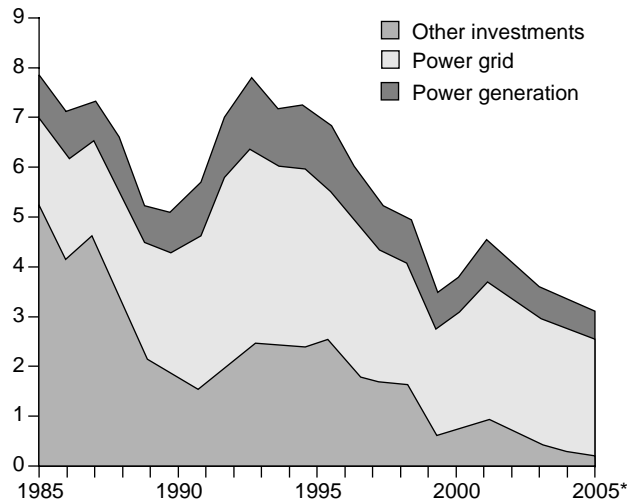
Three years after Canada’s deregulation of the electricity sector, the parliament of the Canadian province of Alberta, in 1997, had to introduce electricity rationing. In January 1998, the electricity supply completely broke down for millions of people in southeastern Canada, so that in mid-Winter, two-thirds of the households of Quebec lacked heat. The collapse of electricity networks in Quebec and eastern Ontario led to instabilities in the electric grid of the rest of the country. As a result, in Montreal, one out of every two water-purification plants and oil refineries had to shut down. The result: no drinking water, no heat, no traffic in the public streets.

At the beginning of 1998, the electricity supply of the New Zealand metropolis of Auckland almost entirely broke down, and transformed the economic center of the country into a Third World-like region of crises. The mayor advised the inhabitants to leave the city, and even the corporations cut and ran. Only after three weeks did the privatized provider Mercury Energy, which had ruined the system by failing to invest, succeed in making the rotten infrastructure function, to an extent. In the city of Brisbane, with its one million inhabitants in the Australian state of Queensland, the energy supply broke down for several days in February 1998.

In the early Summer of 1998, an ordinary heatwave on the East Coast and in the Midwest of the United States led to an energy shortage, which forced up the price of energy in the Greater Chicago area by 300 times the normal price by the end of June. In the year 2001, energy chaos broke out in California, because the energy traders, with the help of a bottleneck in supply, forced up the price of energy by 1000% for a time; and, as a result, the most important provider, Pacific

FIGURE 1  
**Investments by German Power Utilities**

(Euro Billions)



\*After 2002, Planned Investments.

Sources: IFO Institute; EIR.

Gas and Electric, announced bankruptcy.

In the meantime, since the energy infrastructure in all the Western industrial countries is more or less intensely wrecked by years of deregulation, they have been subject to power outages in extended areas since the beginning of 2003, almost every day: In Italy, Norway, the Northeast of the United States, in particular New York; in London, Helsinki, Copenhagen, and in southern Sweden; at times, millions of people have remained in the dark for hours, or even days.

No one should be surprised at this. For deregulation of the energy sector, and privatization of the supply, has led to a state of affairs in which available financial resources are expended almost solely for the participants in worldwide corporate takeover battles. Business investments in the delivery and development of power plants or distribution networks bite the dust. Especially hit, are the expensive reserve capacities for periods of peak requirements, which have been drastically reduced for the purpose of cutting costs. In Germany, the annual investments of the German energy providers have been cut in half since the middle of the 1980s, from just short of 8 billion euros, to 4 billion euros, and show a tendency to fall farther (Figure 1).

According to the principle of maximization of business profits, it is simply far more advantageous for the provider—at least for the short-term—to economize on business investments at first, and to wait until, sooner or later, the inevitable bottleneck in supplies occurs, allowing the associated explosion in prices.

They hardly need fear competition. For, contrary to the

stated purpose of the energy liberalization, countless smaller and middle-sized providers, thanks to the deregulation, have been swallowed up or pushed out by the market, such that today the “seven brothers”—EdF of France, Eon and RWE of Germany, ENEL of Italy, the Swedish-German Group Vattenfall, Endesa of Spain and Electrabel of Belgium—already control 60% of the European market.

A reregulation of the European energy market, together with actions to supply the financial means of investment, is a fundamental prerequisite for the security of the European energy supply. This regulation must express the obligation of the company to invest in such a way, as is required for long-term security of the public supply. Moreover, the energy suppliers must be required to hold a certain percentage of their capacity, around 10%, in reserve, to increase the security of the public supply.

### Electricity: Gigantic Need for New Power Plants

According to the declarations of the European Union of Power Plant Operators and Producers, VGB PowrTech, more than 200 gigawatts—200 billion watts—in power plant capacity must be replaced in Europe, due to old age, by the year 2020. This is equivalent to around 150 large nuclear power plants. In Germany alone, 40 gigawatts of old sites must be replaced.

In addition, there are arising urgent, necessary investments in the modernization of the energy infrastructure in the ten nations that have applied for EU membership. In Poland, Czechia, and Hungary alone, far more than half of the coal power plants, with their total capacity of 42 gigawatts, are already today more than 35 years old. In addition to this, the present per-capita consumption in these nations is only about half that of Western European levels. An increase in productivity and living standards to current western standards, requires a supplemental doubling of the existing electrical generating capacity, in order to replace these antiquated installations.

According to new estimates by the European Commission, the need for new power generation investments is, in fact, far larger. In the report *European Energy and Transport—Trends to 2030*, the European Commission says that on top of replacing over-aged power plants, the 15 European Union member states will have to expand their power generation capacity from the present 578.6 Gigawatts (in 2000) to 951.0 Gigawatts by the year 2030, to meet rising demand. In the 10 new European Union countries, power generation capacity will have to be more than doubled from 76.8 Gigawatts (2000) to 180.6 Gigawatts by 2030.

In the face of this enormous need for investments in power plants, the members of the European Union will have to make a far-reaching decision in the next few years. Either they allow the European power supply—and with it, at the same time, productivity and the living standard, to descend to the level



TABLE 1

### European Union Installed Electric Capacity in 2000 vs. Demand Forecast in 2030

(Gigawatts)

Member Country	2000	2030
Belgium	14.6	20.4
Denmark	13.2	17.4
Germany	121.7	166.7
Finland	17.2	22.2
France	115.0	171.9
Greece	11.0	24.3
Great Britain	79.3	159.6
Ireland	4.8	11.0
Italy	68.8	99.6
Luxembourg	0.1	1.0
Netherlands	22.8	43.1
Austria	17.8	29.3
Portugal	10.3	21.3
Sweden	33.2	50.9
Spain	49.2	112.2
EU Members	578.6	951.0
New Members	2000	2030
Estonia	2.7	3.0
Latvia	1.9	4.5
Lithuania	5.2	7.5
Malta	0.5	1.6
Poland	33.1	99.1
Slovakia	7.8	13.2
Slovenia	2.9	4.4
Czechia	13.3	28.5
Hungary	8.2	16.2
Cyprus	1.0	2.6
New EU Members	76.8	180.6

Source: European Commission

of today's Third World nations; or, they undertake, very soon, investments at an enormous level.

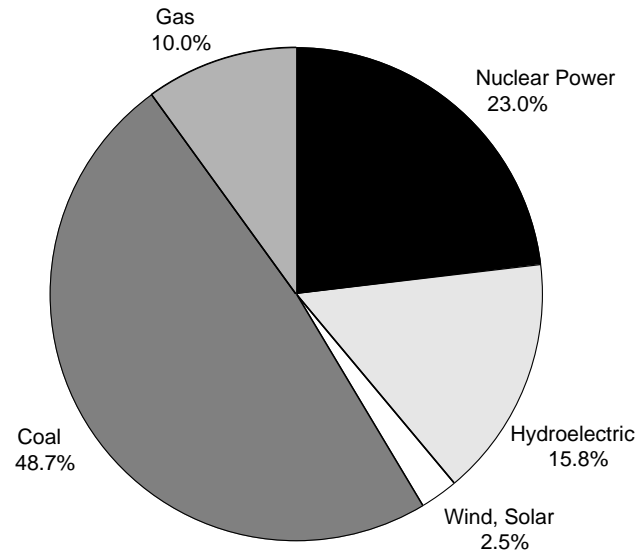
On Sept. 24, the chief economist of the International Energy Authority (IEA), Fatih Birol, estimated the volume of necessary investments in energy infrastructure until 2030, for the European Union, at approximately \$2 trillion. That allots \$600 billion to new power plants and \$500 billion to the expansion of the energy grid. The majority of the European power plants are now more than 30 years old, so that by 2030, altogether, 290 gigawatts of capacity must be replaced.

However, at the same time, the need for energy will increase further; so that, all told, 600 gigawatts in production capacity must be newly built, by the year 2030, approximately as much as is presently in operation.

The modernization of the natural gas supply will require further investments of \$450 billion, according to IEA estimates, of which about half will be for distribution grids, and the remaining half for the extraction of natural gas. But the rising investments which must be undertaken in the meantime

FIGURE 2

### Electricity Production in the European Union, 2000



Source: EIR.

in Russia, Africa, and in the Near East, with which the needed future overall amounts of natural gas can be achieved in the European Union, are not included in this amount.

### Fossil-Fuel Energy Sources

Nowadays, coal, oil and natural gas make up about 60% of primary energy use, primarily for heating and transportation (see **Figure 2**). Because gas-powered plants of the aircraft-turbine type can be relatively quickly produced, and investments in them amortize rapidly, natural gas for electricity production has also risen to significance in recent years. It is expected that the portion of natural gas in energy usage will rise in the future. But dependence upon imported energy resources will thereby rise more dramatically. Many of the countries of origin of the fuel lie in potentially unstable regions. In addition, a high risk of price spikes will be encountered as a result of supply bottlenecks.

In Germany, imports account for about 80% of natural gas use. Oil, which produces 54% of the energy for the transportation sector and 30% for the heating market, must be imported in its entirety. For coal, meanwhile, the imported portion is 43%. Instead of using the relatively expensive coal from domestic mining, many steel firms meet their coal requirements primarily by imports from South Africa, Australia, Colombia, or Poland.

In general, Germany today has to import 60% of its energy sources; and by 2020, it is foreseeable that this will rise to 75%. The situation becomes even more dangerous with the trend to smaller fuel inventories in industry. Shocks to the

national economy are pre-programmed. The best strategy to prevent this is to conclude treaty agreements for long-term supply with the nations of origin—for example, Russia—and to strengthen the current interdependence of their economies through great projects of building industries and infrastructure there.

### ‘Renewable’ Energy Sources

Today, about one-fifth of the worldwide power supply is generated from so-called “renewable energy” sources. Certainly 96% of this occurs from water power. The potential of that source is largely fully utilized in Germany and in the remainder of Europe. The share of solar power is dwindling—because of its low energy density and extremely high cost, around 25 times higher than electricity from conventional power plants—to a trifle (0.1% in Germany). This will hardly change in the foreseeable future.

At the present time, in contrast, wind energy plays a role worth mentioning in the energy supply plans, owing not least to its subsidy by governments. Underneath these subsidies, lie production costs two to three times those of conventional power sources.

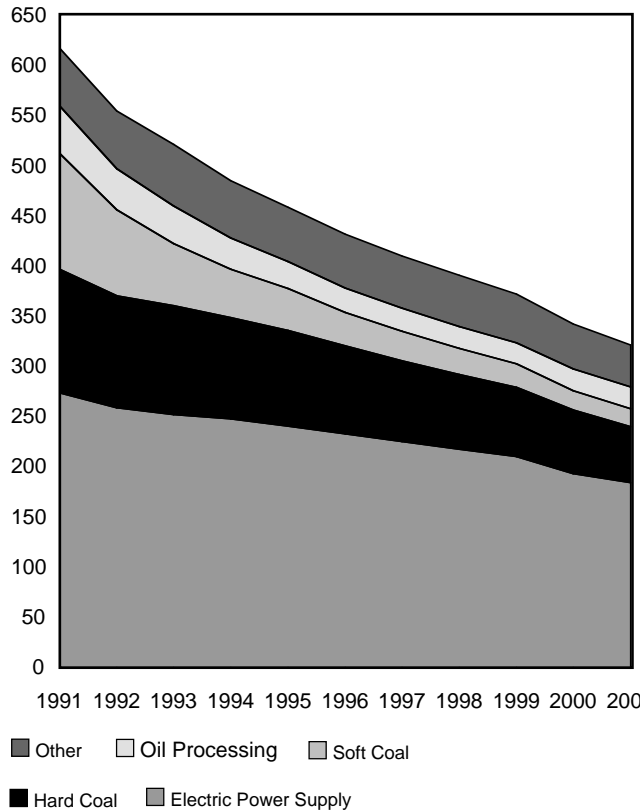
However, the basic facts of electricity production and use also make wind power a liability. With each new electric fan that is put into operation, the danger of uncontrolled power outages increases. This is because electric current is a commodity like no other. Electric current, once it has been generated, can only be stored to a very limited extent. On the other hand, just so much continuous current must be fed into the grid at all times, as the exact amount needed to be taken from it and used, in order that the electromagnetic frequency of the grid traffic remain constant at about 50 Hertz. If there are significant under- or overloads, deviations in frequency occur, which lead to production failures in sensitive industrial areas, and can, at the same time, unleash breakdowns—black-outs—over a broader extent.

Since the performance of a windmill obviously varies, in practice, in an unpredictable manner, one must, for each megawatt in installed windpower, still hold in reserve an additional megawatt from a reliable power generation installation! Thus, one can just as well forget wind installations. The same naturally goes for solar energy, too. Therefore, wind and solar are unfit for the electrical energy supply. They could in the future, at best, play a role in those industrial processes which do not depend upon permanent availability—something like the production of hydrogen, which could one day replace benzine as automobile fuel.

At present, there are about 13 gigawatts of windpower installed in Germany. The planned further development is supposed to occur chiefly on the coast of the North Sea. A pilot project with a rotor blade over 100 meters long is currently being developed. Despite using 500 tons of concrete and other materials, it produces the ridiculous sum of five megawatts of power. About 5000 of these installations would

FIGURE 3  
**Employment in the German Energy Sector**

(Thousands)



have to be anchored on the North Sea and the Baltic Sea, in order to satisfy the actual objectives of the German government. And already the environmentalists question the consequences for the seashore.

The VGB-President, Dr. Gerd Jäger, summarized the situation to the Copenhagen *Power Plants 2003* Congress on Sept. 15, 2003: “To herald regenerative energy as the main girder of tomorrow’s energy supply is a hopeless, exaggerated, and false representation.” It were urgently necessary to mercilessly expose these “one-sided ideologies,” Jäger said, for “the overestimation of the potential of regenerative energy goes along with a disastrous underestimation of the economic and political consequences.” He noted that there are now instigators of these ideologies, going about driving up the price of power to the sky by every means—because only then do solar, wind, and biomass have any chance. This is “tremendously dangerous; neglecting development [threatens] fundamental aspects of the social economy, such as competition, and along with that, maintaining places of employment” (see **Figure 3**).

## Nuclear Fission

Germany's nuclear power plants handle about one-third of the nation's electricity production, and, because of their strong reliability record, about one-half of the country's base load. Germany's nuclear reactors are among the world's safest. Yet despite this, in the Summer of 2000, the government and energy suppliers agreed on a complete moratorium on any new nuclear energy capacity. All German nuclear power plants are now to be taken out of production, in phases, between the years 2010 and 2025—regardless of the plants' expected life-spans. So, if we also include the requirement for replacing normally aging power plants, this purely ideologically-motivated moratorium means that hundreds of billions of deutschemarks of investment are now required.

No less disastrous, is the resulting loss of scientific know-how and skilled personnel in one of the most important fields of future technology. Because if we look beyond the misty realms of romantic emotions spreading across the German countryside, it has long been a foregone conclusion, that nuclear power is on the threshold of a new worldwide renaissance. For, who will deny such countries as India and China their right to raise their population's living standard to a modern level—a goal which, among other things, absolutely requires a quadrupling of their electricity supplies? Such goals cannot be achieved through fossile fuels alone, and certainly not with solar or wind power. Great water projects will have their role, but the real hope for many billions of people in Asia and elsewhere, lies in nuclear energy.

The economic insanity of Germany's nuclear moratorium must be reversed, and the Summer 2000 agreement is not an insurmountable obstacle in that regard. It is true that energy industry representatives have recently stated that they feel bound to adhere to the agreement. But the moment that a different government—without a Green coalition partner—moves into Berlin, they would of course be prepared to begin talks on a “moratorium on the moratorium.”

In addition to maintaining the existing power plants, whose useful life could be extended into the mid-21st century with only modest investments, a technology exporter such as Germany must also play a major role in the development of the next generation of nuclear power plants.

One particular area of future work, will be the development and later mass production of smaller reactor modules, each with a few hundred megawatts of output, based on the “pebble bed” high temperature reactor (HTR). This revolutionary technology, which was first developed in Germany, and which today is being pursued full-throttle in other countries, especially China and South Africa, guarantees a nation's “inherent security” in a way that conventional nuclear power plants can not. By virtue of the physical characteristics of the process, even if all security systems failed, and even if service personnel were completely negligent in their duties, there



*The “Pebble Bed” design for small, highly-efficient and safe gas-cooled nuclear reactors was developed in Germany, but production is being developed in South Africa and (here) in China. Even if all security systems failed, there is no possibility of radioactivity release. And the HTR produces not only electricity, but also process heat, at temperatures of 950°C, for industry or heating of buildings.*

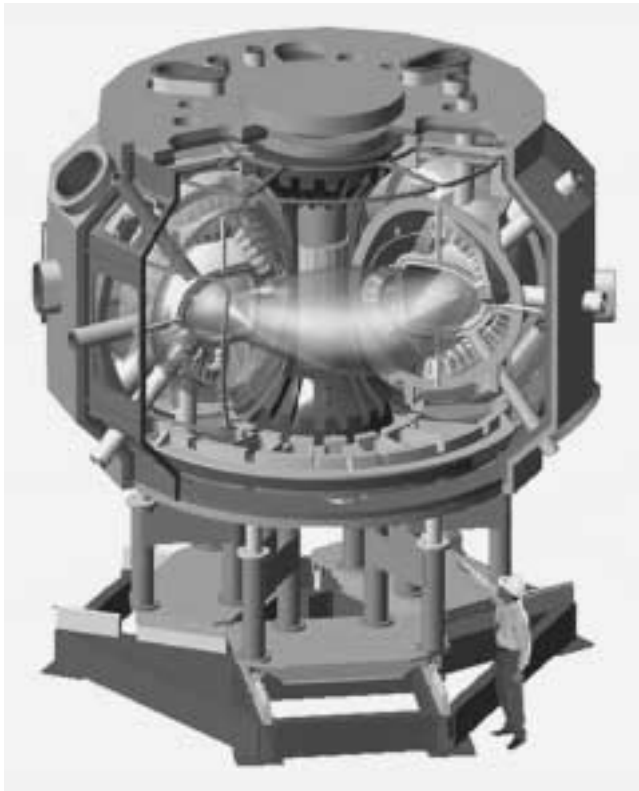
would be no possibility that radioactivity would be released into the environment.

Moreover, the HTR produces not only electricity, but also process heat, at temperatures of 950°C, for industry or heating of buildings. Thus, HTRs could potentially supply the entire heating market, and, in an emergency, could substitute for the greater part of our oil and coal requirements. Also, the use of HTR-produced process heat to refine coal into other materials, offers new opportunities for the coal-mining industry, because coal is too valuable a raw material just to be burned for heat.

Because HTR modules can largely do without the expensive security technology required for normal nuclear power plants, they are an ideal type of reactor to export to under developed countries. One strategy for their mass production that has been proposed, is floating platforms, whereby the reactors are built while they are moored on the coastline, and then the turnkey plant is transported overseas to its final location. These HTRs could be deployed not only for electricity production, but also as an energy source for seawater desalination plants.

## Nuclear Fusion

Within a couple of decades, the fusion of hydrogen into helium—i.e., emulating the same process which holds our Sun together, and which bombards the Earth in billionfold weaker form as “solar energy”—will become humanity's most important energy source. Its energy flux density surpasses that of nuclear fission by two orders of magnitude: i.e., in order produce the same quantity of energy, only a fraction of raw materials are required, in comparison to the technologies currently in use. And the raw material hydrogen



*The “stellarator” design for a nuclear fusion-electric facility, being designed at the Max Planck Institute, Germany’s nuclear fusion center in Greifswald.*

is the most plentiful element in the universe, and is available in virtually unlimited quantities, such as in seawater.

In order to go beyond energy breakeven in nuclear fusion, hydrogen plasmas must be raised to temperatures of many millions of degrees at high pressure, and must be then be kept stable for sufficient durations by means of magnetic fields. New materials must likewise be developed, which can withstand as much contact with the plasma as cannot be entirely avoided.

The currently best-researched configuration for a nuclear fusion reactor, is the tokamak. Europe, Canada, Russia, Japan, and (since the beginning of 2003) China and the United States, are participating in the construction of the International Thermonuclear Experimental Reactor (ITER), which represents the final stage before the construction of an commercially functioning fusion power plant. Up to now, France, Spain, Canada, and Japan have been vying for the reactor site. The final decision on the site, and thus also for becoming the world’s center of fusion energy research, is expected to be made in early 2004. Germany, with its nuclear fusion center in Greifswald, has remained out of the competition, because of resistance from Social Democratic and Green party Neanderthals in Rostock and Berlin.

But Greifswald is nevertheless very much in the race for the energy of the future. At the Max Planck Institute for Plasma Physics located there, an alternative fusion concept,

the so-called stellarator, is being researched. This method uses a special configuration of magnetic fields, making it possible to ignite fusion reactions at significantly lower temperatures of—150 million° Centigrade—as opposed to 450°C million in the tokamak. Also unlike the tokamak, a stellarator can be in continuous operation. The world’s most advanced stellarator, Wendelstein 7-X, is currently being built in Greifswald, and will be ready for testing in 2006.

If, by our current measurements, significantly more time has been required to achieve commercial nuclear fusion than had been earlier assumed, this was in no small part because expenditures on nuclear fusion research have been so drastically cut in recent decades. A complete turnaround in this regard is the utmost urgency. If Europe is to spend \$2 billion for new energy infrastructure in any case, then at least 1% of that sum should be set aside for our most promising future energy technology. And since it remains to be seen which of the many proposed fusion methods will turn out to be the best, the broadest possible support for plasma and fusion research must be one of the main pillars of any farsighted energy policy.

## **Superconductors**

What nuclear fusion is to electricity production, so superconductivity is to electricity distribution. Today, cables made out of copper or aluminum are the rule for electricity distribution grids. Their electrical resistance results in the transformation of a portion of the electrical energy into heat. Approximately 10% of the originally generated energy is wasted in this way—which, in terms of Germany’s power grid, for example, means a net “normal” loss of the amount of energy produced by two large nuclear reactors.

And there are still other negative effects: The heating up of electrical cables is a nuisance, and can lead to disruptions, as the heated cables interact with the surrounding air.

Since the beginning of the 20th Century, it has been known that certain materials, when subjected to extremely low temperatures, suddenly take on a different state called superconductivity, whereby they no longer have any resistance to electronic current flowing through them. Theoretically, then, electricity could even be stored for long periods of time in superconducting rings. On the other hand, it is extremely expensive to keep these materials at temperatures very close to Absolute Zero.

In 1986, the German researchers Karl Alexander Müller and Johannes Georg Bednorz succeeded in developing so-called high-temperature superconductors (HTSC), whereby liquid nitrogen could be utilized as the coolant. In 2001, an entire neighborhood of the city of Detroit was supplied electricity over an HTSC cable. These cables are significantly lighter than copper or aluminum ones, and they can handle much greater current flux densities. An entirely new class of industrial materials is being born here, with countless potential applications, ranging from power grids, to medical instruments, to magnetically levitated rail transport.

# German Machine-Builders Survive With China

by Rainer Apel

At a press briefing on Sept. 24, the association of machine-building firms in Germany, VDMA, reported that whereas Western exports markets have not been doing well recently, exports to China show a marked increase: up by 36% during the first six months of 2003. This has made China the number-three importer of German machines, replacing Japan, which has held this position, after the European Union and the United States.

Big infrastructure projects and the related, immense increase of new industrial enterprises in China, have created a massive increase in demand for German machines, the VDMA reported. This trend mostly benefits the smaller and medium-sized German firms that have specialized in manufacturing high-quality machines for export, but it also includes the expansion of German firms on the Chinese market itself. German firms are investing more in China, and many have begun to establish production there, and their branches in China import vital machinery from Germany, as well. Certain categories of machines and machine-tools and special products of electric engineering increased 60% during the first six months of this year, as compared to the same period in 2002.

The Chinese boom, which has also been noticed in other Asian countries, has contributed to pushing Germany far ahead of other machine-building countries: Whereas machine-builders exported 53% of their annual production in 1992, it was already 68% in 2002, an increasing tendency (which also has to do, however, with a slump in domestic orders for machines). German machine exporters conquered 19% of the world market in 2002, leaving far behind the United States with 14.9%, Japan with 12.2%, and Italy with 9.7%.

The same trend was reported on Sept. 23 by the Asia-Pacific Committee of German Industry (APA), during the Asia-Pacific Weeks in Berlin. The APA said that trade with Asia and the Pacific has jumped from 28 billion euros to 134 billion, since 1993.

Direct investments of German firms in China increased by a factor of five, during the same period, which to a significant extent is the work of *Mittelstand* (small and medium-sized) firms. But also Siemens, one of the big firms, has huge investments, and employs 21,000 Chinese workers and engineers. All in all, Germany's exports to China increased by 30% during the first six months of 2003, machine exports even by 36%. The increase in exports to Vietnam is 38%, to Malaysia

and the Philippines 17% each. Certain categories of German machines show similar rates of increase in exports to India, South Korea, and Russia, the APA said.

The role of the German machine-building sector as a catalyst in that is, however, undermined by Germany's private banks, VDMA general manager Dieter Klingelberg charged at a Frankfurt press conference on Sept. 24. Banks have cut credit-lines to *Mittelstand* firms even more, during recent months, so that if that trend is not reversed in the near future, 10%, or even 15%, of German firms in the machine-building sector will not be able to survive, he said.

The increased interest in broader Eurasian economic and political development perspectives that goes along with the intensified trade and cooperation between Germany and Asia, is illustrated also with a special China edition of *Wirtschaftswoche*, Germany's leading economics weekly. The feature appeared in a dual German-Chinese language edition, in cooperation with China's leading economics magazine, *Jingji Ribao*.

## Domestic Investment Crisis

Whereas the exports to Asian markets have undoubtedly saved the German machine-building sector from collapsing from the big losses on traditional Western export markets last year, doubts are being voiced in Germany whether many firms can survive in the long run, if the slump continues in domestic industrial investment.

Just as these new figures on exports were published by the VDMA and the APA, Hans Joerg Bullinger, president of the Fraunhofer Society, called attention to the domestic investment slump. The German economy is in a downward spiral, Bullinger said; capacity utilization in the machine-building sector is down to an alarming 82%. This downward trend since the 1990s is also reflected in sinking reserves of engineers: in the mid-1990s, 48,000 young Germans received an engineer's diploma every year; today that figure is down to 35,000. And whereas in the mid-'90s, 19,000 other natural scientists of the non-engineering branches graduated from universities every year, today that figure is down to 15,000. Sooner or later, a shortage of engineers and specialists in certain branches of the industrial production will occur, if that downward trend is not reversed.

Industrial innovation is also declining. In the year 2000, technological innovations were produced by 60% of industrial firms; but today only by 53%, Bullinger noted. But there still are sectors that show an upward potential, like the machine-builders: with more than 4,000 new patents listed in 2002, Germany has the lead there, on a global scale. The share of almost 20% of the entire global market for machines, which Germany conquered in 2002, reflects the attractiveness of that sector's production. But as domestic investments are too low, Germany's industry cannot fully benefit from the innovative powers of the machine-building sector, which reduces the potential productivity rate, and, in the medium term also, Germany's competitiveness on foreign export markets.

---

# Business Briefs

## Europe

---

### EU Infrastructure To Get 220B Euros by 2020

---

The European Union intends to spend 220 billion euros for rail, road, shipping, and other infrastructure projects over 15 years. On Oct. 1, the EU Commissioner for Transport, Loyola de Palacio, presented an updated list of infrastructure projects at a Brussels press conference. Altogether 29 projects are listed, which include those of the old Delors-Christophersen Plan that still have not been completed, but also projects from the list which the special expert group of former Commissioner Karel van Miert presented at the end of June.

The main emphasis is on conventional railway development, mostly in the Balkans and Eastern Europe (these are also the eight *new* projects among the 29, with more than 20 different railway sections); and some in Western Europe. There is the Messina Straits crossing, the Fehmarn Belt crossing, plus the respective railway linkages. There are four shipping routes, called "motorways of the sea" (Baltic route, Iberian Sea-Irish Sea-North Sea route, and the Western Mediterranean and Eastern Mediterranean routes). There is also the Galileo satellite project.

80 billion euros are to be spent on the most advanced projects by the end of 2006.

## Deregulation

---

### AEG Sued For Gaming Gas Market

---

The U.S. government is suing American Electric Power Corp. for manipulating the natural gas market during 2000-2002 and pocketing illegal profits, thanks to deregulation, according to reports in *USA Today* and the *New York Times* on Sept. 30.

The Commodity Futures Trading Commission filed a lawsuit against American Electric Power, one of North America's largest utilities, accusing it of manipulating energy markets. AEP reaped \$63.6 million by falsely reporting as much as 78% of

its natural gas trades during November 2000-October 2002, the agency said. "The bottom line is false reporting, and manipulation was an addiction for this company," said CFTC enforcement chief Gregory Mocek.

The commission has collected \$96 million in civil penalties from recently high-flying energy pirates such as Dynegy, El Paso, Williams, and Duke Energy.

## Manufacturing

---

### Midwest Index 'Falls Off Cliff' in September

---

The pace of manufacturing activity in the American Midwest slowed sharply in September, while consumer confidence plunged, according to separate reports released on Sept. 29.

The Institute for Supply Management said its monthly index for the Chicago area fell to 51.2 in September, from 58.9, based on surveys with purchasing managers. The index "fell off a cliff," said an economist at Deutsche Bank Securities. For example, the employment component dropped to 45.3 from 51.2, indicating a very large number of additional lay-offs.

Meanwhile, the Conference Board (a private group) said its "consumer confidence" index fell to 76.8, from 81.7 in August, due to worries about jobs. The report's "jobs hard to get" index component jumped to 35.3—the highest level since December 1993.

## Poverty

---

### Big Jump in Number of U.S. Poor

---

The number of Americans "officially" living in poverty rose to 34.6 million in 2002, an increase of nearly 10% over two years of the American economy's slide. The poor now officially comprise 12.1% of the American population, according to "Poverty in the United States: 2002," a report released Sept.

26 by the U.S. Bureau of the Census.

*EIR's* economic researchers have done more accurate calculations indicating that the real poverty rate is 22.5%—almost double the official rate.

According to the Census Bureau, in 2000, there were 31.6 million Americans in poverty, so that the new report marked an increase of 3 million in the "official" level of poverty in just two years. The number of families living in poverty increased to 7.2 million (or 9.6% of all families). The number of Americans living in "severe" poverty—which is defined as having incomes of 50% or less of the official poverty level—rose to 14.1 million in 2002, to comprise nearly 40% of the total of those who are classified as poor. For "black" Americans, the official poverty rate jumped to a whopping 24.1%, from 22.7% in 2001.

But the "official" poverty threshold is a nasty joke. In 2002, the Census Bureau defined this poverty threshold as \$18,392 for a family of four, per year. Almost no family of four could survive on that level of income, including affording such essentials as housing, food, clothing, etc. The "official" poverty level was determined in 1963, as having an income three times what a household spends for a minimum food budget. This concept was inadequate then, and is completely ridiculous today, especially given hyperinflated housing costs.

For the past two decades, *EIR* has utilized as a more accurate, functioning real poverty threshold, which is established as an income at 1.5 times the "official" poverty threshold. In 2002, this real threshold would be equal to \$27,588 or less for a household of four, per year. Based on that, *EIR* has determined that, in reality, approximately 64 million Americans live in poverty, representing a stunning 22.5% of the population.

## Railroads

---

### Amtrak Strike Over Funds Threatened

---

Because the the "chronic underfunding" of America's only national passenger railroad, members of unions representing 8,000 of the railroad's 21,000 employees warned they

will walk off the job on Oct. 3. Media cited unions saying that the issue is that the railroad cannot be run with its level of funding, and that its conditions could lead to a major accident or serious disruption within the next year. Amtrak executives are organizing for a court order to compel the workforce; they asked on Sept. 30 for a restraining order from the U.S. District Court for the District of Columbia.

Amtrak has requested \$1.8 billion in Congressional funding to continue current operations, plus additional funding for repairs and to make capital improvements deferred under decades of underinvestment. The House of Representatives has approved just \$900 million—an amount Rep. Max Sandlin (D-TX) warned would “force Amtrak down the fast track to insolvency”; while the Senate has proposed about \$1.35 billion.

## Koreas

### North-South Economic Cooperation

South Korean Unification Minister Jeong Se-hyun stressed that continued North-South cooperation in building up the physical economy, should proceed while the nuclear issue is being discussed. Jeong, made his remarks in two speeches Sept. 25 and 26. This viewpoint, as advocated by Lyndon LaRouche, has been under major attack since the United States broke relations with Pyongyang in October 2002.

“Settlement of North Korea’s nuclear issue and inter-Korean economic cooperation should progress hand-in-hand,” Jeong told a cabinet meeting, as economic cooperation creates the mutual trust necessary to deal with nukes.

At a Presidential advisory panel, Jeong even stressed that equal treatment should be given to the infrastructure of the North Korean industrial complex at Kaesong as is given to South Korean industrial parks, to raise the Kaesong complex’s international competitiveness. The South Korean government, as a matter of policy, builds all infrastructure such as water supply and sewage systems at no cost for industrial parks in the

South, in order to lessen the burden on local firms.

## Health Insurance

### Uninsured Number Shot Up 2.4 Million

The Census Bureau on Sept. 29 reported the increase to 43.6 people without health insurance, or about 15.2% of all Americans. The continued erosion of jobs and employer-sponsored health coverage were seen as the main causes. The number of employed people with employer insurance declined by 1.3 million last year, from 62.6% in 2001 to 61.3% in 2002.

The number of full-time workers without health insurance rose by nearly 900,000 last year to 19.9 million, or about 17% of full-time employees. About 24% of part-time workers are without insurance; 26% of the unemployed are uninsured. About 32.4% of Hispanics are uninsured, while the rate of uninsured among foreign born individuals was 33.4%. The U.S. Chamber of Commerce says the number of people earning over \$50,000 who are without coverage is also growing.

Over one-quarter of the U.S. population is covered by Federal-state health programs for the poor and disabled, but this percentage is likely to shrink, as bankrupt states are cutting back Medicaid and State Children’s Health Insurance program (SCHIP). People covered by Medicaid, the Federal-state health program for the indigent and disabled, and SCHIP, rose to 25.7% last year from 25.3% a year earlier. For instance, Texas, which has the highest number of uninsured residents—24.7%—cut back Medicaid and SCHIP this year.

WalMart slashed health benefits for employees on Sept. 28, and won’t cover retirees at all. The world’s biggest retailer, with 1.16 million employees, won’t insure flu shots, eye exams, child vaccinations, and other treatments, and demands \$1000 deductibles—triple the norm. This could set a trend for other struggling employers. The company has raised premiums 50% in the last two years; new hourly employees wait six months for coverage.

## Briefly

**LEVIS** announced closure of all North American plants, and a layoff of its 2,000 remaining employees. The Sept. 25 announcement said the company will close its sewing and finishing operation in San Antonio, Texas by year-end 2003, laying off 800 workers; and it will close its three remaining plants in Canada by March 2004, affecting 1,180 workers there. UNITE Union President Bruce Raynor said the plant closures and job losses were the result of U.S. trade policies that let companies “scour the globe for the cheapest, most vulnerable labor they can find.”

**FINANCIER-PIRATE** Wilbur Ross, who is buying out bankrupt textile maker Burlington Industries, moved Sept. 24 to swallow the world’s largest denim fabric maker, Cones Mills Corp., which filed for bankruptcy that day. Ross, the former head of N.M. Rothchild’s bankruptcy advisory practice, took over of a huge chunk of the bankrupt steel industry with the purchase of bankrupt LTV, ACME steel, and Bethlehem Steel, and has reduced work force, wages, and benefits, and torn up work rules.

**IRAN** is talking to China and India about its oilfields’ development. The Managing Director of National Iranian Oil Company (NIOC), Seyed Mehdi Mir-Mo’ezzi, told IRNA at Tehran on Oct. 1 that Iran has entered into talks with Indian and Chinese companies, focussed on development of the northern part of the Azadegan and Cheshmeh Khosh oil fields. The talks are still at a preliminary stage; Iran is seeking to ease the countries’ access to the LNG and gas markets.

**PRESIDENT** Vicente Fox suggested Mexico’s national oil company, Pemex, could leave the country to be privatized! Energy privatization “reforms” were high on Fox’s agenda in his meetings with businessmen while in New York City for the UN General Assembly. According to *EI Universal* on Sept. 26, he told the businessmen that if foreign capital was not permitted in Pemex, “Pemex would leave Mexico.”

SHAKESPEARE AS A SCHOLAR

## U.S. Politics As Tragedy

by Lyndon H. LaRouche, Jr.

*This commentary was issued by the Presidential candidate's campaign committee, LaRouche in 2004.*

Sept. 30, 2003

The frequent attempt of academics, and others, to deprecate the authority of Shakespeare's scholarship, must confront itself with such little details, as in *Julius Caesar*, for example, as the character Casca's famously ironical reference to his auditing of a referenced address by the historical Cicero: "It was Greek to me." In actual history, the manner and circumstances of the death of Cicero, is a crucial turning-point in the history of Rome, as such history may be traced from that point until Rome's ultimately inevitable doom. How many relevant academics who claim to be authorities, actually understand this history as well as Shakespeare did; or, instead, follow Coleridge, Bradley, or the like, on such matters? The evidence is, that a rare few of today's academics or political candidates, are qualified in the practice of history as a science, to the degree Shakespeare was.

As I shall emphasize here, Shakespeare's essential advantage over most contemporary historians is, that he adopted the notion that the subject of history is the nature of man, that which sets man apart from and above the beasts. Most contemporary historians are Kantian Romantics or even worse.

A similar, more profound implication of Shakespeare's work is expressed by Shakespeare's Cassius' "The fault, dear Brutus, is not in our stars, but in ourselves, that we are underlings." I would that my sometimes errant protégé, former President, and sometime "underling," Bill Clinton, would finally learn the import of that latter passage.

Shifting from *Julius Caesar* to *Hamlet*. We find among several crucial, additional points of similar specific kinds of relevance to our report here. Add to the excerpts from *Julius Caesar*, "What's Hecuba to him. . .?" from the Second Act





*“That we are underlings, . . . Julius Caesar’s role is changing history; Brutus and Cassius are reacting in the interpersonal small, while the unseen Cicero, like the Queen in Schiller’s Don Carlos, speaks prophetically, as if off-stage, of the principle bearing upon the universality of that time, whose violation defines the tragedy as a whole. Today, we have silly self-styled candidates for President, with morals and minds which often seem to be as small as those of gnats, with no sense of the peril of our republic.”*

soliloquy of *Hamlet*, and, most emphatically, “Thus, conscience doth make cowards of us all,” from the Third Act soliloquy. The latter two are examples of passages whose deep meaning I would have Bill Clinton take more seriously, when dealing with the aberrant impulses in national politics by his often recklessly ambitious, and often ill-advised wife.

My subject, you see thus, is politics for a time of crisis; the real, no longer postponeable political issues facing our nation’s approach to the 2004 general election today. That subject is one which could never be understood competently, except from the vantage-point of a deep insight into the essential role of Classical art in the education of the modern statesman. The contemporary, even urgent relevance of these references to Shakespeare, will be emphasized in the course of the following portions of this report.

I would also include the following, relevant, thematic observation: my impassioned desire is that the common implication of this and related lessons from Shakespeare be taken as caution against recklessly Romantic misinterpretations, by those who drive me almost to despair by hearing their supposedly cultured recitations of Classical poetry! Ugh! The failure of those who take personal pride in imagining their recitations

to represent expertise, is always astonishing to me at first hearing, and, yet, not really astonishing when my reflections on some correlated features of manifest, Romantically-inclined shortfalls in their political judgment are taken into account.

The form this problem of performance often takes, is an echo of seven-year-old Miss Cecily Nicey’s recitation and apposited curtsy, during the coming-out party held at the premises of Miss Sarah Lockjaw’s School for Girls. Ugh! In the Cecily’s of this world, there is an unavoidable prescience of the spirit otherwise expressed by the parade of super-skinny, “morphed-like” Milan models (who would be virtually invisible below the head, unless they were draped, in awfully bad taste, with a scattering of pathetic, often almost threadbare rags). Ugh! The performance in such cases has the aroma of tombstone art. Fat, skinny, squat, or tall, the effect of the performance is the same: an experience from which the thinking spectator is happy to escape. It is all in the same awful class of things as disgusting as the late Sir Lawrence Olivier’s narcissistic conception of the actor’s dedication to his or her self-entertaining himself, or herself, before the actual, or merely imagined admiration of foolish audiences: “Look at

me! Look at me!” (His televised appearance in “Richard III” was notably disgusting. Who, one might ask, was Hecuba to him?) Ugh!

The essence of all good drama, and the reference-point for the notion of the “sublime” unique to great Classical art, is the experience of the member of society sitting in the theater and seeing a great Classical drama enacted on the stage of the imagination, rather than as merely the sensual experience of the drama as presented to the senses. Here, as in the points I have referenced from *Hamlet*, is the key to serious political thinking, as we may appreciate our sharing that precious knowledge with Shakespeare.

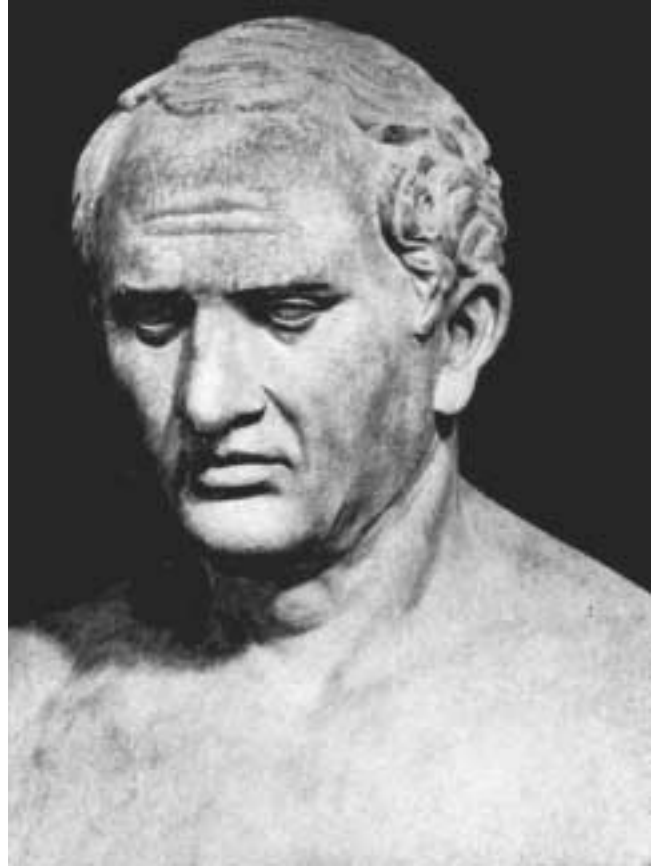
On this, politics must learn from those principles of Classical artistic composition and performance, of which today’s typical would-be “artistically-inclined person” expresses no comprehension whatsoever. The stage is never merely fiction, merely entertainment; the working principle of, and model for today’s typical popular entertainment is to be found in houses of prostitution, not the world of Classical artistic composition and performance. Herein the pathologies of so-called intuition are typified in the soul-dead performance of the poor childish Miss Cicely Nicely, expressed by a person wearing the body of an adult, but the pathetic mind of a Jane Austen.

### The Theater, For Example

No Classical drama was ever composed as mere fiction, or as a study in personal morality in the small. Only functionally illiterate louts, or victims of a loutish secondary and higher education, do not know this distinction. Rather, any great Classical drama was a lesson in either real history, or the history of a legend embedded in the tradition of a people’s culture. It is through such drama, and poetry, that great composers, and actors faithful to the composer’s intentions, teach real history, real politics to populations in the large.

“Facts about history” are the nourishment of foolish minds, as Jonathan Swift might have intended to refer to the educational processes of his not-exactly fictional *Laputa*. History can be known only to the degree it is relived as an impassioned reality, real history as recreated on the stage of the audience member’s living imagination. *For what is he to Hecuba, that he might weep for her?* What and where is the passion which provides those transformations which superficial opinion mistakenly regards as the statistical, linear connection among the apparent dots?

Thus, in *Don Carlos* and *Wallenstein*, as in his study of the Netherlands war, Schiller enabled people to relive the real tragedy unleashed upon 1511-1648, post-Renaissance Europe by the Venice-controlled Habsburg dynasty of Spain and Austria. We may thus relive with passion, the wish that whoever were in a relevant position of power, would not fail to betray the Habsburgs on suitable occasions. Those Habsburgs, as seen on the stage of his or her imagination, were, admittedly, only the principal among the malefactors in that real-life history, malefactors who had worked to betray all



*Roman Senator Marcus Tullius Cicero, leader of that tiny fraction of Rome’s aristocracy who studied and valued the Classical Greek, Platonic legacy. “In actual history, the manner and circumstances of the death of Cicero, is a crucial turning-point in the history of Rome, as such history may be traced from that point until Rome’s ultimately inevitable doom. How many relevant academics who claim to be authorities, actually understand this history as well as Shakespeare did?”*

modern European civilization of that time.

The function of Classical drama, in particular, is to educate the people in real history. It is not the history of dates, names, and places, as such. The Classical drama seats the member of the audience, the small citizen in particular, in an ensconcement from which to witness the impassioned unfolding of the follies of monarchs and populations alike. This acquired overview, and the impassioned insight it prompts in the member of the audience, is displayed, by aid of the Classical drama, on the stage of the audience’s imagination, not the physical stage before his eyes. The use of true irony in Classical poetry works to the same effect, if it were delivered with that intention in the mind of the reader, or speaker.

The essential “trick” which distinguishes the successful performance of a Classical form of poetic, dramatic, or musical composition, from the well-meaning failure of the artist or director, is to woo the attention of the mind of the audience, from the start, from the view of the stage, to the stage of the

cognitive imagination. The mind of the audience, so captured, must remain fixed on the stage of the imagination, until the equivalent of the closing curtain has occurred, and, after a moment of ominous silence, the applause may be permitted to burst forth, were that sequel suitable for the occasion.

What must be evoked by the performance of Classical drama, or Classical poetry, is not, absolutely not, merely a documentation of interpersonal relations. What must be accomplished, is to lift the member of the relevant audience upwards, away from the pathetically small-minded immoralities of so-called “morality plays,” to pass judgment upon the impassioned, historical unfolding of processes of entire societies, rather than social interactions in the small. The purpose is to shift the focus of the audience’s intentions, away from a masturbatory, soap-opera sort of morbid fascination with more or less anecdotal portrayals of social interrelations in the personally small; to direct focus upon the great forces of those histories as such, which are revealed to cognition only in their social expression within the images of the complex domain.

So, for example, we must include the following attention to the referenced excerpts from Shakespeare.

The transition from Cicero’s attention to the Classical Greek of Plato, to the relative bestiality of Roman culture, reveals, through the reference to ignorant babblings from the mouth of poor, brutish Casca—an-all-too typical Roman of his times—a forewarning to the sentient member of the audience, that the drama as a whole is situated within an ironically, ultimately self-doomed culture. This shifts attention from the interpersonal matters of action in the small, to the controlling implications of a long sweep of forces of history, reflecting the same universality in Shakespeare’s art which we encounter in Schiller’s drama and reflections on the history of European civilization since Solon as such.

“That we are underlings,” works to similar effect. Julius Caesar’s role is changing history; Brutus and Cassius are reacting in the interpersonal small, while the unseen Cicero, like the Queen in Schiller’s *Don Carlos*, speaks prophetically, as if off-stage, of the principle bearing upon the universality of that time, whose violation defines the tragedy as a whole.

Today, we have silly self-styled candidates for President, with morals and minds which often seem to be as small as those of gnats, with no sense of the peril of our republic, nor actual concern for any of those things which have ruined our nation, or which will determine the outcome of the present for even the relatively immediate future of both our republic or the world at large. Similarly, Posa is described by Schiller as evil, because he knows the principle which his wrongful, opportunistic actions violate; whereas the real-life King Philip II of Schiller’s drama, who misled Spain to its virtual doom, is predominantly a pitiable, stupid sort of lout. That poor lout is one terrified into cowardice by the image of the pure evil represented by the Grand Inquisitor, as Isabella I had been induced by her inquisitor to perpetrate the crime



*“ ‘Thus, conscience doth make cowards of us all. . .’ The need to free mankind from the implications of the presently bankrupt form of the IMF’s world monetary-financial system, is the need for the Sublime as expressed at this juncture. . . . Hence, my recurring criticism of former President Bill Clinton’s potentially fatal propensity for what he manifestly treats as ‘practical political accommodation’ to the presently reigning state of U.S. affairs.”*

of the expulsion of the Jews from Spain; that King, poorly disguised as to his true nature, is reduced to a quivering, sly lout, by the deception implicit in his adoption of royal trappings.

The third of my referenced examples from Shakespeare, “Thus conscience doth make cowards of us all,” goes to the essence of all competent historiography, statecraft, and great Classical drama: the essential distinction, residing in the complex domain, between man and beast.

I shall continue to write more and more, in my subsequent writings, on this same general topic, since that is a view of the way in which the sane mind views matters of both science and art, and also history and serious politics, from a common vantage-point. Here, I limit the discussion to a the goal of a particular, politically relevant focus on a current strategic



*Friedrich Schiller, the “poet of freedom,” based his famous Classical tragedies on the human quality of the Sublime. “The same kind of notion of the Sublime applies to social processes, as the discovery of the principle of the modern nation-state republic, as defined during the Fifteenth Century, provided the needed escape from those imperial traditions of Rome and its successors which condemned the great mass of humanity to the status of human cattle.”*

problem of political life.

That is, the more obvious distinction of the individual human mind from the beast, is the human individual’s potential for adducing experimentally demonstrable principles of the universe, principles not directly accessible to the senses, as Socratic hypotheses. These hypotheses are formed by the cognitive powers unique to the individual human mind, hypotheses generated, with passion, in response to the paradoxes of sense-perceptual experience. In this case—that of the practice of physical science as such—the individual mind, with its uniquely individual conceptual powers, is acting in direct relationship to what we call “nature.”

In Classical artistic composition and its competent performance, that same capacity of the individual mind is focussed upon adducing hypotheses respecting the special set of principles, which govern the way in which the individual members of society are enabled to cooperate in ways by which to apply discovered physical principles to the increase of society’s power, as society, over nature, over successive generations.

In the first case, the mind is focussed upon the set of discoverable universal physical principles pertaining to both

the abiotic, and the domain of living processes in general. In the second case, that of Classical art, and the related scientific comprehension of history and principles of political organization of society, it is man’s relationship to nature through the mediation of the principles specific to social processes, which is the immediate object of the focussed attention of our innate cognitive powers. The key to all elementary issues of this second domain of inquiry is the principle of Classical forms of artistic irony.

I explain.

### **On The Subject of Irony**

The central feature of social relations’ known origin of literate speech, is irony, a meaning within communication which can not be located within a literal, dictionary-like reading of the text, nor among the notes of a musical score. The function of irony in literate prose or poetry, is a reflection of the same principle of communication represented by Carl Gauss’s 1799 exposure of the frauds by Euler and Lagrange, in Gauss’s first formal definition of the complex domain of mathematical physics.

The greater part of the literal aspect of language is a reflection of the direct experience of sense-perception. Just as experimentally validated discoveries of universal physical principles, such as Kepler’s uniquely original discovery of universal gravitation, reflect the efficient, but unseen intention expressed by the otherwise insoluble paradoxes of sense-perception, so Classical art—in this case, non-plastic art—expresses the principles of social relations in the provocative form of the paradoxes conveyed by use of literal speech.

In non-plastic art, such as Shakespeare’s or Schiller’s dramas, there are two explicitly expressed forms of action at work: literal forms of language; and the natural musicality expressed in such forms as that Florentine *bel canto* mode of voice-training which is the foundation upon which J.S. Bach developed the science of the well-tempered system. Only in rare cases, as in Ludwig van Beethoven’s reference to the musicality of Schiller’s poetry, is poetry not improved by recasting the poem in the mode of well-tempered counterpoint, as the song settings of Mozart, Beethoven, Schubert, Schumann, and Brahms typify this accomplishment. On this account, there is a reciprocal interdependence between dramatic utterance and musicality on the stage of Classical drama. The use of this principle of musicality, as demonstrated by great performance of Classical German or Italian song and opera, is the key to the expression of the same *passion* in drama which is met in appropriate performances of great instrumental forms of musical compositions.

These modes of communication are the most appropriate instruments for imparting a sense of the motive forces at play in history to the imagination of the audience experiencing a Classical drama. Tension and emotion are interchangeable terms for this purpose.

The function of this tension, so crafted, is to impel the

mind of the audience to focus upon the paradoxes behind the apparent literal meaning of terms employed. In this way, the motive for the behavior portrayed is conveyed.

This sense of paradox teases the mind of the audience, impelling that mind to apply the power of hypothesizing to discover the “hidden meaning” behind the paradoxes presented. Those hidden meanings correspond to the motivation which connects the dots of the accounted transformations—the accounted actions which seem to connect those dots—as the intention which Kepler recognizes as the way in which gravitation moves the planet through the dots of astronomical observations of an orbital pathway, in physical science. This sense of motivation informs us of the motive which provokes tears for Hecuba.

Once we have acknowledged the function of such Classical artistic devices, the principal remaining question is, to what degree is the adduced motivation a truthful account of the historical process depicted? The question so posed is of the same general significance as the experimental validation of an hypothesis in physical science. Which kinds of adduced principles, for which kinds of occasions, correspond to the invisible motivations which actually move the processes of history in one direction, or another?

The most common fallacy introduced at that point in criticism of such a work of artistic composition, is to fail to recognize the distinction between human motives and those of mere animals such as Thomas Hobbes or John Locke claim themselves to be. On this account, there is a reciprocal relationship between the notion of Classical irony and the distinction of the human species from the beasts. What is the lawful human motivation which moves the action? Or, therefore, what is the nature of man, that he should be subject to the power of such motives?

All great Classical art therefore yearns toward what is called the *Sublime*.

In physical science, the principle of the Sublime is expressed as the discovery of an experimentally validatable universal physical principle, such as Kepler’s discovery of universal gravitation, Fermat’s discovery of the principle of quickest path, or Leibniz’s discovery of the catenary-cued principle of universal physical least action. The solution to paradoxes of sense-perception which implicitly increase the human species’ power in and over the universe, is the prototype of the Sublime solution to the problem of mankind which that discovery solves. The same kind of notion of the Sublime applies to social processes, as the discovery of the principle of the modern nation-state republic, as defined during the Fifteenth Century, provided the needed escape from those imperial traditions of Rome and its successors which condemned the great mass of humanity to the status of human cattle.

Today, the world is gripped by the threat of a plunge into a prolonged new dark age of humanity as a whole. The typical cause for this affliction is the implications of the dogma of

so-called “free trade,” and that dogma’s relevant correlatives. The need to free mankind from the implications of the presently bankrupt form of the IMF’s world monetary-financial system, is the need for the Sublime as expressed at this juncture. All attempts to find a more agreeable accommodation within the bounds of the set of rules associated with submission to the present “free trade” system, leads to nothing but destruction. Hence, my recurring criticism of former Presi-

---

---

*History can be known only to the degree it is relived as an impassioned reality, real history as recreated on the stage of the audience member’s living imagination. For what is he to Hecuba, that he might weep for her?*

---

---

dent Bill Clinton’s potentially fatal propensity for what he manifestly treats as “practical political accommodation” to the presently reigning state of U.S. affairs.

The desire of the great mass of humanity for escape to a higher state of organization of national and world affairs, free of the oppression a continuation of the present world “free trade” system represents, is the impulse, the passion for the Sublime. This is counterposed to what appears as the manifest greed of those financier and related interests who demand the preservation of their power over mankind, at whatever cost this represents for the human species in general.

It is conflicts so defined, conflicts between a ruinous old tradition and the need for the Sublime, which define the passions of real history in an elementary way. These passions exist within the population; the function of serious politics is to ennoble the one by freeing it from the shackles of acquired other traditions turned evil in their effects. The rule must be, that the true nature of man, as a higher species, must be served.

That was Shakespeare’s passion, and Schiller’s. It is mine. Let it become yours, while humanity could still be pulled back from the present brink of a global new dark age.

★ LAROUCHE IN 2004 ★

[www.larouchein2004.com](http://www.larouchein2004.com)

Paid for by LaRouche in 2004.

# Overcoming Your Fears by Increasing Your *Geistesmassen*<sup>1</sup>

by Helga Zepp-LaRouche

*This presentation was given as a keynote to the ICLC/Schiller Institute Labor Day annual conference, on Aug. 31, 2003. Mrs. LaRouche was introduced by Schiller Institute Vice-President and civil rights heroine Mrs. Amelia Boynton Robinson.*

**Amelia Boynton Robinson:** . . . I would like to continue what we were talking about yesterday, when it comes down to fear. But, I would like to speak about my experience, in dealing with people about fear.

I came up in a family, where we didn't know anything about fear. And the first encounter that I got, was after I graduated from Tuskegee, and went to teach in Americus, Georgia. I was young, still in my teens. And I walked up to the window, with my first check, and there was a great, big, burly man, standing up at the window. And on my mind was, "I wonder what is my 'boyfriend' doing?"

And, he looked at me while I was standing at the window; and he said, "Don't you see me standing up here? Get away from that window, nigger!" And, I put my hands on my hips, because I didn't know anything about the difference, and I said, "Who do you think *you* are talking to? I'm not one of them!" And, I guess I was thinking about: I was not a citizen of America. He held up his hand to hit me. I looked him straight in the eye. And he put his hand down, and walked off.

And I said, "Hah! He'd better not hit me!"

I had no fear. And, when I walked out, and I saw the president of the organization of—this was a Baptist school—and he said, "Don't you know that man would lynch you?" And then I began to realize, that people are afraid of fear.

And I thought about what Roosevelt said, afterward; and that was: The greatest fear in the world, is fear itself.

And, as I said, yesterday, it is a handicap. And I could see so it much in Selma, Alabama and in Dallas County [where Selma is]. Because, I didn't know people would be afraid—afraid of something, that they didn't know why. And, the article I said, yesterday, about Kennedy, when we were to have the dream [march] of Dr. King; and he [Kennedy] had

4,400 extra police; telling the people who were doctors on duty, "Don't come to the hospital." He had alerted extra people. And you know, it could have been a riot—if somebody had—just think of more than 250,000 people together: If somebody had gotten sick in that crowd; had fallen down. They would have said, "Oh! They're fighting!" And, the troopers would have come, and it would have been a riot.

## Civil Rights vs. Fears in Alabama

Fear! And, there's nothing worse than fear. It is a handicap. And, unless we can deal with that ourselves, within, and when we get to the place, that we place faith in the place of fear—then, of course, we will be able to overcome a whole lot of things.

I think of the time, that the people shot in the house. They were afraid of our going about, teaching people how to fill the applications out [to register to vote]. That we were telling people, who were slaves on the plantation, "Get off of this place. We will help you, if you can find a place. Even if it's just five acres, to get from under this system."

And of course, the plantation owners didn't like it, and they did some of everything that they possibly could. And the last thing they did, was when they came into my husband's office—one man, with a stick, and made an attempt to hit him. And, I happened to be there, when I caught the stick.

And my husband was the most—I think, when it comes down to being the type of person that was non-violent: he was the most non-violent person that I have ever seen.

And, when these two guys came in, and pushed him out of the office. And the man screamed, with froth coming out of his mouth; his eyes looked like two coals of fire, screaming, "Give me my stick!" And my husband said, "Give him his stick." And I threw the stick out of the window. He took it—and this is an old building, with maybe the plate glass being more than a half-inch thick; he broke the door, and the two plate glass windows down, from the top to the bottom.

And, this office was across from the City Hall. They took their binoculars, as they always did; looked straight into our office, to see who came in and out. And they figured that, "Well, you didn't do such a good job." Finally, after having called them [the police] a couple of times, they came over,

---

1. A conception meaning literally, "thought-masses," but better comprehended as "thought-objects," definitely-formed and lasting ideas.

and gently led him across the street—and in five minutes time, he was walking down the street.

But, I wasn't afraid. However, my husband went to the hospital for the last time. And, when he died—. See, we asked Dr. King to come into Selma, but he did not come in, but he did send a young man there, by the name of Bernard Lafayette. And, when my husband passed, Bernard Lafayette, who was working with the young people, said to a minister, that he would like to have a memorial for Mr. Boynton. And, this minister said, "I'd be glad to have it"; but, he spoke also to those people, who were the outstanding people in the church, and they said, "Oh no you don't! You're not having any memorial here for that man! You know white people don't like him; and we're not going to have it."

They were afraid! They were afraid of what might happen to them.

In the meantime, the sheriff said, "All full-blooded white men, come to my office; be sworn in and be given ammunition." And they came. They left their stills; they left their plows; they left their country homes; they left their town homes. They went on, and they were sworn in. That night, when they went to the church, there were around 300-plus people: They had to come through a line of deputized sheriffs. They came in trucks; they came in cars; they came on foot.

And Selma is a small place—they had then about 25,000 people. They knew a whole lot of people who attended the meeting. And, when they attended the meeting, they found out that some of these people, these deputized sheriffs, were also in the church. Some were on the outside. And this was on Friday night—Friday night, now, and they were not trying to register and vote. Because they were afraid. But, the children, their children, less than 20 years old, were out there marching, trying to get their parents registered.

But, on Monday morning, when they got ready to go to their jobs, in the factories, on the farms, wherever they had to go, they were told, "You're fired. You don't have any job. Go back home." And, they said, "Well—why? Didn't I do my job well, when I left here on Friday evening?"

"Yes. But, you attended that memorial for S.W. Boynton. You don't have any job!"

### **'People Plant Fear in Their Minds'**

Fear! They put fear in the minds of those people. And, that is the reason, why they acted as they were. They had no jobs.

But—it did something. Something clicked within their minds. "Here I am, a human being, over 21 years of age, doing a good job. And yet, at night, I can't go to my church. My children are out there marching and demonstrating, that I can become a citizen! I go to the office, and I see, on the Boyntons' office wall, that 'A Voteless People Is Hopeless People.' I'm going to get into that line, and I'm going to continue to march, and demonstrate, until I become a registered voter!"

And, from *that*, we got the Voting Rights Act—because



*Helga Zepp-LaRouche at the World Forum conference in Rhodes in early September. "Schiller's conception of the 'beautiful soul,' is more important, and more actual today, than ever before. . . . In the Fourth Aesthetical Letter, he writes: 'Every individual man, one can say, carries by predisposition and destiny, a purely ideal man within himself, and to agree with whose immutable unity in all of its alterations, is the great task of his existence.' "*

the fear: We have to wash that fear, out of us, and have faith in whatever we do, when we know, we did right.

Dr. King came into Selma, on Jan. 2, 1965. That was the first time. When he came into Selma, he came into my office—the office where my husband was (he had passed then). And when he came to the office, *not one person*—now this is an office, and on the street, you had the business and professional African-Americans; across the street is the City Hall—not one person came to the office and said, "We're glad to see you." Because, they too—like I—received telephone calls, saying, "Don't have anything to do with Dr. King. Don't invite him. Don't have anything, because of the fact, he's a Communist; he's a rabble-rouser."

And, of course, as I tell them, and as I tell people now who say anything about Schiller Institute, Lyndon LaRouche, or any of the others: "See for yourself. Don't take what you hear. Because people plant fear into the minds, and if you don't get that fear out of you, you are handicapping yourself."

So, when he came to the office, with *nobody*—now, all of

those people, the doctors, the dentists, the professional people having offices on that street—and not *one of them*. And, he said, “I want to go to the restaurant”; and of course, everything was segregated in those days. I took him to the restaurant, to the section where there were a few people, and, around in the section there, there were some people who were playing cards. And, when he left, those people left with him—like a tumbleweed. He went to another restaurant, and some of these people who were hanging around, caught on, and knew that he had something good to tell them: And, that is the way, that the people began to realize in Selma, that this man had a solution to their problem.

Only when the news media came into Selma, those dignitaries decided that they wanted to be seen and heard, so they got everywhere: They got in the pulpit; they got in the choir stand; they got everywhere. The people in the choir had nowhere to be, because the preachers and the teachers and everybody, wanted to be seen.

So, we have to drive fear out. We are—each of us—is the master of our fate. Each of us, is the captain of our soul. We will have to replace fear with faith. Faith has power.

Often one thinks of an idea, and they can think what they can do with that idea. Because, if they have faith, they can tackle that problem. They can believe. They can listen. And their faith has, within it, enfolded within it, love. And love is a cleanser, that will excel any kind of problem that we might have.

And we have a problem solver here. And, if you listen, to what our speaker is going to say, when you leave this building, you will feel uplifted; you will feel light; you will realize that you have the ammunition to do away with fear, and to have within you, the faith to conquer any solution that you might have.

And I introduce to some of you, and present to others, one of the greatest persons that you have, that dispel whatever fear you have: And that is my daughter, and your friend, Helga Zepp-LaRouche.

---

## Helga Zepp-LaRouche

---

Thank you Amelia, my sweetheart. She is a sweetheart.

Well, I’m going to speak to you today, about how to develop one’s personality, through becoming a more perfectly harmonized human being. But, before I go into the actual subject of my presentation today, let me quickly reference the strategic situation, in which we find ourselves. And I want to start by reading the beginning of my speech, made in the Bad Schwalbach conference on March 22. This was two days after the war against Iraq had started, and I said the following:

So, if Friedrich Schiller would be alive today, and he would look at this strategic situation, and the historical moment, what would he say? I’m sure he would say

something like, “You foolish people! Don’t you see, that Nemesis is about to strike? That there is a higher lawfulness, which will come back, and haunt you, for what you are doing?” The crime committed is enormous. The presumptuous arrogance of the present War Party is paired with an enormous guilt, which nobody will take away from them. The defiance of truth and justice, is so gigantic, that Nemesis will strike. The higher lawfulness of the laws of the universe will assert themselves, given the fact that there is no case against Iraq; that there is no threat against any country; not its neighbors, and for sure, not the United States. That there is no proven link to al-Qaeda, and that there *was* compliance with the UN inspection process.

There is no UN mandate, to use force. And therefore, given that all of these things are the case, this represents a war of aggression, which, as Lyn was pointing out, may trigger a global nuclear war. The doctrine of pre-emptive war, the incredible idea to use a first-strike nuclear weapon against countries that do not have nuclear weapons—if not stopped—means the end of international law, and the return to barbarism. It could plunge the world into a Dark Age, and international anarchy, which is why we have to work to reverse it, as quickly as possible.

### The Principle of Nemesis

Now, we are five months later, and indeed, you can see, that the Iraq War, which was a war without any justification based entirely on laws, is becoming the Nemesis for the War Party. Now, Nemesis, in Greek mythology, is the principle of justice. It’s a principle which comes down in history, to punish the criminal. And Schiller has used this idea of Nemesis—that there is a higher lawfulness, which man can not touch—in many of his historical dramas: in the *Don Carlos* play; in *Wallenstein*; in the *Bride of Messina*; in the *Demetrius* fragment.

And, today, you can see Nemesis in action: Iraq has become a quagmire, which is becoming worse every week. And, it is also becoming Nemesis for the entire imperial project of this administration.

People in America may not be fully aware of it, but there are tectonic changes taking place in the world, right now. And, they could have terrible consequences for world peace.

A journalist who often writes interesting articles, and whom I only quote because he is a reflection of what many people in other countries are thinking—namely, a certain person with the name of [William] Pfaff—wrote, on Aug. 23 in the *International Herald Tribune*: He denounced the philosophers of chaos in the Bush Administration, who will go for new wars in the future. He said, “The disaster in Iraq was foreseen by them, and they dismissed it. The neo-cons believe that destruction will lead to new creation.” This is the old idea of the Conservative Revolution, which is another word for



Synarchism. “These wars are never successful, and they have no exit strategy. And therefore, the only resort they have is escalation, new attacks elsewhere.”

Then, he said: Iraq and Afghanistan are both situations, where the U.S. forces are already over-stretched, and no American soldier is safe. But, if you look at the other aspects—the Israeli-Palestinian situation, together with the war in Iraq, it’s too much for the Arab world. And, if the United States would do anything against Iran, this would lead to an unprecedented explosion. The big concern is, that the U.S. doctrine of preventive nuclear war will go into effect elsewhere.

Now, that is the big worry, the big concern, of a lot of people we have been talking to, in the last weeks and months. We talked to one source, which I quote to you, again, just because he’s reflective of what a lot of people are saying. This person said—and he’s a high-ranking military person in continental Europe—“Too many people in Washington are blinded to what the world reaction has been, since Bush, for the first time, talked about pre-emptive nuclear war, in June 2002; and especially since the declaration of this doctrine, in September 2002.”

The idea, that the United States could start a nuclear war, and that international law, in Iraq, was thrown out of the window, has led already to a complete, seismic shift in world relations, right now. And you have a covert re-arming going on, on a world scale. Russia and other countries are beefing up their own nuclear capability. Russia is building new strategic nuclear subs; they just conducted a huge Russian naval maneuver in the Pacific. And people in Russia and China have told us that they will never allow the United States to control the Korean Peninsula.

Now, if, for some reason, the North Korea situation would escalate, and given the fact that the United States is over-stretched in Afghanistan and Iraq, the danger is that nuclear weapons could come to use; and then you have immediately, the conflict with Russia and China. And, that’s how close we are to an escalation of the situation, and that is what terrifies and motivates every country, every government, around the world.

And, I can tell you, that all sources, all top-ranking politicians, strategists, military people we talked to in the last period, they *all*—and some of them have been Atlanticists for 30-40 years, or more, of their life, who are firm friends of the United States; they’re not anti-American, don’t fall for that for one second—they all say, that they are now thinking about the United States in ways they never thought they would be thinking about. And that, now, even if they didn’t like to talk about LaRouche in the past, before, that they are now saying that what Lyn is doing in the United States, in his effort to get Cheney out of office, is the *only realistic option* to prevent a course to World War III. And, that is the joint opinion of people in Germany, France, Italy, Russia, China, India, Turkey, and many other countries.

So, I think it is very important that you keep that in mind, because, whatever you do, will be looked at, by the world, from that standpoint: That our ability to change the United States from the inside, is regarded by these people as the *only realistic chance* to stop World War III.

## Plato’s ‘Cave’ and Imperialism

Now, this is a pretty scary picture. But, as Amelia was saying, already, it is very important, not to react with fear to that, but with the determination to act to stop it.

Now, how do we arrive at that? How do we manage to be resolute, determined, and not react with fear? Well, first of all, we have to understand that there is an inner connection between the systemic collapse of the world financial system, and the danger of war. The problem is, that already before the “chicken-hawks” made a coup in the U.S. administration, the idea of a U.S. world empire already existed as a tendency; and, all global institutions already were taken over by neo-liberal monetarism—free-market economy, globalization. If you look at all the institutions, the IMF—the World Bank, the WTO—they already all were in the control of these forces.

So, even one would take the danger of nuclear war away, we are already at the end of an epoch. And the question, therefore, is if the old paradigm—the old set of values, which have led the world to this crisis—will be replaced by a new paradigm which will throw the world into a New Dark Age and barbarism, as we can see it, in many places in the world; or, if we can make a new paradigm, which is worthy of the dignity of man.

If you want to find a positive answer to this problem, we have to deal with the problem [Lyndon LaRouche] has been discussing in many of his recent papers about “Visualizing the Complex Domain,” and other papers: Namely, that there are two completely opposing, epistemological traditions in European history. One of these traditions is associated with a set of axioms, which is responsible for the present crisis. The second has ideas and principles, which are the basis for overcoming the present crisis.

Now, the first tradition, Plato references in his famous example of the cave, where he says, that people, who are sitting in a dimly lit cave, and they see the shadows from real events coming from the outside, only in the form of shadows on an uneven wall. And, they think that what they see there, namely what they can grasp with their sense-perception, is the real universe. But, the real universe does not exist for them. They can not look outside the cave. And that tradition, which assumes that sense-perception is the only way of human knowledge—that what you can see, feel, smell, hear, perceive with your senses—that that is what you know. Your experience; your hard facts.

Now, this tradition has generated, in European history, positivism, empiricism, materialism, utilitarianism; and it always was associated with the imperial form of the state: Which was the idea, that you have a small, oligarchical elite,

which rules over 95% or more of the masses of people, who are backward, stupid, illiterate, and who are not much better than human cattle. It's what Schiller describes in the "Solon and Lycurgus" piece, as the "helots," the slaves, which can be killed by the oligarchy, whenever they feel that there are too many of them. And, this form of thinking—this idea that some people are just not human—is, today, the problem with the extreme utilitarianism of globalization and the shareholder-value society, which today has thrown a large part of mankind into that status, of being just human cattle.

The imperial forces think that they can maintain their power, only if the masses are backward, and "other-directed"; as it was the case with the Roman Empire, where the circus, the "bread and circuses," were used to keep the people vulgar, evil, nasty, and oriented toward entertainment. In the same way, you have seen, in the last years, last decades, a systematic moronization, through the entertainment industry, and people have been reduced to wanting to build their bodies, but not their brains. A recent example: We have seen what happens, if this process takes place—actually, I saw Schwarzenegger on the TV, and I heard these stories about the flab; and he had a T-shirt, and he has this gigantic arm, but it was flabby!

So, in the meantime, in the last decades, the population was dumbed-down, moronized, and basically, unfortunately, the people who underwent this process of manipulation seemed to even verify the oligarchical model, that man is only a being of sense perception. Because, what people have, more and more, at least in the Western countries, demonstrated is a seemingly endless lust for money; an incredible object-fixation—people want to get the newest gadget, the newest thing, the newest electronic device, the fun in the here and now.

Now, that is the present condition of our civilization.

### Schiller: The Perfectibility of Man

Now, the second tradition, in which we can find the principles to overcome this crisis, is the Platonic humanist tradition, which regards man as a cognitive being, capable of creative reason and the formulation of better and better hypotheses, to understand the laws of the physical creation, in a better and better way. And, to understand the laws of the cosmic order. With that tradition, you have the idea of a state, whose only legitimacy comes from the fact that the government is oriented toward the common good.

And, it is associated with the idea of a limitless perfectibility of man. This idea first existed with Plato. It, for sure, existed in Christianity: namely, the idea that every man is created in the image of God. But, as we know, because of the Roman Empire and the Dark Age afterwards, this idea which existed in Christianity, was never politically realized. And this occurred, for the first time, in the 15th Century, with the development of the sovereign nation-state. And from the 15th Century onward, you had, for the first time, the idea that the development of the citizen was the prime interest of the state,

because that is, actually, the only source of wealth for everybody.

Now, I'm absolutely convinced, that we will come out of this present crisis *only* if we shift away from the first paradigm—the world of sense-perception, egoism, free-market economy—and that we replace it with a new policy, based on the general welfare, combined with a cultural renaissance. And that only if we revive the best traditions of the Platonic tradition, can we accomplish that.

Now, all great thinkers of universal history have a role to play. All of them have to be revived and actualized. But, I still believe that there is one person, who is particularly relevant for this problem of overcoming the world of sense-perception; and that is my good, old friend, Friedrich Schiller. Because Schiller's conception of the "beautiful soul," is more important, and more actual today, than ever before. For those of you who have read the *Aesthetical Letters*, you will remember, that in the Fourth Letter, he writes: "Every individual man, one can say, carries by predisposition and destiny, a purely ideal man within himself, and to agree with whose immutable unity in all of its alterations, is the great task of his existence."

Wow! You can hear, already, how people, you know, disagree. And shriek: "A purely ideal man! This is totally against the spirit of the time! The spirit of the time has completely other heroes: Rambo, Terminators, game shows—'How To Become a Millionaire.' These are not purely ideal men!" And, you know, we talk about a no-future generation: I just read in the *Washington Post* this week, that a 13-year-old boy was standing in front of a court, with shackles on his ankles; and he was accused of voluntary manslaughter, because he had stolen a car, and then played with some other youngsters, robbers and police, in the context of which he had run over a person, who got killed. Now, the image—of a 13-year-old, with shackles on his ankles, being accused of manslaughter—what other image do you need, that something is *absolutely, fundamentally wrong* with society?

Now, if Schiller would be alive, today, he would ask the same question he asked during his time: Where should the improvement come from, when the government is corrupt, and the masses are degenerated? Schiller described the fractured spiritual condition of the people of his time, in terms virtually identical, to what we would say today, about the present situation. He said: "Now, however, *want* rules. And sunken humanity bends under its tyrannical yoke. Utility is the great idol of the time, for which all powers slave, and all talents should pay homage," he says in the Second Letter. And, in the Sixth Letter, he describes the person, who is ensnared with the world of materialism: "We do not see merely the individual subject, but rather entire classes of men, unfold only a part of their natural gifts; while the rest, as with a stunted plant, scarcely are suggested with a faint trace. Eternally only a single fragment of the whole, man develops himself as a fragment; eternally it is only monotonous noise of the wheel, that he resolves in his ear. He never develops the

harmony of his being; and instead of impressing humanity upon his nature, he becomes merely an imprint of his business, of his science.”

What can be done, if the *Zeitgeist*, the spirit of the time, is yanking most people downward, into the realm of mere physical existence and sensual experience? Many philosophers were struggling with the idea, and were convinced that reason can be developed, and limitlessly developed. But Schiller is the one person, of all the thinkers, poets, and scientists I know, who focused very much on the method to ennoble the emotions to be on the same level as reason. And he defined, as the world-historical goal of human development, the idea to establish an inner agreement between his two natures—the sensual and the cognitive—to always be a harmonious unity, and with his full-voiced humanity, to act.

### **Educating the Emotions**

For Schiller, the “beautiful soul” was the highest aim of development. The beautiful soul is a person for whom freedom and necessity, duty and passion, merge into a unity, so that the person can always blindly trust their instincts, because the instincts and the emotions would never tell the person anything different than what reason dictates. Schiller described such a person, in the famous *Kallias Letters*, as being the Good Samaritan; where he goes through five examples of people who are acting to help a person on the wayside; and only the person who completely—without thinking for one second about how this affects his own interests, when he stops and helps this person—that only such a person is a beautiful soul.

Well, because people *are*, presently, like stunted plants, the education of the emotional faculties—the *Empfindungsvermögen*—is our era’s most urgent need, said Schiller. And, if this was case for Schiller’s time, how much more is this education of the emotional faculties, important and urgent today? Because today, we have an excessive demand for sensual gratification, which goes hand-in-hand with clinging to one’s own identity in the world of senses: i.e., the desire to satisfy one’s own ego; which is, today, coupled with a brutal indifference towards the needs of suffering humanity. If you look at the pitiable condition in which the majority of mankind lives today, a condition which outrages those who are empathetic, calling upon them to act—the majority of people simply lack of strength of imagination required to lift their own thoughts and feeling above the minuscule confines of their own personal lives. If you confront such a person, with the greater issues of mankind, a psychological block kicks in, and they say, “I don’t go there. I’m not interested in Africa. Don’t bother me. I have my family, and my vacation to think about, and I can not act on what you say.”

The problem is, that a person whose identity is exclusively confined to the realm of their own sense experience, will inevitably react with fear, whenever they come to the realization, that if they think about something which has implications

they don’t want to face—that their own physical existence could be threatened, in any way—then, they block. It’s a psychological block, which kicks in, the moment such an issue is raised.

And for this, Schiller’s conception of the Sublime is the absolute crucial idea: To educate the emotional faculties. “As a sentient creature, we are dependent. But, as cognitive beings, we are free,” he writes in *On the Sublime*. “As sentient creatures, our self-preservation instinct comes immediately into play, the moment something makes us fearful. Or pain, or physical injury terrifies us, and our attempt to wall ourselves off, in order to preserve our physical existence, turns us into slaves.”

In the second essay, *Concerning the Sublime* (because he wrote two different writings on the Sublime), Schiller says, “All other things ‘must.’ But man is the being, who wills. Precisely for this reason, is nothing so unworthy of man, as to suffer violence, for violence annuls him. Who does it to us, disputes nothing less than our humanity. Who suffers it, in a cowardly manner, throws away his humanity.”

Now, that is why terrorism, today, is being used by the oligarchy, to turn people into slaves. Because of Sept. 11, because of other threats, if people are starting to be afraid, of this and other perils, they stop thinking. They turn into vegetables. Schiller wrote, in 1801, “People could be developed into demi-gods, if only we sought through education to rid them of fear. Nothing in the world can make a person unhappier, than fear, pure and simple.”

### **The Sublime**

Now, Schiller’s answer to this problem lies in placing one’s own identity *not* in the level of one’s physical existence, but on the level of the Sublime; something which is only possible, if the human being is, indeed, thinking about universal ideas and principles, which reach beyond the confines of his own personal life. Only when he can view his moral, not his sensual nature, as his life’s primary mission, can he put his sensual nature in check, and give his cognitive nature the upper hand. A person who has learned to think and feel on the level of the Sublime, will also not succumb to the fear of death, but will, even given the limited life-span, live, while he is alive, already, in immortality. “Great, is who defeats what is fearsome. Sublime is he, who even as he perishes it, fears it not,” says Schiller.

Schiller says, also, “The capacity to let the sublime enter into one’s own emotional life, is alone, one of human nature’s most magnificent potentials, because it makes him perfectly free.” No animal can think the Sublime: They may be loving and sweet and playful—all of these beautiful things. But, no animal can say, “I place my identity in principles, which go beyond my cat existence, my dog existence, my donkey existence.” That is one of the things which is entirely, only man’s ability. Only man can be free.

Schiller regards beauty as a necessary condition for hu-

manity. But, beauty only encompasses the world of the senses. It brings the world of the senses to its highest potential. But, the Sublime must be joined with the beautiful, in order to make the aesthetic education into a complete whole. And, to broaden the human heart's capacity to take in emotions to the full extent of our endowment, and thus, beyond the world of senses.

### Herbart: Mathematics and Psychology

Now, I will introduce another thinker, who I think is very important, not so much that you would believe, or take every word he says; but, because he is a very crucial counterpart of this idea of the Sublime by Schiller: And the person I'm going to talk about now, is Johann Friedrich Herbart, whom Bernhard Riemann described—together with Carl Gauss—as the two most important influences to allow him to develop his idea of Riemannian manifolds.

And I found a very interesting article, or work by [Herbart], which sounds a little bit funny, but it is actually very, very interesting. It's called: "On the Possibility and Necessity of Applying Mathematics to Psychology."

Now, how can one apply mathematics to psychology?

Herbart says, "So far, mathematics has only been applied to objects; to lengths, to measurement, and so forth. But, how can one measure the mental process: perceptions, feelings, desires, are changing rapidly, and how can one measure them? How can one determine their magnitude? Thought, an idea passing through the mind, is faster than the lightning in the storm. Moods are changing quicker than the wind, and the weather. How is it possible to find a mathematical lawfulness for thought?"

Well, he says, if we can't measure, we can't calculate. Therefore, it is impossible to use mathematics for psychology, is what people normally say. But, this is a syllogism, a mixture of habit and lies. And Herbart says, it's completely wrong, that one could only calculate if one has measured before. Totally the opposite, he says. And now, he launches a big attack against Newton, and his famous sentence, "*Et hypotheseis non fingo*": You don't need hypothesis. Herbart says:

The assertion that you can only perform calculations after you have first made measurements, is completely false. Quite the contrary! You can make calculations on the basis of any hypothetically assumed relationship of magnitudes—indeed, even of a demonstrably false one. And when we are considering deeply hidden, but nonetheless important issues, we are *obliged* to experiment in hypotheses as long as is necessary, and to use calculation to investigate the consequences flowing therefrom as accurately as is necessary, for us to determine which of the various hypotheses coincides with our experience. Thus, the ancient astronomers *experimented* with eccentric circles, and Kepler *experimented*



*Johann Friedrich Herbart (1776-1841), the scientist who, in "On the Possibility and Necessity of Applying Mathematics to Psychology," posed the question of higher mathematics "measuring" the objects of thought in the mind, and their interconnections or resonances, for the first time.*

with the ellipse, in order to trace back the origin of the planets' movements; and he compared the squares of the orbital periods with the cubes of the mean distances [from the Sun], before he found that they were in agreement. (pp. 136-137)<sup>2</sup>

And then, Herbart gives an image, which I found very fascinating; because tonight, in the panel about science and Mars and the Crab Nebula, you will (as far as I can tell) see a satellite film of the movements of Mars: which is mainly going like that. It makes a circle, and seems to be completely off its orbit. And Herbart says:

The word *planet* indicates something wayward or veering off course, or, if you will, with reference to the phantasms of astrology, an errant knight who romantically goes out on fearsome or amorous adventures. . . . The errant knights have all vanished like ghosts now, and since then, ignorance has been supplanted by science. Now the planets all behave according to what the calendar says; and that's very naturally the case, since it's the calendars which have learned to behave according to what the planets say. And precisely so, and in this very same sense, genius would now behave according to what psychology says, if only our psychology

2. From: *Johann Friedrich Herbart's Kleinere Abhandlungen zur Psychologie*, Nachdruck der Ausgaben 1811-1840 (*Johann Friedrich Herbart's Smaller Papers on Psychology*, Reprints from the 1811-1840 Editions), Amsterdam, 1969.

were based on as much true science as our calendars are. Let so much be said about genius, which indeed has no knowledge of the rules of its own behavior, but which nevertheless cannot deny that it has such—since, after all, non-knowledge is no proof of non-existence.” (p. 140)

The human soul, Herbart says, is no doll theater. And our wishes and decisions are not puppets, where the puppet-master pulls the strings in some outer-directed fashion. But our real, own life lies in our will. The rules are not outside. They are our own mental rules, and not derived from the material world; but the soul perceives that the rule is nevertheless certain and solid, and therefore, it reacts to push and pressure. “By virtue of this solid definiteness, it has more similarity to the otherwise completely alien laws of percussion and pressure, than it does with the wonders of ostensibly ineffable Freedom.” (pp. 141-142)

Then, he calms people down, and says, Look, if I try to apply mathematics to understand your thought processes, do not be afraid, because numbers and letters will not get to your inner secrets of the heart, and I will not steal your secrets, this way: “and in this respect, common sense will always be far more clever and formidable than all of mathematics and psychology put together. . . .”

### **Connection of Thoughts, Not Sense-Perceptions**

But, let’s start with two magnitudes: How to measure the thought processes. First, the power of each perception; and secondly, the degree of its block or inhibition. And there, we come again to this question of fear, because the power of the perception is one magnitude, but the fear which blocks it, the degree of inhibition, is that which prevents it from developing. Herbart wrote:

The time is now come to describe with greater precision the magnitudes which present themselves to us as susceptible of calculation. We must proceed from what is most simple, and must start out by excluding all relations between thoughts. What remains for us to consider, then, are only two magnitudes: *the strength of each separate thought*, and *the degree of delimitation between them*.

Here we already have enough material for calculation, for us to uncover the primary reason for two universal psychological phenomena: that at any given point in time, the great majority of our thoughts are latent; and, secondly, the equally remarkable fact that, as long as physiological causes do not bring about the state of sleep, there is never a time when all thoughts are simultaneously latent, and also never *all but one*; but rather that, while the body is awake, what is being

thought is never entirely simple, but rather is, at least to some extent, compound. (p. 144)

The calculation, what is the power of each conception, and what is the degree of its inhibition, or block, is still very simple. It becomes more complicated, if one takes, as a certain magnitude, the degree of the connections among the different conceptions. Then, the earlier result changes.

The calculations we could make of the strength of each separate thought, and of the degree of pairwise delimitation between them, are still extremely simple; but they already become much more involved as soon as we bring into consideration a third magnitude, namely, *the degree of connection* between thoughts. Our previous results are then changed, and new ones enter as well. Moreover, now yet a fourth magnitude presents itself for inclusion in our calculations, namely the *aggregate* of the connected thoughts. Of special note here are the *longer or shorter sequences of thought with imperfect interconnection*, such as are formed when each successive thought is, to a certain degree, connected to its successor, the first with the second, the second with the third, the latter with the fourth, and so on, but where the second thought meshes either not at all, or only weakly, with the fourth. Such sequences of thought are similar to the filaments or fibers out of which larger intellectual organs are composed; and they have their own quite definite laws of stimulation, a precise knowledge of which is, in fact, at the very core of psychology. . . . Even the concepts of space and of time have their origin and dwelling-place here, and not in allegedly basic forms of sense-perception. (p. 145)

Now, this obviously has a lot to do with the theory of memory, the theory of idea association, and imagination. But, it’s also a way to know the rules of emotions, desires, and passions.

And then, Herbart says: I say bluntly, mathematics just reveals the gigantic ignorance in which psychology was, up to now. Even the conceptions we have about space and time, have their origin here, not in the so-called sense-perception. In other words, the ideas, the series of conceptions you have built in your mind, form the hypothesis about the sensuous world, and not what the experience concludes from the sensuous world—which geometry it is.

Lyn called this, the geometry of the Sensorium, as opposite to the geometry of universally verifiable principles. Herbart says, sense-perception does not lead to the conception, but the conception in the mind is the origin.

When we consider fully formed sequences of thought, there arise further, new quantifications of whether they



Bernhard Riemann in 1863. "Riemann says, 'For the explanation of the life of our soul, we must assume that the Geistesmassen created in our nerve processes continue to exist as part of our soul. That their inner connection remains, and that they only change insofar as we add new Geistesmassen. An immediate consequence of this is, that the souls of organic beings—that is, Geistesmassen which come into being during the lifetime—continue to exist after death.' "

are affected by some stimulus at only one point, or at many points simultaneously; and, similarly, whether they are more, or less, in a state of evolution or involution; and, further, whether out of these sequences, which I described earlier as filaments or fibers, a larger or smaller tissue has formed, and how this tissue is constructed—an object which, indeed, across various different people, must have a great degree of uniformity, given the common world of thought which we inhabit; and which must spark further associations among thoughts and create new ones—but doing so in such a way, that significant modifications occur, depending upon the particular individual's intellectual rhythm, as a result of the constitution of his nervous system and of his entire body; along with yet other modifications which determine the individual's sphere of experience and mental habits, and which one can seek to deliberately guide, through the use of education and instruction. (pp. 145-146)

## Man's Humanity Is Through Education

And Herbart says, since the actual humanity of man, occurs through education—it's not determined by the genes—mathematics is important to discover the way, how the successive ennoblement of the mind and the human spirit proceeds. In the mind, not all conceptions are proportionally connected. Not all have the same "mobility." And then he uses a very beautiful metaphor, to describe how the different qualities of the different conceptions and the different ideas relate to each other:

that like the atmosphere's upper and lower cloud layers, they waft about in various directions, sometimes lethargically, sometimes more quickly and carelessly; that precisely for this reason, among these diverse thought-masses, during their manifold intercourse with one other, we see for the most part repetitions of the same relationships which are produced between new concepts and older thoughts which had been reproduced in this way; and that, consequently, there must exist not merely an external perception, but rather also an inner recognition, or a faculty of Reason, by which what we call thinking or reasoning repeats, on an expanded scale, the same process which occurs even with the acquisition of sense perceptions through the act of seeing and judging. . . . (p. 149)

Herbart says, it is impossible to understand the highest activities of the mind, and their laws and causalities, if one does not know the lower ones, on which they are built. And one will probably never be able to apply mathematical views to the highest domains of creating thinking and willing. But, as a basis of judgment, they are absolutely required, even for the higher domains, so that at least the holes of our knowledge are not filled with false assumptions.

It is not only possible, but necessary to apply mathematics to psychology; to put it in a nutshell, the reason for this necessity, lies in the fact that otherwise we will simply never attain what all speculation ultimately seeks, and that is: *certainty*. And the necessity that we finally embark on the path to solid certainty, is all the more urgent, the greater the danger becomes each day, that philosophy in Germany will soon descend into the same condition it has been in for quite some time now in France and England. (p. 149)

—which is the world of empiricism and positivism. And he says, it is the stupidity of most philosophers, that they don't see this danger. If they would understand what mathematics is, and that it's more than just some formulas, they would know that undefined talk, where everybody has their own interpretation of notions, can only lead to a daily growing

division of opinions. And, this is the reason why only mathematics can give certainty, because in mathematics you have proofs, in which you arrive at the same result in different ways.

So, Herbart says, let's look at the different categories, how we can measure these processes of the mind:

So that it becomes clear what I am saying, I would like to refresh your memory as to those magnitudes which are available to psychology as a basis for calculation. These were: The strength of the thought; its degree of delimitation; its degree of internal connection [to other thoughts]; the aggregate of those connected, the length of the sequences of thought; their susceptibility to stimulation at various points; their greater or lesser degree of involution or evolution; their degree of meshing or of isolation—and, as is obvious with all mental movement, the speed or slowness of change under varying conditions. (p. 150-151)

Now, this is not a complete enumeration, but the idea of a multiply-connected manifold, is very clear. In all of these reflects, the content, the "what" of the thought process is not in consideration; it's only the form of the lawfulness, the rules of the thinking process; and as such, it functions for both good and evil processes of thinking.

Herbart then says, that the first condition of self-observation is important; that, self-observation is the first condition of the psychological study. The capacity of the mind relates to the power, as the possibility to the reality. This is an important conception, which originally comes from Plato: It's the idea that it's the power, and not the capacity, which counts. For example, concerning a magnet, one does not attribute capacity, but power, to attract iron and to orient it in a northern direction. The same is the case for the power of imagination, the power of thinking, the power of judgment. And, if our mind would only be a capacity, then our self would not be real. Man sleeps, and is awakened. When he is awakened, then his conceptions, memories, and notions, immediately are active. Therefore, it is not the capacity of the soul, but the powers of the soul.

Why don't these powers work at the same time, and equally strong? Empirical psychology does not have an answer to that. But, Herbart says, "There must exist one, or otherwise psychology would not be a science. The more knowledge about a certain subject you have, the more all conceptions, which are relevant for this subject; the more the other capacities relating to the same idea, become active. Whoever has the power of imagination for mathematics, has for that a memory and understanding. Whoever has a power of memory for poetry or military matters, has a power to absorb that. If someone says, he has a lot of understanding—or a lot of fantasy—the question is: For what? For music?

For accounting?

"Now, a worker, who has material in his hand, can imagine the same material in the hand of another worker; or, the hand being empty. But, what is the relation of the mental material to the mind? What happens to color, pain, if nobody is there to feel them?" Herbart says, "The psychological material is not a self-subsisting matter, which exists outside of man. Here, material and power are one. There is no sole capacity previously posed, to receive material. There is no sensuousness before the sense-perception. Sense organs, yes. But, not sensuousness. There is no reason, before the notion. That which works as a power in us, are the conceptions themselves. No human being has more power of the mind, than he or she has conceptions."

### **'Geistesmassen': You Have To Build Your Mind**

Bernhard Riemann picked up on these works of Herbart, and, in a paper called "Concerning Psychology and Metaphysics," he described himself as a Herbartian, as a follower of Herbart. He said the following: "With each act of thinking, something persisting and substantial enters our soul. I call it '*Geistesmasse*,' " thought-mass. "All thinking, therefore, is building of new *Geistesmassen*, new thought-masses. These *Geistesmassen* appear as conceptions; because of their different inner conditions, they appear as different qualities. They connect, melt together, complicate each other, interact partially among each other, and partially they mix with older *Geistesmassen*."

"The kind and power of these conceptions were recognized by Herbart," Riemann says, "only in part. And I will complete this idea now: The soul is a compact of manifoldly-connected *Geistesmassen*. It grows, continuously, through new thought-masses. The *Geistesmassen* are imperishable, everlasting. Only the relative power of these connections changes, through the addition of new *Geistesmassen*. The *Geistesmassen* do not need a material carrier, and don't have a continuous effect in the world of appearances. They don't have a relation to any part of matter, and are, therefore, not located in space. But, any *new* emergence, and all connecting of *Geistesmassen*, need a material carrier." So, only the new ones need a carrier.

"All thinking, therefore, occurs in a specific space. Each new *Geistesmasse* resonates with all related *Geistesmassen*, and the stronger, the less the difference of their quality is."

Now, you all have met your typical, average, nice American guy or nice American girl, who is blocked; they're nice, but blocked. They refuse to discuss intellectual issues, because nothing resonates! And, because nothing resonates, they are afraid to discuss issues which they feel they don't know anything about. So, I think this is a very important idea: that the reason why people seem to be so moronized, and blocked, is because there's nothing there, no *Geistesmassen*

there. So, nothing can resonate.

But this is very important, because you have to have a plan in your life, where you add *Geistesmassen* in all fields. You have to build your mind. You have to build your brain cells, as if you would go to a gym. You work on this machine—you work on history, you work on natural science, you work on philosophy. So, people should take their mind, and the building of their *Geistesmassen*, as seriously, as they take the sports process.

Now, Riemann continues, and says: “The interaction of two simultaneously forming *Geistesmassen*”—now, this all sounds very abstract, but if you do this in practice, you will realize that once you study history, once you study philosophy, once you start music, these things tell you laws which you can apply in each field. It’s not that these things are completely different, but that once you understand certain lawfulnesses in one area of knowledge, you find out that it *does* connect in principled ways with others, and they *do* interact. Now, all forming, new *Geistesmassen* interact, directly with previously built *Geistesmassen*, and indirectly with all others—the weaker, the further they are away and the less they are connected. The most simple expression of the efficiency of the older *Geistesmassen* is their reproduction, which consists in the effect to produce a similar one.

### ‘Immortal’ Thoughts

Let’s apply these laws of mental development, which we concluded from our own inner perception, to explain the expediency we find on Earth, for the explanation of our existence and historical development. Riemann says, “For the explanation of the life of our soul, we must assume that the *Geistesmassen* created in our nerve processes continue to exist as part of our soul. That their inner connection remains, and that they only change insofar as we add new *Geistesmassen*. An immediate consequence of this is, that the souls of organic beings—that is, *Geistesmassen* which come into being *during* the lifetime—continue to exist after death.” Now, because of what we produce, in terms of ideas, of series of conceptions, of knowledge, this constitutes the immortality of the soul. Now, this is the same idea which Nikolaus von Kues [Cardinal Nicolaus of Cusa] had in the 15th Century, where he said, “The soul is the place where the sciences are created. So much so, that these would not exist without the former. And since the sciences, once they are created, are immortal, so is the soul which created them.”

So, the laws of the macrocosm and microcosm follow the same principle, which is why the immaterial idea can have an effect in the physical universe. This is the same idea as Leibniz’s *monads*. And, this idea of the growth of the *Geistesmassen*, of ideas which have been generated, which do not die with the person ending their mortal life—that these *Geistesmassen* continue to increase, even if the people die—that’s the same idea as Vernadsky’s, who says, that eventually the Noösphere is completely dominating the Biosphere; that the

cognitive principle in evolution will become stronger and stronger, and eventually be completely dominant. And that’s when the infantilism of mankind will stop.

Now, if what Schiller says is true: namely, that you can educate your emotions, on the same level as your mind, as your cognitive side—and I absolutely insist that it is true—then, one can educate the emotional faculties in the same way, as reason; what Herbart and Riemann say about *Geistesmassen* then also should apply to the emotional faculties.

If one remembers what Riemann said (I’m just replacing his “mental act” with “emotional act”): With each emotional act, something remaining and substantial enters our soul. I call it “emotional differentiations.” They appear as different qualities, they connect, melt together, complicate each other, partially among each other, partially with older emotions. The soul, therefore, is a compact manifold, of connected *Geistesmassen* and emotional differentiations. Each new emotional experience, or act, resonates with all related emotional experiences; and the stronger, the less the difference of their quality is.

Now, in psychology, one calls this, normally, “cathexis”: an emotional memory, that if people have had a certain emotional experience, and they come into a similar situation, they have a cathexis, which brings forward emotions, which they thought were long forgotten, but they react, apparently, in a similar way.

But, Schiller says, they don’t have to do that in a mechanistic way, on the same level. We are not in a situation where the mind accumulates more complex *Geistesmassen*, and the emotional faculties remain fixed: that man becomes more smart, scientifically educated, but he still remains the same brute, who goes home and beats his wife. That doesn’t have to be the case. They become more differentiated, more beautiful, and more powerful, too. In a harmonious person, they are of one quality with the increasing of knowledge and *Geistesmassen*, as such.

So, what do we have to do, is to work to give the stunted plant of people today, who are emotionally crippled—because the biggest problem is not with their thinking; the biggest problem is with their feeling: That they can not feel in a human way. What do we have to do, to give these stunted plants—these poor, crippled human beings—what every gardener would do: some water, some fertilizer, to make them grow.

### Ideas of the Mind in Dialogue

Well, if one looks how scholars from other cultures look at us: For example, Indians, in the Vedantic tradition, observe that the entire Western civilization is in trouble, because it is only based on *pravritti* (I hope I pronounced this correctly); *pravritti* is the idea of only outward action. And they complain that there is absolutely no *nivritti*, inward reflection; i.e., that you have a crippled personality, a stunted plant. Now, some Indian scholars say that there was such a tradition of *nivritti*



in Christianity, in European philosophy, in the form of the saints. These are people, who have completely gotten rid of their inner want, their association with the material world, but who live a devoted life to the higher principle of immortality. But now, naturally, the concept of the saints, in the West, is obsolete.

In the famous *Bhagavad-Gita*, one of the great teaching writings in Hindu tradition, the goal of human development is defined as the transformation from the *tamas*, which is the level of the evil-minded spirit, the materially oriented person; to *rajas*, who is the person who is “kingly,” but it’s also not a good quality, yet; to the idea of *satva*, where every person has the potential to become a *sattvik*, who is a person who manifests the divine within. And, that is, in Indian philosophy, defined as the goal of evolution.

Now, how can we produce more and more people, who are, in that sense, *sattvik* persons, in society? The Vedanta, the Indian teaching, says, every member of society is given that goal, and he or she should try to reach it, or at least one direct one’s own life in that direction. Now, in the Confucian philosophy, you have the same conception, which is the idea of *li*: which is the idea that every man and every woman has a place in society, in the universe, and that society only functions, if everybody fulfills their potential in the fullest way. To be a *sattvik* person, is to be a person without any hatred or violence, and to be always loving and kind.

In India, there is the view that the society which has the largest number of such people, who are *sattvik* and spiritually evolved, and who have manifested the divine in themselves within, is the most advanced society. And that, on the other side, that country where such men absolutely do not exist, is simply doomed, and nothing can save it.

And, they say, the West is dominated by *pravritti* which, as such, if you have it in the right measure, is something positive: Because outward action, as such, is not negative—because that is the force which allows you to achieve social welfare, good housing, plenty to eat and drink, good dress, education, lighted streets, good roads. But, if you have too much of it, it turns into what is called today, “consumerism”: And, as it escalates, it leads to violent thinking, violent action, excessive desires, lust, greed, self-centeredness, anger. And with it, goes that the understanding regarding right and wrong, gets dimmer and dimmer. The recognition when one should stop, restrain oneself from the pursuit of sensual pleasures, is lost. Ethical restraints get absolutely lost. And, more and more, evil deeds become more; and less and less, good deeds are being done.

Isn’t that the condition of our society, today?

If we study, in history, the collapse of civilizations, it always was accompanied by that phenomenon: More and more evil deeds, more excesses, more lust, more degeneration, and less and less good. As a matter of fact, Edward Gibbon, the historian, describes exactly that in *The Decline and Fall of the Roman Empire*.

So, we in the West—in the United States, in Japan, in Europe—we are, today, very much at the level of *tamas*, as the Indians would say: at the level of the evil spirit. Excessive consumerism. *Pravritti*. Without the soul, without the spiritual development, and without intellectual activity.

Now, the oligarchs, one could actually say, are a caste-bound superiority-minded people, full of *rajas* and *tamas*—arrogance and evil—who look down at all other levels of the other castes.

## The ‘Beautiful Soul’

From the *Upanishads*, which is after the *Rig-Veda* writings—the second wave of very deep philosophical conceptions, which are really a fountain of fantastic ideas—they define the *Brahman* as a person who has become a person full of love and compassion. And *brahmanatma* is associated with the idea, not particular to an individual, or a group, or a caste; but it means a high level of human evolution. As a matter of fact, the idea of the *brahmanatma* is very much the same idea as the “beautiful soul.” And such *brahmana* people, or “beautiful souls,” can appear in the United States, in China, in India, in Russia, Germany, Africa, or elsewhere—because it’s a universal concept. Every human being has the potential to evolve into a *brahmana*, a “beautiful soul.”

As a matter of fact, in history, such people were Mahatma Gandhi, Martin Luther King—I would think that Lyn and Amelia, today, in our midst, qualify for this condition. It’s a concept of human excellence. And, it is the soul of social evolution. It’s the idea to go beyond the world of sensuous perception.

*Brahmana* is the idea of the “beautiful soul,” and if we can cause such people to emerge in every society, in many countries around the world today, I’m absolutely certain, that we are at the beginning of a new epoch. And, I’m convinced that the idea of the Dialogue of Cultures, where each culture emphasizes that, which is the highest in their tradition, will lead to a cross-fertilization of cultures, which will be the biggest and most beautiful renaissance mankind has ever seen.

And, what is necessary to evoke that, is exactly what our young people have demonstrated last night, and what you will see tonight, again: namely, an incredible amount of enthusiasm, to make that real. Because, without enthusiasm, there is no creativity.

So, in that sense, stick to the ideals of your childhood: Remain enthusiastic, and we will win.

— FOR A —  
DIALOGUE OF CULTURES  
[www.schillerinstitute.org](http://www.schillerinstitute.org)

## LaRouche Gives ‘Wake-Up Call’ To Moscow Conference on China

by Karl-Michael Vitt

On September 23-25, 2003, the 14th Conference on “China, Chinese Civilization and the World: Past, Present and Future,” took place in Moscow. The main subject of this year’s conference was: “China in the 21st Century—Chances and Challenges of Globalization.” Among the organizers were

the Russian Academy of Sciences, the Academic Council for Comprehensive Studies of Contemporary China, the Institute of Far Eastern Studies, and the Russian Association of Sinologists. The conference was dedicated to 87-year-old Academician S.L. Tikhvinsky, one of the leading Sinologists

### ‘China and a Community of Principle’

*This was the title-concept of the primary speech by Lyndon LaRouche, candidate for the Democratic Party Presidential nomination in 2004, who was a featured speaker, at the Moscow conference. The full written version of his speech was published in EIR for Oct. 3. LaRouche’s proposing of an “community of principle” of the “advantage of the other” in economic progress—his alternative for the inadequate “multipolar world” idea of war-avoidance—is expressed here in his opening.*

We may regard the often-expressed proposal to establish “a multipolar world,” as, in and for itself, an understandable rejection of the imperialist intent expressed by certain circles currently occupying key positions in the government of the U.S.A. Since the 1989-1992 collapse of the Soviet Union, those circles have foreseen what they have expressed as belief in the opportunity to create a global

“American,” or “Anglo-American” empire. They have declared their intention to create such an empire, otherwise identified as “world government,” by means of revival of Bertrand Russell’s 1940s doctrine of Anglo-American “preventive nuclear warfare.” Russell’s original threat ended, for a time, with the successful Soviet testing of a thermonuclear weapon-prototype; that threat has been revived by U.S. Vice-President Cheney and others, as official U.S. policy, in the aftermath of the shocking events of Sept. 11, 2001.

During post-1988 Administration of President George H.W. Bush, U.S. Secretary of Defense Dick Cheney had already attempted to revive Russell’s old threat; but his proposal was rejected at that time by Bush, Sr. Nearly a decade later, in the aftermath of Sept. 11, 2001, the preventive nuclear warfare policy has been successfully pushed by the same Dick Cheney, now as Vice-President, up to the present time. As some leading circles in various governments already know, a continuation of that new imperial policy beyond the present occupation of Iraq, threatens to drive the world toward a point of desperation which could become the brink of a more or less global, but asym-

of Russia during the past decades. Tikhvinsky was among the speakers who opened the conference, which was attended by approximately 250 people.

A delegation of 30 high-level representatives had come from China, representing several scientific institutions which assist the Chinese government and Communist Party. In addition to foreign diplomats and Sinologists who had travelled to Moscow, there were also numerous experts on the Far East from other cities all over Russia. But the largest section of the attendees came from scientific institutes in Moscow associated with the Academy of Sciences, or working under the direction of the government.

The opening of the congress was reported by journalists from China and Russia.

### Schiller Institute Delegation

Among the foreign guests was a delegation of the Schiller Institute, around American Presidential candidate Lyndon H. LaRouche, Jr. The Congress began on the eve of Russian President Putin's visit to the United States, and of the visit of the Russian Prime Minister to China. How should Chinese-Russian relations develop in the present world situation? Should the unilateralism of the present U.S. government be answered only with the concept of a multipolar world? Should the U.S.A., which is hit by an economic and financial crisis, be left to itself, until it implodes and collapses, as the Roman Empire did in the past? Should one only care about one's own

problems and try to move ahead slowly, in good neighborly relations? These questions, LaRouche addressed for the conference.

To prove to be a friend of the United States, but not to support the imperial course, seems the right course to many Russians and Chinese; they argue from the strong economic growth in China, or the sound financial position of the Russian government because of the income from oil and gas deals. Therefore, many looked forward to LaRouche's speech, to hear the voice of the opposition in the U.S.A.; several representatives attended only for that purpose. Because of his numerous visits to Russia since 1994, he is highly respected. The two last visits were in 2001: in June of that year, LaRouche addressed a hearing on the global financial crisis, held by the Economic Committee of the Russian State Duma; and in December, he spoke at a conference commemorating scientist Pobisk Kuznetsov.

The conference was opened by the director of the Institute of Far Eastern Studies, Academician M.L. Titarenko, who concentrated on the stabilizing role which China plays in the Southeast Asian region, and therefore in the world, today, and has played in the past. Particularly following the financial crisis which hit these countries hard in 1997, China helped the region regain stability, through credits. But this was not understood in the United States; otherwise, one could not explain why America, after 12 years of a stable exchange rate with China, now wants to change it to China's disadvantage.

metric form of nuclear-armed warfare.

Unless Cheney and his neo-conservative confederates were removed from power, the risk of that form of warfare would not only persist, but increase spectacularly. The poorer the other military capabilities of the U.S.A. prove to be, the greater the temptation of Cheney's co-thinkers to launch nuclear warfare. Fortunately, the timely ouster of Cheney is now possible, if, unfortunately, not yet assured.

On this issue, up to a certain point, I agree—up to a point—with the concerns expressed by today's proponents of a "multipolar world," but not with that proposal itself. I agree that we must prevent the implementation of the new imperialist doctrines associated with Cheney, et al. Yet, I also see a new source of dangers in the notion of "a multipolar world" as that term is broadly, and loosely understood today. I think it important to explain why I, speaking from the standpoint of one among several currently leading U.S. Presidential candidates for the November 2004 election, have proposed the notion of a community of principle among sovereign states, as a specific alternative to the inherently self-contradictory concept of a multipolar world. What is needed in the present circumstance, is more

or less global support for a clear, positive, unifying, ecumenical principle, such as the principle of "the advantage of the other," which was the pivotal feature of that Treaty of Westphalia which brought the imperial, religious, and related reactionary warfare of the 1511-1648 interval to an end.

My choice of anti-imperialist alternative, is, as I shall explain, the establishment of a global community of principle among perfectly sovereign nation-states. I have presented one aspect of this proposal in a paper entitled, *The Sovereign States of the Americas*, which is being widely circulated currently by my U.S. Presidential campaign. It is not sufficient to defend the principle of national sovereignty; there must be a unifying and integral principle of positive cooperation, a principle which requires each of us to defend the sovereignty of the other nations, as what we see clearly as an indispensable source of historical benefit to our own. The present leaning toward a system of treaty-agreements which would provide much-needed economic benefits, and also efficient security arrangements, throughout the Eurasian continent, points toward the timeliness of the adoption of such a community of principle.



*Lyndon LaRouche (center) prepares to address Moscow 14th Scientific Conference on “China, Chinese Civilization, and the World: Past, Present, and Future.” LaRouche gave a major speech on supplanting the inadequate idea of a “multipolar world” with a policy of a “community of principle among sovereign nation-states” based on long-range economic and scientific development.*

Titarenko also stressed China’s peacemaking role in overcoming the North Korean crisis. Here, too, the United States should acknowledge that China’s wise approach will contribute to solving the conflict, he said.

Following remarks by the honored Academician Tikhvinsky, a high-level diplomat from the Chinese Embassy in Russia, Zhou Li, spoke, representing the ambassador, who was engaged with the Russian prime minister’s visit to Beijing. The diplomat praised the extraordinary role which the Institute of Far Eastern Studies has, for Russian-Chinese relations. In particular, cooperation of scientists from the two countries, Zhou said, was of enormous significance. He described the globalization process in the world, and contrasted to it the economic successes of his country. He particularly stressed the development of Russian-Chinese cooperation in the energy sector, as crucial for China’s growing economy, and urged that the two countries continue to build energy infrastructure, like pipelines for gas and oil. However, he added, cooperation should not be limited to the energy sector. Cooperation in high technologies and science are also extremely important. Here, Zhou stressed an important point for Russia; it is currently running the risk of becoming a raw-

materials exporter. High technology sectors and machine-building were and must remain areas of Russia’s strength.

### **Importance of Nations’ Community of Principle**

LaRouche’s presentation (see box, and advance publication in full in *EIR*, Oct. 3, and at [www.larouchepub.com](http://www.larouchepub.com)) highlighted the importance of these high-technology economic sectors of Russia, for the development of its cooperation with China and other countries of Southeast Asia.

One well-known Russian professor commented on LaRouche’s speech, saying that what was of particular importance was LaRouche’s description of the “hawk” or war party around Vice President Dick Cheney, their intentions, and the danger which they represent for the whole world. One can not leave such a United States to run its own course in the current situation, this expert said; LaRouche’s concept of a community of principle among sovereign nation-states, especially the “strategic triangle” of Russia, China and India, is of great importance.

Through vast infrastructure development in Eurasia, the world economy can regain stability, when it is threatened especially in light of the U.S. budget and foreign trade deficits. The U.S. trade deficit with China alone is annually \$80 billion. This means, that when the U.S. economy is shaken, China’s economic success will

be suddenly overthrown. Thus LaRouche’s speech, the professor continued, came just at the right moment.

Another experienced scientist noted after the conference, that the participants were all very much impressed by the way LaRouche had presented the policy of the current U.S. Administration, as well as the connection he made between the ongoing systemic financial crisis, and the danger of a nuclear conflict which could evolve as a result of the Cheney faction’s weakness. LaRouche’s comparison of the present situation with the strategic picture in 1940, when Churchill allied with Roosevelt against the Synarchist alliance of Hitler, Franco, and Vichy France, was considered very appropriate. In addition, LaRouche’s future-oriented development perspective for the Far East, which could be realized through cooperation among Russia, Japan, Korea, and other Southeast Asian countries, were warmly welcomed by the conference participants, who saw in it, hope for securing peace. One Russian “insider” called the speech a wake-up call for Russians still slumbering about the grave global strategic and economic threats. Conference director Titarenko, too, underlined that LaRouche’s intervention had left a deep impression on all those present.

# Mahathir, at UN, Calls For New Bretton Woods

by Mike Billington

Speaking at the UN General Assembly on Sept. 25, Malaysian Prime Minister Dr. Mahathir bin Mohamad went beyond complaints about the exploitation of the poor nations by the rich, and pointed to the crisis in the world financial system as a whole.

“The free market must be recognized for what it is—a market where the bottom line is paramount,” Dr. Mahathir said. “It is not a political force for the disciplining of governments. *Exchange rates should be fixed by an International Commission based on relevant issues. Apart from a small commission, no profits may be made by speculating or manipulating exchange rates*” [emphasis added]. The elder world statesman from Malaysia had begun to point to a new Bretton Woods monetary reform.

## End Subservience of the UN

The opening session of the 58th General Assembly began with the dramatic declaration by Secretary General Kofi Annan that the United States had, in effect, become an outlaw nation, creating the greatest crisis of civilization since World War II by dispensing with international law and asserting the right of pre-emptive war against sovereign nations, even those only *perceived* to be potential threats. National leaders from every part of the world used their UN presentations to speak in explicit support of the Secretary General’s charge, calling for concerted action to prevent a descent into global war and chaos.

However, the underlying crisis—the bankruptcy of the global financial system—was virtually ignored at the UN. Most world leaders—even while showing an unusual degree of backbone in publicly rejecting the demands of the “only superpower” that they support the imperial occupation of Iraq—would not venture to speak on the reality of the collapsing world financial bubble, let alone the urgent need for a new world economic system. While Lyndon LaRouche has long insisted on the necessity of reviving the Bretton Woods policies initiated by Franklin Roosevelt for the post World War II period, Dr. Mahathir is the first head of state to call for a return to the fixed exchange rates of the 1944-71 Bretton Woods agreement. It sustained the productive world economy until President Nixon pulled the plug on Aug. 15, 1971, launching the speculative floating-exchange-rate system.

Dr. Mahathir, who was also speaking as the current chairman of the Non-Aligned Movement and of the OIC (Organi-



*Malaysian Prime Minister Mahathir addressing the UN on Sept. 25: though many strongly backed Secretary General Annan’s challenge to the U.S. pre-emptive war doctrine, only Mahathir also proposed to change the disintegrating monetary system which is leading to war and chaos.*

zation of the Islamic Conference), condemned the ongoing collapse of the world financial system into a speculative morass, with an undisguised reference to super-speculator George Soros. “The world has lost its way,” he told the assembled delegations. “The hopes of the post-World War II period and the United Nations were dashed by the Cold War. Now the Cold War is over, but the resultant unipolar world, and the ascendancy of capitalism, have brought about new threats. No country is safe from marauding currency traders who in a few short days can demolish the patiently nurtured economies of the developing world. Far from curbing these highway brigands, they are lauded for their philanthropy. Robin Hood at least stole from the rich to give to the poor. These highway-men steal from the poor and give a paltry sum to assuage their sense of guilt. They are no philanthropists.”

Dr. Mahathir warned that the American pre-emptive war doctrine, if not confronted, will mean the end of the United Nations: “History has a nasty habit of repeating itself. Today we are seeing the resurgence of European Imperialism. At first we thought that colonization would be virtual. Merely by economic strangulation and financial emasculation, the newly independent countries could be brought to their knees, begging to be recolonized in other forms. But today we are actually faced by the old physical occupation by foreign forces. Puppet regimes are installed, dancing as puppets do. And this august institution—the United Nations in which we had pinned so much hope—despite the safeguards supposed to be provided by the Permanent Five, this Organization is today collapsing on its clay feet, helpless to protect the weak and the poor. This United Nations can just be ignored, pushed

aside, gesticulating feebly as it struggles to be relevant. Its organs have been cut out, dissected and reshaped so they may perform the way the puppet masters want.

The World Bank, the International Monetary Fund, the World Trade Organization, have now been turned into instruments of hegemony, to impoverish the poor, to enrich the rich. It is not surprising that today the disparities between rich and poor are far greater. With an impotent United Nations and its agencies turned into national organs of the powerful, the small nations are now naked and hapless. Even if we are totally innocent, there is nothing to prevent trumped-up charges to be made against us. The unipolar world dominated by a democratic nation is leading the world to economic chaos, political anarchy, uncertainty, and fear. We are not going to recover and have peace, for as long as threats are used for political and economic reforms that most of the world is not ready for and not willing to accept.”

### Critical Meetings in October

During the second week of October, ASEAN (the Association of Southeast Asian Nations), together with China, Japan and South Korea (ASEAN+3); and with India (ASEAN+1); will hold its annual heads of state summit in Bali, Indonesia. The following week, APEC (the Asia-Pacific Economic Conference), which includes the leading nations of Asia as well as most of the advanced-sector nations, will meet in Bangkok, in the largest gathering of heads of state of 2003.

In the past, ASEAN+3 has taken positive steps towards integrating the Asian economies, providing mutual defense against the threat of further speculative attacks, and tentative measures towards regional infrastructure development. But, as LaRouche has warned, such measures are totally inadequate in meeting the onrushing financial break-down crisis in the dollar-denominated world economy, or the threat of global war—perhaps nuclear war—promoted by the neo-con fanatics in Washington. What is required is a mutual declaration of support for the New Bretton Woods program—as promoted by LaRouche, and as indicated in Dr. Mahathir’s UN speech—and mutual cooperation in proceeding with the transnational infrastructure projects now on the table, such as the Eurasian Land-Bridge and the Mekong Development Project.

Although there are few signs that the nations of Asia are prepared to take these necessary steps, they are the minimum measures required to utilize Asia’s great potential to divert the world economy from implosion, and to begin the required global reconstruction.

### Intervention in the Philippines

Dr. Mahathir held few bilateral meetings in New York during his visit to the UN, but he did meet with Philippine President Gloria Macapagal-Arroyo, whose nation is undergoing a severe political and economic crisis.

While encouraging President Arroyo to play a stronger



*Philippines President Arroyo praised Malaysia at the UN session for helping peace talks between her government and the MILF begin.*

role in the integration of the East and Southeast Asian nations—a cause which Mahathir has championed for many years—he and the Philippine leader also discussed the burning crisis in Mindanao, the southern province of the Philippines which has suffered from constant conflict between the government and separatist movements among the Moslem population, known as the Moros. The neo-conservative faction within the Bush Administration has attempted to use the conflict as justification for a U.S. military presence in the region, despite Philippine Constitutional restrictions against any foreign military operations on Philippine soil.

However, President Arroyo has recently fired her Defense Secretary, Gen. Angelo Reyes, who was known to favor the American troop presence, and was even accused by junior military officers of covert sponsorship for terrorist operations in Mindanao, in order to facilitate U.S. military support. President Arroyo’s dismissal of Reyes, and his replacement by General Eduardo Ermita, who has long promoted a peaceful settlement in Mindanao, are positive steps in countering the subversion from Washington.

But settling the long-festering conflict with the MILF (the Moro Islamic Liberation Front—the largest of the armed separatist Moro organizations in Mindanao), and bringing real economic development to the region, are the only assurance against further instability and subversion. To this end, President Arroyo directly praised Malaysia, in her presentation to the UN General Assembly, as the prime mover in facilitating peace talks between her government and the MILF.

Dr. Mahathir and President Arroyo agreed to begin peace talks in October in Kuala Lumpur, and to arrange for the formation of a ceasefire monitoring team, to be composed of representatives from other Muslim states. Toward this end, Dr. Mahathir, as chairman of the OIC, has invited President Arroyo to attend the meeting of the OIC in Kuala Lumpur in October, where the Mindanao issue will be discussed.

# Is Europe Sincere?

by Lyndon H. LaRouche, Jr.

*This commentary by the U.S. Presidential candidate was written for the October issue of the Turkish magazine of political economy, Yarin.*

Sept. 21, 2003

On the surface of things, Europe appears to be dropping its earlier reluctance to accept Turkey's entry into the European Common Market on conditions acceptable to Turkey. For good reasons, Turkey must wonder: is this real, this time? Presently, I have no inside knowledge of the specific present calculations of European leaders on this. Yet, if we take into account European governments' intervention into UNO proceedings on the continued military occupation of Iraq, we may begin our reflections on this subject by noting, that Turkey has becoming an increasingly important partner for those in Europe seeking a way out of the ominous failures of the United States' blundering occupation.

For me, the crucial immediate importance of Turkey is logistics. Although I believe that Turkey has strong reasons to avoid being drawn into military operations south of its Iraq border, any European deployment in aid of reconstruction of a sovereign, unified Iraq would require logistical support from positions in Turkey for European forces deployed into relevant portions of Iraq. However, I think that the more important consideration is the value of Turkey as a partner for continental Europe's increasing inclination for those kinds of reforms, of the present rules of the European Community, which are required by the presently accelerating world economic depression.

## A New Political-Economic Geography

Western continental Europe, led by France, Germany, and Italy, is moving toward recovery programs which depend for success upon a system of long-term economic partnerships in Eurasia. This means such wishes as the desire for an economic and mutual security partnership with the nations, such as Turkey and Iran, which flank the area of southwest Asia around the area of the presently escalating Israeli-Arab conflict.

As Turkey's political class has come to understand through recent painful experience, the world has changed radically since the Autumn 2002 launching of the then yet-undeclared new U.S. war against Iraq. Arrangements between the U.S.A. and Turkey which could have been taken more or less for granted prior to that time, were ended dramatically by current U.S. Bush Administration's neo-conservative repre-



*LaRouche interviewed on CNN Turkey on June 13, during his recent visit to the country for speeches to business and political groups. Here, for Yarin magazine, he tackles the broader issues underlying the question of Turkey's potential membership in the European Union.*

sentatives Perle and Wolfowitz. From that point on, Western continental Europe generally received similarly rude treatment from U.S. Vice-President Dick Cheney's Washington.

These developments moved the more silent among the thinking class of strategists in key nations of continental Europe from an initially fearful reaction, to a grim state of mind beyond that. More and more Eurasian leaders reconciled themselves to the state of mind corresponding to, "If the seemingly inevitable new world war comes somewhere down the line, we may hope still to avoid it; but, nonetheless, we must begin to prepare for the worst." Behind the scenes, from Moscow and Beijing and elsewhere throughout Eurasia, there is the sound of furniture being moved in places behind the scenes, in preparation for a major, asymmetric form of nuclear-armed warfare some time during the medium term ahead, if not earlier.

Under these kinds of changed strategic perspectives, a new political-economic geometry begins to change the way in which many key areas of policy-making, and foreign relations, are defined. Relevant statesmen react as their predecessors did, in the foreground of the approach to two world wars of the Twentieth Century. The thinking of the unthinkable is being rehearsed; sides are being chosen, prospective partnerships are being reassessed.

Whatever the exact intention of Europe toward its relations with Turkey at this moment, the thinking of Europe, and much of Eurasia, too, is changing, fundamentally. New answers to old questions mirror the change in strategic and related assumptions ongoing in long-term policy-planner circles behind the scenes.

I know how I am thinking. I find that relevant key circles from many parts of the world are now thinking in similar terms about the near to middle term of world history. All other doubts aside, we may be certain that this change in policy-thinking is already under way around more and more of the world as a whole.

# Targetting of Cardinal Sandoval Triggers Religious Warfare Potential

by Gretchen Small

The Synarchist strategy to set off a new religious war in Mexico exploded upon the country's political scene at September's close. Once again, Mexico is being polarized on religious grounds, as it was in the 19th Century, and again in the late 1920s Cristero War, each time with devastating consequences. Should this Synarchist strategy not be halted quickly, Mexico, already wrecked by two decades of financier looting, could quickly become ungovernable, and thus vulnerable to foreign intervention. This could include an oil grab, exactly as U.S. Presidential candidate Lyndon H. LaRouche has long warned international financial interests intend.

The trigger for the crisis was the splashy leaking to the Mexican media that a criminal investigation was underway against the Catholic Cardinal of Guadalajara, Juan Sandoval Iñiguez, on allegations of drug-money laundering. *Reforma* daily revealed on Sept. 11 that Mexican Attorney General Rafael Macedo had opened a judicial investigation into Cardinal Sandoval, his deceased mother, his ten siblings, and others associated with him. Instructions were sent to financial authorities and other security agencies, to investigate every bank account and financial transaction since 1996, which those under investigation might have had or made.

The Sandoval case was opened at the behest of Jorge Carpizo McGregor, Attorney General under President Carlos Salinas de Gortari (1988-94). More than one of the officials appointed to police and judicial posts by Carpizo when he was in office, have since been jailed for proven links to the drug cartels; but now it is not Carpizo, but the Cardinal who is under investigation.

The case is based, reportedly, upon an *anonymous* document which Carpizo obtained and submitted to the current Attorney General's office in May 2003, which he claimed was prepared by an unnamed Mexican government intelligence agency. The apocryphal document is said to charge, not only that Sandoval and his predecessor, the murdered Cardinal Juan Jesús Posadas Ocampo, were laundering drug money, but that they did so as part of a Vatican strategy to get drug dollars—"a third way of financing." Carpizo's document reportedly asserts that "Cardinal Sandoval Iñiguez is the Papacy's man for the full development of the project of financing the Church through funds of suspicious origin."

Besides the intended character assassination of Cardinal

Sandoval, the Carpizo/Salinas charges were shaped to taunt and provoke both the Cardinal, and far more extreme political forces within the Roman Catholic community of the Guadalajara region, into responding by escalating the confrontation along religious lines. The gambit has begun to work.

A march of tens of thousands of Catholics, organized in defense of the Cardinal on Sept. 28 in Guadalajara, was marked by the revival of the old war-cries of the Cristero War of 1926-29, which itself had begun in the region around Guadalajara. That war, which led to an estimated 24-30,000 deaths, was triggered by Synarchist forces who manipulated both sides of Mexico's religious fault-lines, the which go back to the 19th Century and earlier. (See "The Cristero War on Mexico: Synarchism Then and Now," *EIR*, July 25, 2003.)

Democratic Presidential pre-candidate Lyndon H. LaRouche stepped forward on Sept. 28, to warn all parties involved, that "in the name of anti-clericalism . . . very obvious international forces are moving again to try to provoke religious war in Mexico as a way of destroying that nation, as in the 1860s, and on several occasions following that." LaRouche emphasized that he, "as a Presidential candidate of the United States, and a defender of the Lincoln tradition in our relations with Mexico," would not remain silent. (See box.)

At several critical points in the recent past, leading Catholic Church figures, including Cardinal Sandoval himself, had intervened to stop similar operations which could have led to a revival of religious war. One such close call came when then-Presidential candidate Vicente Fox, today President of Mexico, raised the banner of the Virgin of Guadalupe at a campaign event in September 1999, while using Cristero War slogans in his campaign appearances. At that time, the Cardinal of Mexico City, Norberto Rivera Carrera, had immediately issued a public statement, warning that the Virgin of Guadalupe belongs to all Mexicans, and "cannot be used for partisan purposes by anyone." Slapped by the church hierarchy, candidate Fox had backed off from his provocations.

After Fox was elected President in July 2000, right-wing Catholic political forces launched a campaign demanding that the incoming administration take up as its central task, overturning Mexico's prohibition of religious education in the public schools. Here, again, the intervention of Catholic lead-



ers—specifically, Cardinals Rivera and Sandoval—deactivated this political bomb before it could explode.

Sandoval announced on July 14, 2000, that the Fox government had more important problems to solve, before proposing any modification of Article Three of the Constitution, which oversees lay and universal education. The government needn't preach the Gospel, he said, for the government already has a mission: to provide for the needs of temporal society. Fox has many problems to deal with "before thinking about minor things," the Cardinal stated, such as "the extremely grave problem of the poverty of so many Mexicans, insecurity, a destroyed and abandoned countryside—these are things to which he must dedicate himself."

Now, however—with dramatic threats from international financial interests to the Fox administration, that unless it immediately crushes the still-fierce opposition to opening up both Mexico's oil and electricity to looting by foreign capital, Mexico will be obliterated economically—comes the Carpizo operation, targetting Cardinal Sandoval and the Vatican itself.

The operation has multiple objectives. As a typically nasty *Washington Post* article on the Sandoval charges took care to emphasize on Oct. 1, Sandoval sits on a committee that oversees Vatican finances. His name has also been mentioned, in recent years, as a potential candidate for Pope.

Within Mexican politics, Sandoval has been outspoken against the poverty caused by International Monetary Fund looting. He has publicly opposed, in particular, the privatiza-

tion of Mexico's electricity industry, warning that it would be "ominous if it passed into the hands of foreigners." In 1996, he raised questions about where the Zapatista National Liberation Army (EZLN) got its money, stating that he suspected "there are international interests involved," who seek control of the oil and natural resources located in the strategic crossing of the Isthmus of Tehuantepec where the insurgency is based.

In 1999, on the eve of Pope John Paul II's visit to Mexico, Sandoval joined the select group of world leaders who have had the courage to take on drug legalizer George Soros by name. The Cardinal denounced Soros as a "criminal . . . wanted by Italian courts and publicly denounced by the Prime Minister of Malaysia as responsible for the financial collapse of Southeast Asia, a promoter of drugs," whose speculative operations have left "millions of unemployed, impoverished, and starving human beings on the planet."

Sandoval has also led a dogged campaign to uncover the truth behind the May 23, 1993 assassination of his predecessor, Cardinal Posadas. It is here where Sandoval has crossed swords with former President Salinas' Attorney General, Carpizo. Carpizo was Attorney General when Cardinal Posadas was murdered. Within minutes of the assassination, before any investigation had taken place, he declared that Posadas had been killed "by accident" in crossfire between two rival drug-trafficking bands. When forensic evidence proved that the 57 bullets fired on him and his car came from one

## LaRouche Sept. 29 Statement

I express my concern about the attempt by some people to invoke the name of anti-clericalism, to stir up what would be recognized as a Cristero War atmosphere in Mexico. I, as a Presidential candidate of the United States, and a defender of the Lincoln tradition in our relations with Mexico, cannot ignore the fact that very obvious international forces are moving again to try to provoke religious war in Mexico as a way of destroying that nation, as in the 1860s, and on several occasions following that.

Furthermore, since Mexico is a bordering State with many close family relations across that border, we cannot fail to express concern against such relics of past antics of that same Synarchist International which has become increasingly active in targetting the Americas for destabilizations, as from international fascist leader Blas Piñar's bases in Spain, France, Italy, and elsewhere, since late 2002.

It is not to be overlooked that the Synarchist International, which is still active today, was the network which brought fascists such as Mussolini, Hitler, Franco, and

others to power during the 1921-1945 interval. This Synarchist International is a continuation of the same Martinist freemasonic cult behind both the Jacobin Terror and Napoleon Bonaparte's rule in France. That is the same cult represented by Napoleon III's installation of his puppet Maximilian as the virtual Adolf Hitler of early 1860s Mexico. We also know, that, during the late 1930s and early 1940s, the Nazi Party used a Spain-based Synarchist network inside Mexico for Nazi penetration of many parts of Central and South America. The Synarchist International's agents then included Paul Rivet, and Jean de Menil, and the Jacques Soustelle later used for such Spain-based operations as the attempted, fascist assassination of France's President Charles de Gaulle. This same network has been recently reactivated for operations including the targetting of Central and South America, around international figures such as Spain's Blas Piñar.

These activations of the Synarchist International were and remain a major, recently reactivated threat to the security of both Mexico and the U.S.A., among other nations. The targetting of the Cardinal is seen by experts in such matters as an attempt to reactivate a religious-warfare-like destabilization of Mexico.

direction only, and at close range, Carpizo modified the story, to say that the Cardinal (wearing his religious habit at the time) was mistaken by one drug gang for the top trafficker of their rival! That is still the official line on Posadas' murder. Since 1993, Sandoval has refused to let the case be closed, charging that the assassination was "a state crime," and those responsible must be brought to justice.

### Falling Into the Trap

The leaking of the Sandoval investigation fell like a bombshell upon the Mexican political scene. Anti-clerical columnists are cheering the investigation of the Cardinal, attacking any opposition to the various illegalities involved in the operation (e.g., that it was opened on the basis of an anonymous document; that documents leaked from the investigation smeared the Cardinal as a narco before any proof had been presented; etc.) as an attempt by the Church to regain feudal privileges known as *fueros*, in which the Church effectively was above the law. The Guadalajara Archdiocese, for its part, has walked into the trap by responding, thus far, that this *is* a religious matter. The diocese's weekly, *Semanario*, speaks of renewed "persecution of the Church," and asked in its Sept. 21 issue, "What are we Catholics capable of doing in times of persecution?" The lay organizations of the Archdiocese called for the Sept. 28 rally in support of the Cardinal, under the cry, "Catholics, Awake!"

Estimates of how many thousands marched on the 28th vary wildly by the source: March organizers claim 60-80,000, while state agencies put the figure at around 20,000. People came from across the state of Jalisco (of which Guadalajara is the capital), and from the four neighboring states of León, Celaya, Michoacán, and Guanajuato. Many marchers chanted variations upon the innocuous "Cardinal, Friend, the People Are With You"; but a good number of others revived the war-cries used by the Cristero movement: "Viva Cristo Rey" ("Long Live Christ the King"); "God, Fatherland, and Freedom"; "Long Live the Cristero Martyrs"; and "Long Live the Virgin of Guadalupe." There are reports that Cardinal Sandoval himself greeted the marchers with "Viva Cristo Rey." Other slogans chanted by the marchers compared Carpizo to Plutarco Elías Calles, the President of Mexico during the Cristero War, hated for permitting the burning of churches and killings of priests.

One of the four contingents of marchers who converged on the Cathedral carried a gigantic banner, which read: "For God Even Unto Martyrdom. For the Fatherland Even Unto Heroism. And For Our Cardinal Even Unto Sacrifice." Another was led by one of the most reactionary of the PAN federal Congressmen, who carried a sign reading, "Before I Am a Politician, I Am a Catholic."

The Jesuit-dominated *Proceso* magazine asserted that the three PAN Federal Congressmen who participated in the march are all members of the so-called "El Yunque," a secretive ultra-rightwing reactionary lodge with powerful positions in and around the Fox Presidency.

## Iran's Nuclear Energy: A Cheney Casus Belli?

by Muriel Mirak-Weissbach

"First Iraq; then come Syria and Iran." So runs the agenda of numerous neo-conservative think-tanks in the United States, planning the radical redrawing of the map in the entire region of the Middle East and the Persian Gulf. Whether it be Michael Ledeen of the American Enterprise Institute, or a wild-eyed ideologue at the Hudson Institute, among the many "rogue nations" in the world that make up so many "axes of evil," the Islamic Republic of Iran is high on the list.

Now that Iraq has been attacked, invaded and occupied, the neo-con juntas in Washington, London, and Tel Aviv have been gearing up for a strike on Iran. Mirroring the debate that preceded the Iraq war, the Iran debate is illustrated by several military scenarios, ranging from a military operation, to an internal subversion, each aimed to effect regime change. Another option foresees a single Israeli air assault on Iran's soon-to-be-operational nuclear power plant at Bushehr.

Also echoing the earlier drumbeat for war against Baghdad, the ongoing propaganda barrage is focussing on the issue of Iran's presumed programs for the development of weapons of mass destruction (WMD), particularly nuclear arms. Here, too, Washington's strategists have welcomed "intelligence" about Iran's supposed WMD from utterly discredited sources in the Iranian opposition. Just as Ahmed Chalabi and his Iraqi National Council fed cooked intelligence to the State Department and Pentagon—about Saddam Hussein's deadly weapons, missile delivery systems, and mobile laboratories—so the Mujaheddin al Khalq (MKO/MEK), a terrorist outfit which has been operating against Iran for years from Iraqi soil, has been feeding Washington's institutions and press, with "detailed reports" on Iran's nuclear weapons production facilities.

The material presented, though not more convincing than Colin Powell's Feb. 5 Iraq slide show at the United Nations, has helped fuel the campaign depicting Iran as the next Islamic nuclear threat to Israel and the world.

### Iran's Nuclear Program

Unlike Iraq, Iran does have an advanced nuclear energy program, which it is pursuing in cooperation with Russia. This is the real issue. The first plant, at Bushehr, is scheduled to become operational next year.

Iran's nuclear program was started under Shah Pahlavi, who announced in 1974 that he intended to pursue an ambitious nuclear plan, installing 23,000 Megawatts (MWe) by the

year 1994. Financial limitations as well as internal opposition prevented the original plan from being realized, and, by 1978, it had been whittled down, such that only the four reactors then under construction were to be completed on schedule. There had been plans to buy 4 from Germany and 6-8 units from the United States, but they were abandoned. Shahpur Baktiar, prime minister briefly in January 1979, cancelled plans for two reactors that the French had begun work on. Iran, as a result, had only two German reactors at that time, of 1,190 MWe each. One was half built and the other, 80% completed. They were located at Halikeh, near Bushehr, on the Persian Gulf, and were slated to become operational in 1980. However, massive strikes stalled the work in 1978, and numerous foreign technicians, fearing political upheavals, left the country. The Iran-Iraq war, which lasted from 1980 to 1988, effectively eliminated the last traces of Iran's nuclear energy dreams.

Only in 1995, was Iran able to revive its nuclear program. On Jan. 8 of that year, the country signed a \$1 billion contract with Russia, to complete the 1,000 MWe plant at Bushehr within four years. Progress was hindered by the refusal by the Germans, who had initiated the construction, to deliver parts and equipment. Germany later revealed that it had been under massive pressure of "other Western states" not to fulfill the terms of its original contract with Iran.

The Russian contract was different from the one signed with Germany, regarding technology transfer and training. According to Iranian press reports at the time, "the Russians have undertaken to train Iranians to make up the personnel required and [by March 1995] 500 or so Iranian engineers and technicians [were] in Russia, receiving instructions and being trained in various Russian nuclear power plants. At the same time, they [were] supervising the manufacture of the parts that [would] ultimately make up the plant at Bushehr."

No sooner had the ink dried on the contract, than an international campaign against both Russia and Iran was launched, aimed at sabotaging the program. The Bush Administration has deployed "arms control" negotiator and prominent neo-conservative John Bolton to Moscow more and more frequently over the past two years, to attempt to persuade the Russian government to cut its nuclear cooperation with Tehran. This was also the subject of U.S.-Russia foreign ministerial talks, and during Bush's most recent summit with President Vladimir Putin.

the Russian side has not only not caved in to U.S. pressures, but has reiterated its commitment to continue and broaden technological assistance to Iran. In July 2002, Russian First Deputy Foreign Minister Trubnikov announced, in Tehran, that Russia was ready to discuss plans for building more nuclear plants in Iran. On July 26, 2002, Russia published the annexes to its nuclear agreement, which showed plans for five more nuclear plants after completion of Bushehr. The program was part of a ten-year cooperation agreement between the two countries, approved by Russian

Prime Minister Kasyanov. The new plants were to be built near Bushehr (three) and at Ahzavaz. Concrete talks on the broader program began in March 2003.

In February 2003, the head of Iran's Nuclear Energy Organization, Gholam-Reza Aqazadeh, announced that Iran would develop the full nuclear fuel cycle. It would mine, process, and enrich uranium for use in reactors. He stated that a plant in Isfahan, for preparing uranium, was almost completely constructed.

## **Iran and the Bomb**

This announcement set off fireworks in Washington, where CIA Director George Tenet gave testimony to Congress on the proliferation of weapons of mass destruction among "rogue states": "The domino theory of the 21st Century may well be nuclear." Since then, the campaign has continued to gain momentum, and explicit accusations have been launched against Tehran, that it is building a nuclear bomb. The *Los Angeles Times* on Aug. 4 ran an alarmist story, "Iran Closes In on Ability to Build a Nuclear Bomb," replete with maps and diagrams purportedly documenting the charges.

In such a climate of hysteria, pressure by the US was exerted on the International Atomic Energy Agency (IAEA), during its Sept. 12 meeting in Vienna, to issue an ultimatum to Iran. A declaration was indeed voted up, demanding that the Iranian government "prove" it has no intentions of building a bomb, "provide accelerated cooperation" with the agency, "suspend all further uranium enrichment activities, including the further introduction of nuclear material," and sign an additional protocol to the Non-Proliferation Treaty (NPT). As befits an ultimatum, a date was set: Oct. 31, 2003.

The protocol in question, called the 93+2 Protocol, would require Iran to allow unfettered inspections by the IAEA, on short notice. The government has been in discussion with the IAEA on the matter and has signalled its willingness to cooperate. However, as literally every member of the Iranian leadership has stressed, it will sign only on condition that it receive the technology required for nuclear energy development, as specified in the Non-Proliferation Treaty itself.

Once the IAEA formulated its demands for signing, in an ultimatum, what had been a debate was transformed into a confrontation. All of Iran mobilized. On Sept. 13, Iranian wires and press published statement after statement, by political leaders, condemning the ultimatum as a provocation motivated by America. The Iranian delegate to the IAEA, Ali

***To reach us on the Web:***  
**[www.larouchepub.com](http://www.larouchepub.com)**

Akbar Salehi, was quoted by western wires, saying, "We will have no choice but to have a deep review of our existing level and extent of engagement with the agency." He went on: "At present, nothing pervades [America's] appetite for vengeance, short of confrontation and war. . . . They aim to re-engineer and reshape the entire Middle East region." Salehi walked out of the Vienna meeting in protest.

Ayatollah Hashemi Rafsanjani, former Iranian president and current head of the Expediency Council, called the Vienna talks "unjust, unilateral and bullying." He said the ongoing dispute symbolized the "law of the jungle" that would discredit international institutions. "This is a great insult, and a shame on big powers, as well as the IAEA, since the acceptance of the additional protocol is not obligatory for any [other] country in the world," Rafsanjani said. "Furthermore, the United States, that has the largest nuclear arsenal in the world, has still not signed the protocol itself."

Rafsanjani also made clear that, were Iran to sign, it would then go to the government cabinet for discussion, then to the parliament as a bill. There, it could be stopped by the Guardians Council, which vets legislation. In that case, the Expediency Council (which Rafsanjani heads up), would be called in to have the last word.

Foreign Minister Kamal Kharrazi denounced the ultimatum, and Iran's permanent representative to the UN, Mohammed Javad Zarif, told the *New York Times* on Sept. 12 that the entire operation showed the "intention to deprive Iran" of nuclear energy. "There are people in Washington," he said, "who do not want to clarify matters—who, in fact, would encourage, invite and welcome negative news from Iran. And if that is the intention, if that is the desire, then they may in fact get what they want."

Later, at the IAEA conference, Iranian Vice President and President of the Atomic Energy Organization of Iran, Reza Aghazadeh, shocked his listeners when he delivered a critical appraisal of the new security doctrine of the United States, premised on pre-emptive war. He posed a provocative scenario: if Iran, perceiving the threat of hostile acts by the United States or Israel, were to adopt the pre-emptive war doctrine, what would the international response be in that case?

The issue of Iran's tug-of-war with the IAEA was a featured topic at the United Nations General Assembly meeting in September, particularly in discussions on the sidelines of the conference. Russian president Vladimir Putin took the opportunity to reiterate to the press, that his government was confident that Iran would not seek to develop nuclear weapons, and that Russia saw no need to interrupt its cooperation on peaceful energy technology.

Foreign Minister Kharrazi repeatedly stressed, in remarks to the press in New York, that "Iran has no plans to produce nuclear weapons and the country's nuclear activities are for peaceful use." In his address to the UNGA, Kharrazi protested that his country has been put under deplorable pressure to abandon its right to developing peaceful nuclear technology,

while other countries have developed and tested such weapons. He pointed to the Israeli government, and its defiance of calls to sign the NPT. Speaking on ABC's "This Week" program, while in New York, Kharrazi referred to the very real threat that Israel could bomb the Bushehr plant. Kharrazi said, "Israel knows if it commits such an action, there would be a reaction." He added that Iran would not abandon its nuclear program.

## Technological Apartheid

There are numerous agenda items on the "Iran dossier" of people like Dick Cheney, Donald Rumsfeld, John Bolton and the like. Clearly, the nuclear issue, for them, is a handy pretext to drum up support for a military strike against Iran, in accordance with long-term policy strategies drawn up by this neo-con grouping for the Persian Gulf and Middle East.

But the reasons behind the thrust to stop Iran's nuclear program are deeper. It is not the bomb they fear, but the process of industrialization in Iran and, by extension, in the entire developing sector. The doctrine of technological apartheid—whereby developing sector nations should be deprived of the wherewithal to achieve technological progress by mastering advanced technologies—dates back to the 1974 NSSM-200 policy document drafted by Henry Kissinger. In it, then-National Security Council head Kissinger laid out the doctrine that Third World nations, particularly those with raw materials resources, must be held back in their demographic and economic development; otherwise, their increasing independence and control over their resources would prevent looting of the same, and thus constitute a "strategic threat" to the security of the United States.

It is that thinking which is behind the anti-nuclear tirade. And the Iranians are fully aware of it. When Shah Pahlavi pursued his nuclear energy program, he was supported by the West, which wanted to sell him the power plants, but without sharing the technology and know-how. Now, Iran desires to produce not only the energy, but the technological capability to upgrade its economy and work force.

Iranian President Khatami in mid-September, again stressing Iran's rejection of nuclear weapons, added, "However, we are determined to be powerful. Power has to do with science and technology, while nuclear technology is the most advanced. We are making attempts towards reaching such a goal," he said, "by depending on the capabilities and talents of the Iranian youth." Khatami added: "God Almighty and the Iranian nation will not forgive us if we fail to provide for access to science and technology."

It is to be expected that Iran will decide to sign the designated NPT protocol. No one in the leadership is foolhardy enough to underestimate the determination of the war party in Washington. No one wants the Oct. 31 deadline to be the prelude to an "Iran affair" at the UN Security Council. But they will not give up the right, embodied in the NPT treaty, to master modern technologies.

# An Iranian View of The Nuclear Controversy

by V.B.

The discussion between the IAEA and Iran, under pressure from the United States and Israel, reminds me of the movement in Iran for the nationalization of oil. At that time, 1951, Iran cancelled its contract with Britain; Dr. Mohamed Mossadegh made the proposal to Parliament, which accepted it; and thereafter Iran's oil industry belonged solely to a national firm. The British took the case to the UN Security Council, which supported its position. Then, the entire Iranian nation—politicians, religious leaders like Ayatollah Kashani, and students—supported Dr. Mossadegh, who went to the international court in the Hague. His success there was supported officially by the Iranian Parliament in 1951.

In a similar fashion today, the entire Iranian leadership, from the Supreme Leader Ayatollah Khamenei, to President Khatami, along with parliamentarians, students and scientists, are united around the commitment to develop nuclear energy. Their view is: we have the right, we have the technical ability, we have the scientists, so why should we not have the technology?

Under the Shah, in 1974 work began on a nuclear plant at Bushehr, under a contract signed by Iran and the German Ministry for Research and Industry. It was to be Iran's first nuclear plant. There was a big campaign for nuclear plants, and there was talk that Iran was to get 15-20, and thereby fully implement industrialization. The Shah talked about developing a great civilization in Iran. Later, the Shah signed a contract with the United States for eight reactors, with a contract pledge to use the technology for peaceful purposes only. About two months later, Iran made a deal with France for four plants, paid for with oil. These facts and figures were recently republished by an Iranian newspaper, *Jomhuriislami*, on Oct. 1.

However, Iran was not allowed to participate in the construction, installation, or functioning of the plants; only the foreigners were allowed. The technology constituted no threat, since the Iranians had no influence over it or access to it, and the Shah was firmly in the U.S. camp. Clearly, the West did not want to export the technology and scientific know-how.

Now, years later, the propaganda has changed its line: "Nuclear energy is a danger. Iran has enough gas and oil, so it does not need nuclear energy. This is dangerous; they want to build nuclear weapons." This, despite the fact that the Iranians are cooperating with the IAEA, and every year, sev-

eral times a year, inspections take place—more so than in any other country! For Iranians, it is clear what this means.

In Iran, the reputed dangers of nuclear energy, for the environment etc., are well known. And caring for the environment is an important factor in the country's culture, where nature is so highly revered. Particularly the Sun, which regulates the times for prayers for Muslims. The Sun is more important for us than for the Green Party in Germany. Everyday, we have to observe the Sun, we live with nature every moment. But we learn from the Quran and our literature, that Man has the right to use nature, and that God created nature for Man.

## General Support for Nuclear in Iran

Students from several technical universities, as reported on Sept. 17 in the Iranian media, sent a letter to the government, urging it to proceed without fear, even in light of threats by the U.S. and the IAEA. They emphasized that, aside from Israel, also Pakistan and India have nuclear weapons, and have not signed the NPT. There is discrimination, therefore, against Iran. The British and the United States have pushed through their policy with the IAEA. As former President Ayatollah Rafsanjani stated, the problem is not nuclear weapons. The problem is that imperialist countries do not want to allow Islamic countries to develop.

This time, the Americans and Europeans have to note that what is happening in Iran has implications for all Islamic and non-aligned nations. Many Islamic countries, politicians, and intellectuals have expressed their support for Iran's peaceful use of nuclear energy. As reported by the Egyptian press on Sept. 15, Amira Arshadi, a member of the Arab Writers Union, wrote that for over 20 years, the United States has tried to convince the Arabs that Iran represents a danger. But international treaties and contracts must apply to all. The IAEA must not act in such a way as to cause Iran to abandon the treaty. Ahmad Sabet, a political science professor in Cairo, stated his agreement with Iran's position on the IAEA resolution, saying Iran could take the case to the court at The Hague, according to Kayhan, on Sept. 15.

Furthermore, Iranian parliamentarians argued that if signing the NPT cannot protect Iran from U.S. threats, then it may be better to leave the treaty agreement altogether. On Oct. 1, one Parliamentarian from Yazd stated that if Iran were to sign the additional protocol to the NPT, the United States would continue to pressure the country, and utilize the protocol to interfere in Iranian internal politics.

All Iranians are opposed to outside interference in this program, whether from the United States or elsewhere; they know that the aim is to prevent Iran from developing by itself, and becoming fully independent. As some politicians in Iran have stressed, if the United States presents a resolution against Iran to the UN Security Council, and pushes through sanctions, then there will be the third Iranian revolution, and all economic and scientific engines in the country will turn on.

---

# International Intelligence

---

## ***New Rules Set for Venezuela Recall***

Venezuela's National Election Council has issued a new set of rules for holding a recall referendum on Hugo Chavez's presidency which, while a setback to Chavez—who had hoped to permanently bury the initiative—nonetheless does push back the anti-Chavez referendum by many months, during which time anything can happen.

The Council had recently invalidated the millions of petition signatures garnered by the opposition earlier this year, claiming they had been collected prior to a constitutionally-mandated date. The new rules give the opposition four days to gather a minimum of 2.5 million signatures, after which the Council can take up to 97 days to validate, or invalidate them. The opposition is hoping to get twice the minimum required. Once validated, the recall vote could be held as early as next February, barring challenges and other stall tactics the Chavez regime might cook up.

The petition-gathering will be launched in about three weeks, which is how long the opposition believes it will take to ready the signature gathering booths around the country, and the personnel to staff them. It is widely believed that Chavez would badly lose such a recall vote, if it were held today. Fully aware that that is the case, it is expected that the Chavez regime will throw everything—from court challenges to full-scale thuggery, against the recall initiative.

---

## ***Right-Wing Slanderer of Cheminade Is Guilty***

Justice was done to the leader of the LaRouche movement in France, Jacques Cheminade, and his Presidential campaign, when the 17th Chamber of the Paris Tribunal de Grande Instance sentenced Nicolas Miguet, a notorious fraudster, to pay a 7,500 euro fine for "public slander" of Cheminade.

In 2002, when Cheminade prepared for the second time to run for President and put

the LaRouche perspective at center-stage of French political life, Miguet was an oligarchs' weapon to prevent that breakout, through slander and intimidation. Miguet himself, a "traditionalist Catholic" (i.e., an anti-Vatican II Synarchist) and a stock-market guru—who was sentenced several times to jail for financial fraud—was also trying to gather the 500 signatures of grand electors required to be in the Presidential ballot. To steal their souls, he sent a free subscription to his weekly leaksheet *l'Hebdo* to each of the country's 36,000 mayors, who are among the grand electors.

Right before the deadline for handing in signatures, four successive issues of *l'Hebdo* hammered Cheminade with false and gross charges, as "leading a movement considered a cult, and mentioned by the report of the French parliamentary committee on cults." Mayors were warned that their "personal and public situation would be thoroughly checked from all sides" by the higher administration if they gave their signature for Cheminade. While Cheminade had over 500 pre-commitments of such officials, the intimidation and pressure brought the final result down to 406—still the largest number obtained by any real independent candidate, and far more than many candidates who got major media coverage. This included Miguet who could only come up with 259, former Environment Minister Lalonde (164), and Green Party leader Waechter (152).

---

## ***Italy Lawmakers Question Cheney's Role***

Sen. Oskar Peterlini and nine other Senators, two of whom belong to the government majority, filed a written inquiry on Sept. 24 with the ministers for Foreign Affairs and Defense, asking about the "international debate on the truthfulness of information regarding possession and possible imminent use by Iraq of weapons of mass destruction and of nuclear material, which, during the weeks preceding the Iraq war, have been of decisive importance for the U.S.A., Great Brit-

ain, and the other nations in rejecting the UN mediating role and justifying the war against Iraq. The American press mainly, but also representatives of American and other countries' institutions, are raising questions about the primary role played by U.S. Vice President Dick Cheney in using dubious information, eventually leading to a justification of the war against Iraq." The Italian government supported the Iraq invasion, over the clear opposition of 90% or more of Italians.

The Senators' interrogatory says: "Considering that . . . a war has been fought as a consequence of such information which many insist to be dubious or even false; around these facts the new strategy of preventive war was initiated, and those same representatives of the so-called neo-con group around Cheney in the current U.S. Administration, who had advocated a war against Iraq, have presented plans to make more wars against so-called 'rogue states'; this information has been used to neutralize and exclude the United Nations from its international mediating role in situations of severe crises.

"We therefore ask: whether the Italian government . . . intends to undertake an effort to give back to the UNO its historic and proper role of mediation and war prevention, whose authority has been badly hurt?"

The inquiry was signed by senators Peterlini, Cortiana, Fabris, Di Siena, Gubert, Malabarba, Baio Dossi, Betta, Boco, and Forlani.

---

## ***Nigeria, ESA Achieve Space Firsts***

Europe's first mission to the Moon blasted off on Sept. 27 from Kourou, French Guiana, aboard an Ariane 5 rocket. The mission was the Smart-1 Moon exploration probe, which will take 15 months to reach lunar orbit, and remain there for up to 30 months.

On the same day, Nigeria achieved the launching of its first space satellite, which was launched aboard a Russian rocket from the Plesetsk Cosmodrome in Russia. The

government plans to use the Landsat-type satellite to monitor water resources, soil erosion, deforestation, and potentially to monitor natural disasters, said space agency spokesman Solomon Olaniyi to Associated Press. AP quoted a security guard in Lagos, "It makes me proud to be a Nigerian. It shows our nation is progressing. We've joined the space age."

### **Mexico Mass March Against Privatization**

Mexican electrical workers' unions on Sept. 28 announced a multi-union march against electricity privatization. The Mexico City march is scheduled for Oct. 1. PRI Sen. Manuel Bartlett and PRD Congressional coordinator Pablo Gomez addressed the meeting of thousands of electrical workers where the march was announced. "The apostles of privatization no longer use the examples of privatization in other countries, because they ended in disaster," Bartlett told the meeting. "Now they say the problem is that the state has no money to invest. They lie. . . . We can no longer trust anyone but the rank and file, because all the privatizations have been done stealthily, in agreements made at the top, behind the people's backs."

Senator Bartlett's comments referred to a meeting held last week, where various PRI leaders, including Chamber of Deputies PRI coordinator Elba Ester Gordillo, met with various cabinet ministers to discuss "reforming" the electricity sector. The government position was that the Federal Electrical Commission is effectively bankrupt, and will not be able to pay its debts within five years, and therefore, without opening it up to foreign capital, Mexico's lights will go out. The Salinas wing of the PRI (of which Gordillo is a part) has made clear it's willing to cut a deal, with Salinista PRI Chairman Roberto Madrazo claiming on Sept. 28, that "we are very close" to an agreement on "reforms," "because the PRI has renewed its commitment to vote for the reform."

Senator Bartlett, and others in the PRI,

point out that the PRI program, adopted at the last party national assembly, explicitly rejected any change in the Constitution's strict provision that Mexico's energy supplies are strictly a state responsibility, which cannot be transferred; and that any change in the program would require convening a meeting of the PRI national assembly to vote that up. I'd like to see how Gordillo and Madrazo could argue that one, Bartlett commented.

### **'Six Powers' Urge Korea Security Pledge**

Meeting privately in New York Sept. 25, foreign ministers of Russia, South Korea, China, and Japan told U.S. Secretary of State Colin Powell that they "want a clear security guarantee for North Korea, in order for the Six Power talks to proceed, which they must," a Korean diplomat told *EIR*. "This means the U.S. must come up with something new, and something clear," he pointed out, and not just keep repeating unilateral demands for North Korea to disarm.

It was after this that Russian President Vladimir Putin raised the issue personally at his Sept. 27 press conference with President Bush, saying that "Russia believes that ensuring nuclear non-proliferation regime should be accompanied by extending to North Korea guarantees in the sphere of security." China's foreign minister was also reported by the Korean press to have very strongly pressed President Bush on the security guarantee for North Korea, in a private New York meeting.

South Korean President Roh also stated Sept. 25 that he can't decide about sending troops to Iraq, while there is no security guarantee for the Korean Peninsula. "Isn't it difficult for the country to accept the dispatch of our troops abroad in such an uncertain situation as we don't know how the six-way talks will go in the future and what will happen when?" Roh asked a group of reporters on Sept. 24. "We need something predictable about stability on the Korean Peninsula," he said.

## *Briefly*

**IRAQI** minister of communications ridiculed the U.S. demand that American firms run everything. Hayder Awad Aabadi, a highly experienced Iraqi engineer, told the *New York Times* on Sept. 27 that "he could have had a [communications] network running 30 days after major hostilities ended, a claim supported by other telecommunications executives in the region. Aabadi adds that there are many skilled Iraqis, but 'they will not be motivated in a situation where things are run by a foreign occupying power.'"

**INDIA** offers \$1 billion to set up the Asia Bond Fund, according to Thai Foreign Minister Surakiart Sathirathai, speaking in New York on Sept. 29. The proposal will be considered by finance ministers under the Asian Cooperation Dialogue (ACD) framework, Sukariart said. The Asia Bond scheme, proposed by Thai Prime Minister Thaksin Shinawatra, would enable Asian surplus capital to be used for investment in the region's poorer nations, and to defend against currency speculators.

**UPHEAVAL** was spreading across Bolivia at the end of September, including protesting coca-producers demanding an "Indian republic." The violence which erupted in mid-September has escalated, ostensibly over the government's plans to export natural gas to the United States through Chilean ports. What makes the country a powder-keg, and vulnerable to manipulation by the George Soros-backed Jacobins of the "cocalero" movement, however, is the fact that it has been looted extensively by President Sanchez de Lozada's IMF privatization and free-trade "reforms."

**TONY BLAIR** should quit, a majority of Britons think, according to a poll carried out for the *Financial Times* between Sept. 11-16. Some 50% said Blair should resign, whereas 39% believed that he should stay. A far large majority, 64%, think that Blair wronged the nation on the issue of the Iraq invasion. London saw a mass protest rally Sept. 28.

## LaRouche-Led Assault On Cheney Is Drawing Blood

by Jeffrey Steinberg

On Sept. 20, 2002, Lyndon LaRouche, the tenth candidate for the Democratic Party Presidential nomination, issued a campaign statement, calling on Vice President Dick Cheney to resign from office, on the grounds that his imperialist policy designs posed a grave threat to the security of the United States and the world. In the intervening year, LaRouche has kept up the focussed exposures of the Vice President's role, as the chief architect of the disastrous Iraq war, and the intelligence fakery that led a too-gullible Congress to give the White House *carte blanche* to prosecute, what Cheney and his neo-conservative cohorts view as a "perpetual war" against target nations extending from Libya, Somalia, and Sudan in Africa, to Iraq, Iran, Syria, and Lebanon in the Middle East, to North Korea.

Now, there is growing evidence that significant U.S. policy institutions have concluded that LaRouche was right, and have joined the drive to expose and depose Cheney and the entire neo-conservative gang that hijacked American foreign policy, beginning with the Sept. 11, 2001 attacks on New York and Washington, attacks which LaRouche identified, from the outset, as a *de facto* coup d'état against the Presidency.

While the immediate focus of most of the media attention is the White House leaks about former Ambassador Joseph Wilson IV and his wife, who was "outed" as a Central Intelligence Agency "non-official cover" operative, the scope of the attacks on Cheney himself, signals that there is much more afoot than an effort to determine which White House officials broke the law, by leaking to columnist Robert Novak and a half-dozen other journalists, this past July, following a *New York Times* op-ed by Wilson, which named Cheney as the senior official who tasked the CIA to probe reports of Iraq's alleged attempts to procure uranium precursor, known as "yellowcake," from the African nation of Niger.

As the result of the Cheney tasking, the CIA had sent Wilson, a distinguished retired career foreign service officer, who had served in a number of diplomatic postings in Africa, and had been the chief Africa officer at the National Security Council under President Bill Clinton, to Niger to probe the allegations. From the outset, the intelligence community had been deeply skeptical about the Niger yellowcake story. It later emerged that the documents purporting to show the Iraqi effort to obtain uranium in Africa were forgeries; however, Cheney continued to peddle the yellowcake fairy tale, long after the revelations about the fake documents.

As recently as Sept. 14, 2003, in an appearance on "Meet the Press," Cheney lied flat-out, that the government had been right in going to war, based on Iraq's still-missing weapons of mass destruction (WMD) and its alleged role in the 9/11 terror attacks. Cheney's TV performance triggered a huge backlash, leading President George W. Bush to distance himself from Cheney's continued claims of Iraqi involvement in 9/11.

On Sept. 27, Rep. Porter Goss (R-Fla.) and Rep. Jane Harman (D-Calif.), the ranking members of the House Intelligence Committee, sent a letter to Director of Central Intelligence George Tenet, upon completion of the intelligence panel's review of the 19 volumes of classified intelligence that formed the basis for the Bush Administration's decision to go to war against Iraq in March 2003. The bipartisan letter found that the intelligence on Iraq was "circumstantial and fragmentary," and contained "too many uncertainties" to support the Administration's allegations that Iraq had weapons of mass destruction and ties to al-Qaeda—the two leading reasons trumpeted, particularly by Vice President Cheney, to sell the Iraq invasion to the American people and the world.

Goss and Harman noted the "significant deficiencies" in the U.S. intelligence community's ability to develop new



intelligence on Iraq, forcing a reliance on old data, obtained prior to the pullout of UN weapons inspectors in 1998. They further charged that the “absence of proof [that Iraq’s WMD] had been destroyed, was considered proof they continued to exist.” They concluded, “The lack of specific intelligence on the [Saddam Hussein] regime’s plans and intentions, WMD, and Iraq support for terrorist groups, appears to have hampered the IC’s [intelligence community’s] ability to provide a better assessment to policymakers from 1998-2003.” Goss, however, made it clear that he did not fault the intelligence community’s assessments, which cautioned against any firm conclusions that Iraq was engaged in a live WMD effort, or had been tied to al-Qaeda prior to 9/11.

Capitol Hill sources reported, following the release of the Goss-Harman letter, that the House and Senate intelligence committees will now begin a new phase of their investigation, interviewing witnesses, to prepare for future hearings. The fact that Goss, a former CIA operations officer, broke ranks with the White House and said, in effect, that there was no intelligence basis for the Iraq War, has even more profound implications than the probe into the White House leaks. Up until the release of the letter, House Majority Whip Tom DeLay (R-Tex.) had maintained strict party discipline, and blocked any House of Representatives probes, from the Government Reform Committee, the Armed Services Committee, and the Intelligence panel, into the role of Cheney’s aides and the Pentagon Office of Special Plans (OSP) in cooking the intelligence to justify war.

Now, the Intelligence panel probe can move to the next phase. Goss’s actions may soon be matched by leading GOP Senators Richard Lugar (Ind.), Chuck Hagel (Neb.), John Warner (Va.), and John McCain (Ariz.), who all have key positions on Senate armed forces and intelligence panels.

### Cheney’s OSP Disinformation Shop

It has been widely reported that Vice President Cheney, and his chief national security aide, Lewis “Scooter” Libby, were deeply involved in the day-to-day activities of the Pentagon Office of Special Plans (OSP), the unit under Assistant Secretary of Defense for Policy Douglas Feith, that was created to review the intelligence community’s data, searching for proof of Iraqi WMD and terrorist links. The unit mushroomed, on the eve of the Iraq invasion, from a small Iraq desk at the Pentagon’s Near East and South Asia policy shop,



*The Washington Post, with many other newspapers and magazines, turned the “Iraq-gate” focus to Dick Cheney over the weekend of Sept. 29-30, reflecting a shift within the institutions toward the demands for Cheney’s ousting made by Lyndon LaRouche for over a year.*

to a rogue intelligence and operations group, dominated by neo-cons, with as many as 100 “personal contract” consultants, peddling discredited information from the Iraqi National Congress and the office of Israeli Prime Minister Ariel Sharon, to give Cheney and his allies the ammunition to counter the far more sober assessments coming out of the CIA, the State Department Intelligence and Research unit, and the Defense Intelligence Agency—which all disputed the charges of Iraqi WMD and involvement in the 9/11 attacks.

Now, with Goss and Harman confirming that they saw no justification for the allegations concerning WMD and an al-Qaeda link, the whole Cheney-led Iraq War intelligence fakery is fair game for official scrutiny. And that is very bad news for a President George W. Bush facing a serious re-election battle. In fact, U.S. intelligence sources confirm that the President personally gave his approval to CIA Director Tenet’s endorsement of a Justice Department probe of the origins of the Wilson leaks, even though such White House officials as National Security Council Mideast head Elliott Abrams, Cheney aide Libby, and White House political director Karl Rove have been named as possible sources of the leaks.

### The Bush Sr. Factor

Just prior to the eruption of the Cheneygate scandals, former President George H.W. Bush had travelled to Russia, to attend the opening of a new joint venture between the Carlyle Group and the Alfa Group, which will invest \$500 million in Russia. During the visit, Bush and his wife were hosted by

Russian President Vladimir Putin at his vacation home on the Black Sea. Both Russian and U.S. sources have confirmed that Putin and the elder Bush had a frank discussion about the “neo-con problem.” Putin reportedly impressed on the President’s father that he wishes to maintain close ties to the Administration, but faces his own Presidential re-election in late 2004, and cannot be seen as consorting with a U.S. Administration dominated by Cheney and the war party.

A week after the Black Sea visit, President Putin met with “Bush 43” at Camp David. Although the Russian leader did not raise the neo-con/Cheney issue with his U.S. counterpart, there is good reason to believe that the informal discussion with “Bush 41” contributed to the conclusion that the continuing dominance of Cheney and the neo-cons over the current Administration had to end. Bush Sr., as a former CIA Director, and his close associates have an awareness of the necessary role of the U.S. institutions—including the intelligence and uniformed military institutions—in protecting the U.S. Constitution. At the start of the “Bush 43” Administration, he had weighed in with G.W. to retain George Tenet as CIA Director, arguing that the top intelligence post should be shielded from politics as much as possible.

### Cheney’s Corruption

On Oct. 1, as the Joe Wilson leak probe was being upgraded to an official Justice Department/FBI criminal investigation, Dick Cheney was hit on another flank: his corrupt ties to Halliburton, Inc., one of the leading recipients of Bush Administration contracts for the reconstruction of Iraq. Cheney had been the president and CEO of Halliburton during the Clinton era, and had built up the former oil field services firm into a major Pentagon subcontractor. Halliburton has won billions of dollars in Iraq reconstruction contracts from the Bush Administration, including several lucrative no-bid contracts. In his Sept. 14 appearance on “Meet the Press,” Cheney lied about his continuing financial ties to the company, claiming that he had completely severed those ties when he became Vice President.

However, a probe of the Cheney-Halliburton ties commissioned by Sen. Frank Lautenberg (D-N.J.) confirmed that the Vice President was still receiving deferred salary checks from Halliburton, and had stock options, potentially worth millions of dollars, which both officially constitute financial interests. The Oct. 1 *New York Times* editorialized against Cheney’s corruption with Halliburton, warning that the entire Iraq reconstruction was jeopardized by the high-ticket contracts to Cheney-linked American corporations, while Iraqis capable of the reconstruction work, at far cheaper costs, remained unemployed. With all of these scandals erupting, and with the intelligence community and the uniformed military clearly weighing in against the neo-con cabal, the counter-coup, which LaRouche called for right after 9/11, has begun. And that is good news for all Americans and for all past, current, and potentially future allies of the United States.

---

## Documentation

---

# LaRouche’s Record: Why Cheney Must Be Removed

by EIR Staff

For more than a year Democratic Presidential pre-candidate Lyndon LaRouche has identified Vice-President Dick Cheney as the crucial character within the Bush Administration who has, 1) been pursuing his own long-term strategy of turning the United States into a new Roman Empire, and 2) been exercising Svengali-like power over President George W. Bush in order to achieve his ends. We review LaRouche’s track record on this matter, citing from his major documents and webcasts.

**Sept. 20, 2002:** “Iraq Is a Fuse, But Cheney Built the Bomb,” was the title of a major statement issued by LaRouche two days after the release of the so-called “National Security Strategy of the United States,” and the draft Congressional resolution authorizing the President to go, unconstitutionally, to war. In that document, LaRouche identified the Vice-President as the key figure behind the pre-emptive war policy, and called for his resignation. We quote:

“The fact is, that the policies contained within those two fraudulent documents, were first surfaced during Spring 1990, as emissions of a task force directed by then-Secretary of Defense Dick Cheney, a task force then headed by Paul Wolfowitz, Lewis Libby, and Eric Edelman. Although unsuccessful until now, they represent the persisting, mad obsession of Dick Cheney and his Chicken-hawk accomplices over the course of no less than the past dozen years.

“Fact #2: The evidence since 1992 is, that the policy uttered in those documents, is not a reflection of 2001-2002 developments, but is merely but another of many rewarmings of the previously failed work product embodied in a September 2000 revival of the previously suppressed Cheney doctrine of 1990. This was a policy of Vice Presidential candidate Dick Cheney, designed as a global strategic doctrine intended to govern the foreign policy of a 2001-2005 Bush Administration.

“Fact #3: This doctrine, pushed repeatedly by Cheney and his Chicken-hawk accomplices since 1990, had no notable success in securing adoption until the events of Sept. 11, 2001. Although no actual proof of the authorship of the Sept. 11, 2001 physical attacks on New York City and Washington has been presented by any government, without those attacks, the previously unsuccessful policies of Cheney and his Sharon-allied Chicken-hawks could not have been brought forth as

the two new Bush Administration doctrines now. Solely as a result of the psychological impact of Sept. 11, 2001, Cheney, his Chicken-hawks, and Ariel Sharon, are now being given the war they have desired so passionately, so obsessively, over a dozen years to date. . . .

“In summary, Vice President Dick Cheney’s recurring wet dreams of a U.S. worldwide Roman Empire are, in and of themselves, the world’s greatest single threat to the continuation of civilization in any part of this planet today. These facts demand that Cheney’s prompt resignation be sought, and accepted.”

**March 25, 2003:** “War, Hitler, & Cheney” was the title of a major document released by the LaRouche campaign in the immediate wake of the launching of the Iraq war, in which LaRouche put the spotlight, once again, directly on the Vice-President and his de facto control over President Bush:

“The immediate situation of the United States is summed up as follows: At this moment, as I had forewarned you in 1999-2000, we are plunging into a world depression comparable to, but worse than the Herbert Hoover Depression of 1929-1933. As I forewarned you in an address broadcast at the beginning of 2001, new would-be Adolf Hitlers have now appeared, this time inside the U.S.A. Those would-be Hitlers now threaten the whole world with the kinds of wars for which the world later hung Nazi leaders, at Nuremberg: the new Hitlers from inside the U.S.A. and Blair’s government, who act exactly as Hitler threatened Czechoslovakia in 1938, and invaded Poland in 1939.

“The pivotal feature of that warfare into which an already bankrupt United States has just been plunged, is the de facto usurpation of the function of a still-sitting President by Halliburton’s Vice-President Cheney, and by a gang of his organized-crime-linked lackeys polluting not only the Departments of Defense and State; but also polluting, and virtually castrating elected and other leaders of the nominal opposition, the Democratic Party.”

**April 24, 2003:** In his webcast on this date, LaRouche again stressed that removing Cheney, not Bush, was the key to shifting the situation in the United States. This has to be done now, not after the 2004 elections, LaRouche said.

**June 7, 2003:** LaRouche’s campaign issued a press release under the title, “LaRouche Says Charges Against Cheney Constitute Grounds for Impeachment.” The release read as follows:

“In the midst of a growing mountain of evidence that Vice President Dick Cheney led a battery of senior Bush Administration officials, in repeatedly using what was known to be a forged document from a foreign government to corral Congressional and public support for the Iraq war, Democratic Presidential pre-candidate Lyndon LaRouche issued a sharply-worded statement today, insisting on a full investigation, documenting exactly what Vice President Cheney knew; when he knew it; and precisely what he did, contrary to what he knew to be the truth.

“The charges against Cheney are centered on the fact that the Vice President repeatedly used documents, allegedly from the government of Niger, purporting to show Iraqi government efforts to purchase large quantities of uranium precursor ‘yellow cake’ from that African nation, long after he learned that the documents were forged.

“In a statement released through his national spokeswoman, Debra Hanania-Freeman, LaRouche was quoted as saying: ‘Let there be no mistake about it. The nature of these charges constitute hard grounds for impeachment. The question has to be taken head on. It is time for Dick Cheney to come clean. I want to know exactly what Dick Cheney knew and when he knew it. The charges are grave and specific and leave no wiggle room. Determining who knew what and when is, at this time, an urgent matter of national security.’

“Freeman, citing LaRouche’s own track record in challenging the avalanche of disinformation and “spun” intelligence products, thrown up by the Straussian neo-conservative network inside the Bush Administration to launch the recent war against Iraq, said that LaRouche was uniquely positioned to hold not only the Administration itself, but also the other Democratic Presidential candidates accountable for their uncritical endorsement of what amounts to an ongoing fraud against the Congress and the American people.

“She said that the chronology of events documented in the Waxman letter, indicates that Vice President Cheney was among the first Administration officials to be informed that the Niger documents were forgeries; and that he nevertheless continued to assert the Niger-Iraq uranium story as fact. “This kind of witting, repeated fraud against the Congress and the people of the United States represents a crime of the highest order. And, as such, I can tell you that Mr. LaRouche will see to it that a determination is made, and made quickly, and that he will not back off until appropriate and severe action against those perpetrating this fraud is taken.”

## **Cheney Represents Synarchist Financiers**

**July 2, 2003:** In an internationally broadcast webcast, LaRouche identified Vice-President Cheney as a new potential Adolf Hitler, and stressed the need to remove him from the Administration.

**Aug. 9, 2003:** LaRouche’s campaign released a leaflet entitled “When Cheney Spoke of Terrorism: Which Terrorists, Dick?” The leaflet addressed the fact that Cheney had given a speech on July 24, in which he effectively promised that a new terrorist attack against the U.S.A. was on its way. LaRouche proposed an escalated campaign of exposé of the Synarchist International grouping, which is run from the top by oligarchical bankers for which Cheney was the frontman.

With these statements circulating in the millions of copies, and within policy circles in Washington, can there be any doubt that the political demise of Dick Cheney, will be seen internationally, and correctly, as the direct result of the initiative taken openly, and aggressively, by Lyndon LaRouche?

# The Fall of the House of McAuliffe

by Lyndon H. LaRouche, Jr.

*This “candidate’s editorial comment on the election” was issued on Sept. 28 by Lyndon LaRouche’s Presidential campaign committee, LaRouche in 2004.*

Sept. 28, 2003

Among my ten rivals who filed for the Democratic Presidential nomination after I had done so, none, so far, have done anything in the campaign to qualify them for serious consideration by the actually thinking variety of my fellow-citizens. The only apparent exception is that of Representative Dennis Kucinich (D-OH) whose work in the Congress, if not his campaign, does have merit. The rest are acting—as candidates—as mere populist sophists, as charlatans peddling political snake-oil.

Some of those ten represent very bad, rather than merely inadequate choices. Lieberman and Sharpton are, most notably, very bad performances. The more general, politically fatal short-coming of all of them, so far, has been their commitment to the shallow-minded sophistry of opportunists’ mindless appeals to popular opinion, as Howard Dean has done with rather malicious calculation, rather than anything resembling actually relevant attention to the critical problems facing our nation today.

A European friend has made a scholarly emphasis on the role of sophistry in bringing about that self-destruction of the once powerful Athens of Pericles by the Peloponnesian War; similarly, the sophistry of National Committee Chairman McAuliffe and his current crop of ten political dwarves, on the issue of Vice-President Dick Cheney’s Iraq war, and on the crisis of the U.S. economy, is threatening to plunge the Democratic Party into perhaps terminal political bankruptcy during the weeks and months ahead.

That national party’s recently-adopted obsession with playing the loser in the matter of the California recall campaign, by dropping the issue of Enron and Cheney, is typical of the national party organization’s potentially fatal inclination for folly and failure today.

For example: Judging by the content of their campaigns, at least nine of my ten rivals can not be regarded as actually running to become President. Instead, they are trying so desperately to become the darlings of the mass media and the pollsters, that they avoid every issue which might define the competence of the next President of the U.S.A. It is virtually

a miracle, of some kind or other, if President Bush’s Karl Rove is not paying off the lemming-like losers of McAuliffe’s National Committee leadership. Rove should be paying for services supplied, and the current National Committee leadership has earned its thirty pieces of silver from Rove’s hand.

A successful street-prostitute could do no less than the nine indicated rivals of mine. They are operating on the sophist’s assumption, that “If I am the most popular candidate, because of my reputation for a smile or smell, I will be chosen; that will be my qualification to govern”! Unfortunately, the suckers—that is, many of the voters—fall for that sophistry, because they, too are so corrupt by their wishful, opportunistic desires, that many would rather be seen as photographed with the winner of the next election, than be the kind of citizen who selects a candidate qualified to serve the most urgent interests of our nation.

Now, U.S. politics are sitting on the hot stove of a looming monetary-financial collapse, a collapse which, allowed to run its course, will produce effects far worse than those which halved U.S. income under President Herbert Hoover.

For example: Among the leading candidates for triggering the disaster, is the explosive accumulation of financial derivatives predicated upon a current hyperinflation in the market for mortgage-backed securities. A potential collapse of as much as fifty percent in real estate values in Western and Central Europe, as in the Americas, is only one of the potential options for the period immediately ahead. The collapse might prefer to break out in other areas of the world’s present monetary-financial bubble.

That crash, in whatever form it chooses to break out, will also change politics around the world. For example, such a collapse in the U.S. markets would hit a China still heavily dependent upon exports to the U.S.A. very hard. Such a crisis of China would have turbulent, chain-reaction political effects in the world at large. Similarly, the attempted rape of Argentina by U.S.-based “vulture funds,” threatens to set off a political-financial chain-reaction around much of the planet. Under these conditions, the same faction of the U.S. establishment which brought us the horrors of Sept. 11, 2001, may strike here, or perhaps in Europe, seeking to create the form of crisis which would keep Vice-President Dick Cheney and his neo-cons in control of shattered U.S. internal politics.

What are my principal rivals for the Democratic nomination doing, in this circumstance? Of them it can be said, as of the Emperor in Hans Christian Andersen’s “The Emperor’s New Suit of Clothes”: “But, Daddy, he has nothing on.” A candidate advised by experts like those tailors who sold the Emperor on wearing, and paying for, a non-existent suit of clothes, may be duped into thinking that the sophistry of the sort practiced by those campaign advisors, pays. The question is, “Pays what to whom?”

Corrupt Democratic candidates do not call it “sophistry;” they call it “politics.” The two words mean the same thing. The fault of both those rivals and their campaign advisors, is

therefore more in the nature of a moral, than merely intellectual bankruptcy.

### But, Then, What Are Crises?

As I summarized this during my recent Los Angeles address, to understand the people of the United States, and their behavior today, one must recall the succession of demoralizing crises built into the multi-generational memory of our nation since the days of Coolidge and Hoover. A study of that multi-generational experience illustrates the way in which crises such as the present one are allowed to come about.

Like the Baby Boomers of today, the “Flapper Age” of Coolidge-ism was a bootlegger’s world of the Charleston and wild-eyed pleasure-seeking of F. Scott Fitzgerald’s useless rich and their would-be imitators. Babbitt reigned in Middle America. The ordinary people—being more or less poor—admired, or, bitterly, even hatefully envied the useless wealthier pleasure-chasing class. They shared lies with visiting friends and neighbors, and then gossiped against those guests the moment the guests were let safely out the door. Then came the Depression which Coolidge brought, and which Hoover made much worse. As “Hickey” said, forlornly, in Eugene O’Neill’s *The Iceman Cometh*,” suddenly, the life had been taken out of the booze. The U.S. population experienced a great shock, and passed the emotional experience into the memory of coming generations.

A shattered U.S. population was lifted out of despondency by Franklin Roosevelt’s leadership, but at a time when London and New York bankers had funded Hitler’s takeover in Hjalmar Schacht’s Germany. We won the war, and had risen from wretched poverty to become virtually the only world power at the close of World War II. But with the death of Franklin Roosevelt, and Truman’s launching of needless nuclear attacks on the civilian populations of Hiroshima and Nagasaki, we went into the pit again. A sweeping right-wing turn erupted under a Truman whose folly led us into a needless Korean War adventure. The American military traditionalist Eisenhower rescued the United States from what the inventor of “McCarthyism,” wild-eyed nuclear utopian Truman, had set into motion. But the effects of what became known as Truman’s and Roy M. Cohn’s “McCarthyism,” piled upon memory of Hoover’s Depression, sent most of the returning heroes of World War II into fearful retreat from reality, while the mothers of today’s Baby Boomer generation warned their children: “Don’t be heard or seen saying or doing anything that will get our family into trouble.”

Then came Eisenhower’s retirement. The pro-fascist gang around Allen Dulles and his creepy James J. Angleton brought us the Bay of Pigs, the 1962 Missiles Crisis, the assassination of President Kennedy, and many kindred things in many parts of the world. For several days during the hot phase of the Missiles Crisis, the U.S. population went insane with sheer terror of an impending nuclear war which “might end it all.” The Baby Boomer generation, in Europe and the Americas,



*The LaRouche Youth Movement mobilization in California threw the issue of Cheney, Enron, and his other energy-pirate friends into the center of the fight. But “the national party’s recently-adopted obsession with playing the loser in the . . . California recall campaign, by dropping the issue of Enron and Cheney, is typical of the national party organization’s potentially fatal inclination for folly and failure today.”*

has never recovered from the effect of those shocks, shocks combined with the official launching of the 1964-72 war in Indo-China. Such is the deep psychological and moral flaw embedded in the culture of the generation of Americans and Europeans presently in their fifties and early sixties.

The flight from frightening reality took the form of a managed slide of the emerging young adults of the 1960s into the swamp-like refuge of a post-industrial pleasure society, a consumer society, a no-future society of “little me” and my personal security and pleasure now. Two governments, under the guidance of Harvard-trained, pro-fascist National Security Advisors Henry A. Kissinger and Zbigniew Brzezinski, ruled the U.S.A. from Johnson until Reagan. During the years from January 1969 to January 1981, the process of destruction of the U.S. economy, and of the conditions of life of the lower eighty percentiles of our family households, was set fully into motion.

Through the change from that engine of prosperity known as the original Bretton Woods monetary-financial system, until the middle of the 1960s, the welfare of the economies and

populations of the Americas, Western Europe, Japan, and elsewhere had improved more or less secularly, even despite Arthur Burns' bad advice to President Eisenhower. From the fiscal budget of 1966-67, the U.S.A. has been on a generally downward economic trend, a trend which spread into Europe and elsewhere following the 1972-1975 establishment and initial consolidation of the post-Bretton Woods "floating exchange-rate" monetary system. Sub-Saharan Africa was plunged into the abyss of genocide which has gripped it increasingly to the present time.

Under the floating exchange-rate monetary system, the U.S.A., in particular, was enabled to rig monetary crises, and impose artificial devaluations of the currencies of Central and South America, and elsewhere, to such effect that the debt of those nations has been more than paid fully today, when honest accounting is employed. We, the British Commonwealth, and to a lesser degree western Europe, have looted the so-called developing sector of the world. We shut down our productive enterprises, and our places of productive employment in agriculture, industry, and related categories, while relying on "out-sourcing" from the looted virtual bodies of the poor of Mexico and other relevant cheap-labor markets of the world.

This transformation of much of the population of the United States into discarded categories of once-skilled labor, and the elevation of financial parasites into the super-rich, fostered in our Baby Boomer generation the delusion that we had a right to be a consumer society living off the backs of the desperately poor cheap-labor out-sourcing system. This morally and intellectually pathological trend in our population corresponds to the arrival of neo-conservative (read: fascist) Bartley as editorial page editor of the *Wall Street Journal*.

The system of radicalized "free trade" which emerged from the continuing moral, intellectual, and economic decadence of the upper twenty percent of U.S. family-income brackets, the so-called "suburbanite" constituency of the profascist Democratic Leadership Council (DLC), has now come to a fateful point of general monetary-financial collapse of the present world system as a whole.

Now, a new great cultural shock is being experienced by the emerging young-adult generation of the world, especially in the Americas and Europe. The Baby Boomer generation's long-inbred character as the no-future generation, has left the generation in the 18-25 university-age range, and the adolescent generation coming up behind them, with a society which offers no visible future worth having. The resulting conflict between Baby Boomer and youth generations is now the characteristic, determining feature of the world entering the 2004 election-campaign. One way or another, the age of the reign of the Baby Boomer generation, the age of the "suburbanite" right-wing ideology of Roy M. Cohn's political heir Dick Morris and Al Gore's opportunistic affinities for avowed fascist Newt Gingrich, is over.

Either we return, so to speak, to the place where the U.S.



*Of Democratic National Committee chairman Terry McAuliffe, LaRouche says, "The age of the reign of the Baby Boomer generation, the age of the "suburbanite" right-wing ideology of Roy M. Cohn's political heir Dick Morris and Al Gore's opportunistic affinities for avowed fascist Newt Gingrich, is over."*

economy made the wrong turn in the road—and in U.S. political trends—or the U.S.A. is soon finished as a world power; and, unfortunately, given the nuclear age, much of the rest of the world besides. The facts are clear; only desperate fanatics cling to denial, shrieking: "I will never believe what you have just said." The truth of the matter will be decided not as they choose, but by the process which chooses the fate of those gripped by such hysterical denial of reality as they express.

History has always worked in such ways, as the case of the role of sophistry in causing the doom of Greece through the Peloponnesian War, attests. Societies go to Hell, usually, because they have adopted foolish axiomatic, ruling assumptions of reigning opinion. The society so afflicted stumbles on, like prosperous pleasure-mad Pompeii, until the smoking volcano, which is the reality of false axiomatic assumptions, speaks. Thus, history of civilizations goes from crisis to crisis, as the false axiomatic beliefs of one or two generations, or more, present the bill for deferred payment.

The greatest enemy of the American people today, and of the Democratic National Committee's leading pack of pathetic sophists in particular, is the bad habits which have become customary popular opinion. Foolish people react opportunistically to such crises by appealing to the supposed authority of popular opinion, the popular mass media, "what my friends and neighbors tell me," and so forth. Then an undeniable shock occurs, like that in progress now. The wise leaders force a change in those habituated, but false assumptions which have led us into the worsening mess our nation, in particular, has become, since the time President John F. Kennedy was assassinated. I am such a wise leader, a man of the future among a collection of prematurely aged political antiques.

You ask the question, "Will we survive?" I answer with a question: "Are you, personally, ready to change?"

# Who Is Renting Howard Dean?

by Anton Chaitkin and Scott Thompson

Multi-billionaire speculator George Soros held a \$1,000 per person private fundraiser for Howard Dean's Presidential campaign over the Sept. 27-28 weekend at Soros's mansion in Katonah, New York. After years of impoverishing Russia and Eastern European economies, looting raw materials, preying on currencies in the name of "philanthropy," Soros is now moving millions of dollars into the U.S. Democratic Party. Soros and his allies hope to control the policy of the potential Democratic replacements for the now-imploding Republican Bush-Cheney-Rumsfeld Administration, to keep "open season" for predatory imperial finance. Soros has, for the moment, fixed on Howard Dean for a candidate. But how does Dean fit the bill for Soros's scheme of things?

The most direct answer would be that the former Governor of Vermont is not actually a Democrat. Yes, he has repeatedly run for office under that party's name; but if you ask someone attached to the Dean campaign about his politics, you will be told, not Democrat but "fiscal conservative"—as if that were a distinct party.

This year Dean began stating opposition to some of the war policies of the Bush Administration. But Dean postures to the right of President Bush, in demanding Bush "take a much harder line on Iran and Saudi Arabia." He throws in with the Cheney-Wolfowitz neo-conservatives setting up the Bush Administration's *next* war, by claiming that Iran, Saudi Arabia, Syria, and Libya are fuelling Palestinian and other terrorism worldwide.

## Safe for Wall Street

Howard Brush Dean III is the wealthy heir of a long line of Wall Street Republicans. Coming out of Yale like his ancestors, Howard himself went to work in finance. But he got bored, became a medical doctor, got bored with that and went into politics. Now a Presidential candidate, Dean has simply rented himself to the available sources of support—with some surprising and disturbing results.

Dean cut Vermont's budget and made saving money for the state's Wall Street creditors his only significant objective. He presided over the disappearance of the state's machine-tool plants, and the decline of its dairy farming and lumbering. The destruction of productive industry and its necessarily high-paid union labor pleased Dean's Wall Street friends, so Vermont got a higher bond rating despite the gutted economy.

That Dean openly supported the mid-1990s Newt Gin-

grich-led Conservative Revolution is now scandalous within the Democratic Party. Dick Gephardt noted in their televised debate Sept. 23, 2003, that in 1995 when Democrats were fighting to keep Newt Gingrich from shutting down the government, Dean had sided with Gingrich, who wanted to cut Medicare \$270 billion. Howard Dean actually told reporters back in 1995, that the way to balance the budget would be to "cut Social Security," raise the Social Security retirement age to 70, cut defense, Medicare, and veterans' pensions, while the states cut almost everything else. "It would be tough," Dean said, "but we could do it." As late as June 2003, Dean said he would "entertain" raising the Social Security eligibility age to 68.

His rivals have increasingly attacked Dean for these brutal prescriptions, and for his recent loud switches back and forth to curry favor from various voting constituencies. Wall Street is worried that it may lose its darling Dean. The *Washington Post*, reflecting the control of the paper by Lazard Frères and Warren Buffett, in an Oct. 2 editorial warned Democrats not to revolt against austerity, and praised Howard Dean's long-term ugliness against seniors and the poor as expressing the "unhappy reality."

The history of Dean's own family money, and its curious intertwining with the Bush family, helps explain why Dean would be considered "safe" for imperial speculators like Soros.

His grandfather, the first Howard Brush Dean, graduated from Yale in 1918, and got into the Yale clique dominated by Averell Harriman. Grandpa Dean started out at the Guaranty Trust Company, the base for financier George Herbert Walker, who organized the W.A. Harriman & Co. private bank in November 1919 and became the Harriman bank's chief executive. Walker's daughter Nancy was a bridesmaid at the wedding of grandpa Dean on April 10, 1920. The following year, Nancy Walker took part in her sister Dorothy's wedding to Prescott Bush, grandfather of the current President.

Candidate Dean also boasts that President George W. Bush's mother's mother, Pauline Robinson, was a bridesmaid for Howard's mother's mother. This might make Dean a natural successor to Bush—if America had a royal family.

Yale University students, predominantly members of the Harriman/Bush secret Skull & Bones Society, organized Pan American Airways. Grandpa Dean was, though not a "Bonesman," socially close to this set, and a wealthy broker and a stock exchange governor; so he was made vice president and director of Pan Am from 1943-1950, while Prescott Bush was also a director of Pan Am.

Candidate Dean's father, Howard Dean, Jr., left Yale, worked for grandpa's Pan Am, and then expanded the family fortune as a stock broker.

Addressing the Vermont state legislature in 1996, Dean acknowledged that "some workers are simply not earning as much as they used to," and that "lower salaries mean less

revenue for state programs.” His response was not to advocate Franklin Roosevelt’s economic recovery policies to reverse the plunge into poverty, but to demand the immediate elimination of “any potential deficit by the end of this fiscal year.”

When energy pirates and speculators are allowed to ruin living standards, they offer criminalization as an alternative to a productive existence. Howard Dean’s new patron George Soros, for example, is the world’s most important individual advocate of the legalization of the full scope of narcotics. Cooperating with the drug money launderers and promoters of narco-terrorist control over South American and Mexico, Soros has financed pro-dope propaganda and referendums in the United States, and paid for pro-dope organs such as the Drug Policy Alliance.

Dean himself is not really from Vermont, but from New York, Wall Street, and the elite Hampton beaches. And the startling nature of who it is that is renting Howard Dean, begins to be clear when considering his campaign apparatus in his home base.

Professional lobbyist Ethan Geto is the chairman of the Dean campaign for New York City and New York State. According to statements from sources to this news service, Geto, while associated with New York Attorney General Robert Abrams, promoted and protected NAMBLA, the North-American Man-Boy Love Association, an organization of pederasts and child abusers. While Geto represents himself as a leading homosexual and Gay Rights advocate, and Howard Dean as a friend of gays, the Gay Rights movement expelled NAMBLA from its ranks and harshly condemns pederasts as criminals.

Geto, who now manages all aspects of the Dean campaign in New York and is Dean’s spokesman in the money center, had been the long-time political aide-de-camp to Robert Abrams. When Abrams became New York State Attorney General in 1979, he and Geto began a political witchhunt against psychiatrist Judianne Densen-Gerber, NAMBLA’s main enemy and a tireless campaigner against pederasty and Satanic child abuse. Utilizing a media smear campaign together with criminal investigation, Abrams and Geto forced Densen-Gerber to resign from her anti-narcotics program and sought her financial ruin.

In 1987 Abrams, with Geto at his side, also launched civil and criminal actions against Lyndon LaRouche and his associates, activities which Judge Steven Crane, presiding over the resulting case, characterized in a published court decision on Feb. 16, 1995 as implicating a “conspiracy to lay low these defendants at any cost, both here and in Virginia.”

At the time, Nathan Riley, Abrams media coordinator, told an investigator for LaRouche that “progressives and gays” in Abrams office were pressing for the prosecutions for purely political reasons—that is, to abort recent political successes by the LaRouche movement, which had won March 1986 Illinois primaries and placed a proposition requiring the application of standard public health measures in the treatment of AIDS on the California ballot. Subsequent investiga-

tions demonstrated that the Anti-Defamation League (ADL) and the New York media salon of John Train—featuring Richard Mellon Scaife and other scions of the neo-conservative banking and intelligence establishment—played the major hand in sustaining Abrams’ prosecution. Abrams received an award from the ADL for it.

### **‘Billionaires’ Grass-Roots Organization’**

The present attachment of the Dean campaign to the financiers’ political money spigot reflects that same malicious dynamic.

Steven Grossman is national finance chairman for Howard Dean. Grossman is the former chairman of the American Israel Public Affairs Committee (AIPAC), the main lobby for the Israeli government. Grossman may be the most important activist for securing Israeli Likud-nik influence inside the Democratic Party, and was chairman of the Democratic National Committee in 1997-1999.

Finance chairman Grossman is the linchpin for the whole Dean money outreach. The Northeastern States Finance Director is Emily Wurgaft—formerly an officer under Grossman at his National Jewish Democratic Council. Emily managed the recent affair at the Soros mansion, and her network overlaps heavily with Ethan Geto’s. Meanwhile Aaron Holmes, a young staff member of Grossman’s own losing 2002 campaign for Massachusetts governor, is now the chairman of the Dean campaign in California.

Grossman’s AIPAC and Ethan Geto go way back together. In 1981, contributors to AIPAC formed a political action front group called Roundtable PAC, a money conduit for junk bond scamsters Michael Milken and Ivan Boesky, gangster Meshulam Riklis (Ariel Sharon’s personal sponsor), and the leaders of United Fruit/United Brands. Both Robert Abrams and Ethan Geto, instead of prosecuting these gentlemen, joined them in giving birth to the Roundtable PAC, which served as a seed crystal for the growth of a right-wing power axis spanning Israel and the United States.

Now George Soros has done a strategic redeployment out of Eastern Europe, and he and his friends are pouring funds into an attempt to control the U.S. Democratic Party. He has pledged an initial \$10 million to “Americans Coming Together” (ACT), which aims at running the Democrats’ campaign against Bush. Soros has apparently pledged more millions, if needed; while there are reports that he is cutting back on his estimated \$300-450 million a year to the former “East Bloc” nations. Also, six plutocrats allied to Soros have already given another \$12 million combined, and reports of the group’s fund-raising ambition range from \$75 million to the NewsMax estimate, \$250 million. ACT would seem to be the oxymoron of a billionaire-backed “grassroots” organization.

George Soros’s spokesman Michael Vachon told an inquiring journalist that Soros is at the moment “keenest for Dean.” But Vachon hinted that other candidates might serve the speculator’s purposes, should the odor around Dean’s Democratic credentials grow too embarrassing.



# Senate in 'Mad Rush' To Pass Iraq \$87 Billion

by Carl Osgood

Even as Senate Appropriations Committee chairman Ted Stevens (R-Ak.) was moving to ram the \$87 billion Iraq War Supplemental budget request through the Senate, signs were showing that it might face trouble. The request arrived on Capitol Hill as questions about the Bush Administration's policy in Iraq were increasing, and the debate on the bill is feeding into that process. The questions revolve around the Administration's reconstruction plan—if it even has one, though officials, including Coalition Provisional Authority head Paul Bremer and Deputy Secretary of Defense Paul Wolfowitz, were protesting that there had been sufficient planning for post-invasion reconstruction and security.

Bremer, often alongside top Pentagon officials, testified at seven hearings from Sept 22-25, trying to drum up support for the supplemental, but he was unable to quell suggestions that the reconstruction money should be in the form of a loan, secured by future Iraqi oil revenues. This is being put forward by some nervous Republicans, such as Sen. Arlen Specter (R-Penn.), who claim they're being asked by their constituents why Iraq cannot pay for its own reconstruction given its huge oil reserves. Securitizing Iraq's oil reserves, however, is not an idea that originated with Congressional Republicans. Export-Import Bank president Philip Merrill has been promoting the idea since early September, although he downplayed it during a speech on Sept. 25, because of its inherent political and legal difficulties. The loan idea has gained enough currency among Democrats, however, that they plan to make an issue of it during Senate floor consideration of the supplemental.

A visiting delegation of the Iraqi Governing Council also raised concerns that turning the reconstruction money into a loan would create the appearance that the U.S. invaded Iraq for its oil, rather than to liberate the country from Saddam Hussein. Ahmad Chalabi, sometimes called the Pentagon's favorite Iraqi, told reporters, after the delegation met with Senate leaders on Sept. 30, that a loan might re-open that debate, "And this is something we want to avoid at all costs."

The surprise the Senate received from the Iraqi delegation, however, was not that they want the reconstruction money in the form of a grant, but rather, their complaint that they were not consulted on its allocation. Senate Armed Services Committee chairman John Warner (R-Va.) told reporters that he was caught "somewhat by surprise." He said that when he asked the Iraqis if they were consulted by Bremer, "they left enough doubt in my mind, and I'm going directly back to the

Secretary of Defense and ask him to refine for the Senate, very clearly, the process by which Bremer works with that group, and the extent that Bremer does take into consideration their views." That U.S. policy in Iraq might be for some interest other than that of the people of Iraq was indicated by Bremer's own effusive praise of the extreme free-trade, anti-state economic and financial policies he is implementing in Baghdad (see *EIR*, Oct. 3).

The almost lone voice in opposition remains that of Sen. Robert Byrd (D-W.Va.), the presently longest-serving member of the Senate, and self-described champion of the U.S. Constitution. During the Sept. 22 hearing, he noted that he was one of the 23 votes "against giving the President the power which the Constitution does not give him—the power to declare war." He separated the Afghanistan war from the Iraq war, noting that in Iraq "we attacked a sovereign country by the order of the commander in chief. That country did not attack this country. That country did not represent an imminent threat to this country, but we deliberately attacked that country in furtherance of the doctrine of pre-emption."

Byrd credited President Bush with getting the UN weapons inspectors back into Iraq, but even as the inspections were going forward, "the President was apparently bent upon going to war in Iraq." He recalled how Karl Rove, Bush's political guru, "addressed Republican Committee members in January of last year. . . saying that, in essence, we should make this war on terrorism our strategic centerpiece, or words to that effect, for the political campaign."

Byrd also ridiculed the idea that the reconstruction plan that is to be financed by the supplemental, in any way, was comparable to the post-World War II Marshall Plan, a comparison constantly being made by Secretary of Defense Donald Rumsfeld, among others. During a Sept. 24 hearing, in which Rumsfeld was a witness, Byrd noted that in World War II, the United States was attacked by Japan, and Germany then declared war on the America, and so the post-war occupation of those two countries was the result of a widely-supported defensive war. "We're seeing none of this in Iraq," he said. "For one, the war in Iraq was not defensive. It was a pre-emptive attack. Secondly, we have alienated most of the international community in fighting the war. Third, the Germans and the Japanese did not resist the U.S. occupation through sabotage, assassinations, and guerrilla warfare." Byrd then described how thoroughly the Marshall Plan legislation was examined by the Congress. "There has been a rush, a mad rush to move forward on this bill," Byrd said.

Stevens, however, was able to ram the bill through the Appropriations Committee after one week of hearings. The bill hit the floor on Oct. 1, but with possible threats to its quick passage looming. The bill is moving a little more slowly in the House, with the House GOP leadership expecting to take the bill to the floor around Oct. 8 or 9. However, the loan idea has support among some Republicans there, too, with a spokesman for House Speaker Dennis Hastert (R-Ill.) telling Reuters, on Oct. 2, that he would accept a loan provision.

### Fiscal Year Starts Without a Budget

In yet another sign that the Federal budget process is not working, Fiscal Year 2004 began with a continuing resolution, a move necessitated by the fact that Congress succeeded in passing only three of the 13 annual spending bills before the Oct. 1 start of the new fiscal year. This repeats Fiscal 2003's process which has produced a budget deficit over \$500 billion, and occurs in spite of Republican control of both Houses of the Congress and the White House. The three bills they managed to pass were the \$368 billion Defense Appropriations bill, and the Homeland Security and Legislative Branch bills.

Representative David Obey (D-Wisc.), the ranking Democrat on the House Appropriations committee, during floor consideration of the continuing resolution on Sept. 25, blamed the present situation on GOP misuse of the budget process. He charged that the annual budget resolution "has been used increasingly each year by the House Republican leadership to assist the House in avoiding reality and ignoring reality." He noted that the budget resolution starts out with an unrealistic set of numbers for revenue as well as spending. To make matters worse, Obey charged, the GOP believes that it can make all of the spending promises that it does, and yet still provide huge tax cuts, "even though we no longer have the surpluses . . . that we were expecting when those tax cuts were passed."

House Appropriations Committee chairman Bill Young (R-Fla.), responding to Obey, admitted that "It required considerable creativity . . . in order to do what we had to do and still comply with the budget." Obey then described one example of that "creativity," which he called "Enron Ac-

counting 1A." The example was a \$2.2 billion appropriation to the Department of Education, that was appropriated in Fiscal 2003, as an advance appropriation for Fiscal 2004; but the continuing resolution moved that advance appropriation back to 2003, so that it would not show up in the 2004 numbers.

### Democrats Realize the Danger of Ashcroft

In January of 2001, when the just-defeated Sen. John Ashcroft (R-Mo.) was nominated by incoming President Bush to be United States Attorney General, Lyndon LaRouche warned that, should the United States face a major crisis, Ashcroft would be prone to a Reichstag-Fire type of response. On Sept. 24, Rep. Dennis Kucinich (D-Ohio) noted that response in introducing a bill to repeal parts of the so-called Patriot Act, the legislation granting the Justice Department wide ranging police state powers, that was demanded by Ashcroft in the aftermath of the Sept. 11, 2001 terror attacks.

Kucinich said that in the 2 years since the 9/11 attacks, "this nation has undergone a dramatic political change, leading to an unprecedented assault on the United States Constitution and the Bill of Rights. . . . Today, our nation has reached a critical turning point. Will we live in perpetual fear and continue to allow the disintegration of our basic rights and liberties? Will we stand by as the Administration formulates a second, more dangerous Patriot Act because, in the President's words, 'the first bill didn't go far enough?'"

Rep. Jim McDermott (D-Wash.), one of half a dozen Democrats who

appeared with Kucinich, said "Today, I will tell you that the most dangerous man to Americans is John Ashcroft. Without exception, everyday, he comes out with some way to further take away our rights." McDermott cited Ashcroft's declaration that he would defend any branch of government that decides to resist a Freedom of Information Act request. "He will try to keep the American people from knowing anything," he said.

Kucinich expressed confidence that his bill, which would repeal some of the more egregious provisions of the Patriot Act, would be considered by the House. "There is sentiment in the Congress," he said, "to move to challenge this idea that we need to attack our Bill of Rights in order to be safe." That Ashcroft's behavior might be grounds for seeking his removal from office has, apparently, yet to be considered, however.

### School Vouchers Hang Up D.C. Funds

A plan to impose a school voucher program on the District of Columbia brought progress on the D.C. Appropriations bill to a halt, on Sept. 25, because of the opposition of most Senate Democrats. The key sponsor of the provision, however, is Sen. Diane Feinstein (D-Cal.) making the disagreement as much intra-party as it is partisan. Besides having the support of the two managers of the appropriations bill, Senators Mike Dewine (R-Ohio) and Mary Landrieu (D-La.), Feinstein said that she supported the provision because D.C. Mayor Anthony Williams "wants" it, and it is only a 5-year pilot program for 2,000 students in the District public school system.

That was certainly not enough to persuade Sen. Richard Durbin (D-Ill.). Durbin noted that “Members of Congress will do on this bill what they wouldn’t dare do in their own districts or states,” and that the D.C. Appropriations bill usually becomes “that laboratory, that political playground.” He charged that Feinstein’s program is “an experiment with the lives of students,” one that risks subjecting them to private school teachers of lesser qualifications than those demanded of public school teachers. He also urged Mayor Williams not to give up on the public schools.

Feinstein was perplexed by Durbin’s criticism, chalking it up to resistance by the “educational establishment.” However, the supporters of the voucher provision have not yet been able to round up 60 votes to defeat a filibuster. As a result, Senate Majority Leader Bill Frist (R-Tenn.) decided, on Sept. 30, to pull the bill from the floor.

## Senate GOP Launches Attack on Kennedy

Senate Republicans incapable of accepting any criticisms of the Bush Administration’s policy in Iraq, used about 45 minutes of the Senate’s time, on Sept. 23, to blast Sen. Ted Kennedy (D-Mass.) for his charge, on Sept. 18, that the Iraq war was a “fraud hatched in Texas.” The attack was led by Sen. Bob Bennett (R-Utah), who went to great lengths to try to prove that the war policy was actually hatched in the Clinton Administration, but that President Clinton could not muster the will power or the international support to actually do something about Saddam Hussein.

Bennett was followed by Sen.

John Warner (R-Va.), who practically described himself as the greatest supporter of the men and women in uniform ever known, and said that Senators should be careful with what they say because of the emotional impact on the young wife, waiting at home with her children, wondering if her husband is going to get out of Iraq of Afghanistan alive.

The strongest Democratic response, besides that of Kennedy himself, came from Sen. Patrick Leahy (D-Vt.) who went directly after the frauds perpetrated to justify the invasion of Iraq—including Dick Cheney’s claim, last March, that Iraq was reconstituting its nuclear weapons program. “The reality,” he said, “is that since the fall of Baghdad, practically everything the White House and the President predicted about Iraq has turned out to be wrong.” He then went through each pre-invasion claim to show how they have all turned out to be false. Kennedy, for his part, while not repeating the line about the fraud hatched in Texas, otherwise stood by his charge that the Administration’s rationale for going to war “was built on a quicksand of false assumptions.”

## Democrats Demand Iraq ‘Lessons’ Report

The leaking of a classified report entitled “Operation Iraqi Freedom: Strategic Lessons Learned,” to the *Washington Times* on Sept. 3, inspired Rep. Robert Wexler (D-Fla.) to introduce a resolution of inquiry demanding that President Bush make that report available to the House of Representatives. According to the *Washington Times*, the report, prepared for the Joint Chiefs of Staff, indicates that the planning for the post-invasion phases of

the Iraq operation was poor to nonexistent. The *Times* quoted the report as saying that “Late formation” of DoD organizations for reconstruction “limited the time available for the development of detailed plans and predeployment coordination.”

Wexler followed with his Sept. 9 resolution calling for providing that report, and other documents relating to reconstruction and security in Iraq, to Congress within 14 days. He said in a statement that the report “demonstrates staggering negligence on the part of” the Bush Administration “and affirms . . . President Bush failed to prepare the American public for the aftermath of the operation in Iraq.” He charged that President Bush’s “reckless and irresponsible post-war planning” has increased the danger of terrorism against the United States and threatened the entire Middle East with destabilization.

The resolution did not fare so well before the two committees of jurisdiction, however. Both the International Relations Committee and the Armed Services Committee reported the resolution adversely, the International Relations Committee voting 24-20 on Sept. 25, and the Armed Services Committee acting similarly on Sept. 30. International Relations Committee chairman Henry Hyde (R-Ill.) argued that the Lessons Learned report “is nowhere near completion, and it would be a disservice to those who must fight our future wars to rush the process of compiling lessons learned.” He also said that the second part of resolution—requesting documents relating to reconstruction and security—is so broad as to make it “virtually impossible” to support. Hyde promised that when the Lessons Learned report is complete, it will be available to any member of Congress who wishes to review it.

# The U.S. Senate Through Lyndon Johnson's Eyes

by Stuart Lewis

---

## **The Years of Lyndon Johnson, Master of the Senate**

by Robert A. Caro  
New York: Alfred A. Knopf, 2003  
1,162 pages, hardbound, \$35

---

Imagine, until 1957, no civil rights legislation had been approved by the United States Senate since 1875. (The House of Representatives had occasionally passed Civil Rights legislation to always see it die in the Senate.) Quite a dry spell—which was only broken by the guidance of the “Master of the Senate,” Lyndon Johnson. The story and the clever manipulations and stratagems that allowed Johnson to maneuver the legislation through Congress are wonderfully and fully portrayed by author Caro in his more than 1,000 page book. Caro, it can be said, is “Master” of the Johnson biography, as this is the fourth of a series on his life, with still another to be written about Johnson’s Presidential years.

In telling the story, leading up to the 1957 passage of a civil rights bill, the author goes through all aspects of Johnson’s Senate and personal life, trying to give you an understanding of what made Johnson tick, as well as going through the broader historical context of his actions.

## **The Confederate ‘Old Ways’ in the Senate**

Caro sets up the story, in the first 100 pages, by barely mentioning Johnson, and instead, elaborating a history of the Senate. Most importantly, how the Senate, whose members are elected to six-year terms, is the legislative body least responsive to popular opinion. While on one level that might be good, knowing that popular opinion is often wrong, in

the Senate’s case, it was a detriment to the advancement of civil rights.

Especially, when the Senate was dominated by openly racist, Southern states’ Senators who could easily manipulate to ensure the killing of any legislation they disapproved of. Most civil rights legislation never made it out of committee. The Southern bloc, made up of the Old Confederacy, knew how to use the rules of the Senate better than most of their other colleagues, and often took advantage of their knowledge, to confound and thwart the efforts of the majority of the Senate. Furthermore, because of the seniority rules, they controlled most of the major committee chairs, and used these advantages to prevent any weakening of the power of the filibuster, to stop any pending legislation they didn’t like. While the situation wasn’t as bad as the days before the Civil War, when even bringing petitions opposing slavery had been banned from the House of Representatives, the Southern Senators cloaked their racism in the mantle of the legalistic argument for “states’ rights.”

## **Johnson’s Life, A Tangled Tale**

But, trying to understand Johnson’s motivation in favor of passing civil rights legislation is no easy matter, as this book lays out the seemingly major contradictions and conflicts in Johnson’s life. The major conflict was between doing the right thing, and doing what was right for Johnson’s career advancement. If doing the right thing got in the way of Johnson’s career, Johnson’s career came first. And for a career, Johnson’s goal was to be President of the United States, and neither friend nor principle would stand in Johnson’s way.

As Caro describes it, “Another quality that Lyndon Johnson had displayed on each stage of his march along the path to power was an utter ruthlessness in destroying obstacles in that path.” While many thought of Johnson as a Roosevelt

New Dealer, and as Johnson portrayed himself in Washington as “the protégé of Franklin Roosevelt who told his liberal Washington friends about cheap electricity,” when it came time to please his Texas moneybags financial backers, Johnson unflinchingly, and thoroughly, destroyed the career of Leland Olds.

Olds was then chairman of the Federal Power Commission, which regulated corporations that created power from natural resources, as well as sold that power to the public. Olds was committed to breaking the backs of the utility company monopolies, and via regulation of electric rates, to ensuring rural areas had the electrical power they required. But, Johnson’s Texas oilmen backers did not like their energy resources regulated; and in 1949, Senator Johnson used extremely vicious McCarthyite, guilt-by-association innuendo that Olds had links to the Communist Party USA, to utterly devastate Olds during the confirmation hearings. Johnson so orchestrated the hearing, that Olds was never even able to competently defend himself, as Johnson continually badgered and interrupted Olds’s testimony. Civil rights attorney Joe Rauh called what Johnson did to Olds, “really vicious . . . one of the dirtiest pieces of work ever done.” And besides destroying Olds’s career, the utility regulation that Olds had fought for was reversed as well—just as Johnson’s oilpatch backers wanted.

### Balancing Act

And yet, Johnson’s driving ambition could play a positive role as well. “He knew . . . that the only way to realize his great ambition [of becoming President] was to fight—*really* fight, fight aggressively and effectively—for civil rights; in fact, it was probably necessary for him not only to fight, but to fight and *win*: Given their conviction that he controlled the Senate, the only way the liberals would be satisfied of his good intentions would be if that body passed a civil rights bill.” Was Johnson really in favor of civil rights? He certainly came down on both sides of the issue many times during his career. Being associated with the Southern Caucus, he had to let them believe he was a racist. On the other hand, he is quoted telling a biographer, “I’m not prejudiced nor ever was.” While Caro finds numerous examples to show that Johnson was not color-blind, he did have empathy for the poor and dark-skinned, and had the ability to read people’s souls, put himself in their place, and “feel what they were feeling.”

For him, passing a civil rights bill would be the supreme balancing act. To be President, Johnson would have to get the support of more than just the Southern Senators. However strong the Southern Senators were in their extremely strong hold on Senate matters, they did not have the power to put a Southerner in the White House. Johnson had to balance a civil rights bill that liberals and non-Southerners could support, and that was not too bitter a pill for the Southern Senators to swallow.

Luckily for Johnson, he had Georgia Sen. Richard Russell on his side. Russell was the leader of the Southern Caucus,

and one of the, if not *the* most powerful, behind-the-scenes movers in the Senate—and Russell was committed to seeing Johnson become President. But, of course, it was more than just luck, that Johnson had the favor of Russell. Johnson, throughout his career, was able to find individual weaknesses of those whose favor he needed. When Johnson was in the House of Representatives, he sucked up to House Speaker, Texan Sam Rayburn. It was no different with Richard Russell, for whom Johnson showed no shame in flattering and winning Russell’s affection, most necessary for Johnson’s career to advance. It worked so well, that Russell, an avowed racist, after whom one of three Senate Office Buildings was named in 1972, was still willing to do battle to help Johnson with civil rights legislation in order to help him become the first *post-bellum* President from the South.

Of course, Caro never gives the short version of anything, and includes much interesting background and history of the civil rights struggle, before the blow-by-blow of how Johnson did manage to beguile, manipulate, and pressure whomever he needed, in order to pass the 1957 Civil Rights Act. The 1957 Act was a weak law, dealing only with voting rights—not touching many of the other injustices, such as segregation in schools, housing, and restaurants.

In 1960, the net gain of registered voters in the Old South, was zero. But, as Johnson said, “It’s just a beginning. . . . We’ve shown that we can do it. We’ll do it again, in a couple of years.” And, events showed Johnson to be true to his word, as President Johnson got passed and signed the two historic Civil Rights and Voting Rights Acts of 1964 and 1965.

## New English Translations Of Schiller’s Great Works

by William F. Wertz, Jr.

---

### Friedrich Schiller, Poet of Freedom, Volume IV

edited by William F. Wertz, Jr.  
Washington, D.C.: The Schiller Institute, 2003  
317 pages, paperbound, \$15

---

A little more than three months after the death of Schiller Institute Vice President Marianna Wertz, on Jan. 15, 2003, Volume IV of translations of the works of the Poet of Freedom, Friedrich Schiller, was released. The publication of this beautiful book was made possible by contributions in memory of Marianna, to whom it is dedicated.

The book includes a foreword by Helga Zepp-LaRouche,

Chairwoman of the Schiller Institute; a memorial written by Marianna's husband William F. Wertz, Jr., President of the Schiller Institute in the U.S.; and two introductory essays written by Marianna, respectively on Schiller's poems "The Artists," and "Shakespeare's Shade."

The volume contains translations by Marianna of several poems, including "The Artists," "The Walk," "The Count of Hapsburg," "The Dance," "Shakespeare's Shade," "Fortune," and "The Pledge," the latter done in collaboration with Paul Gallagher. Two other poems are translated, "Waiting" by Paul Gallagher, and "Singer's Farewell" by Matthew Ogden.

The book also contains a translation of Schiller's play, "Mary Stuart," by William F. Wertz, Jr.; translations of an historical lecture entitled, "Some Thoughts on the First Human Society Following the Guiding Thread of the Mosaic Documents: Transition of Man to Freedom and Humanity," and of an early writing entitled, "Philosophy of Physiology," both done by Anita Gallagher; and three essays translated by George W. Gregory—"On the Reason Why We Take Pleasure in Tragic Subjects," "On Tragic Art" and "On the Employment of the Chorus in Tragedy." The translations done by Paul and Anita Gallagher were completed when they were unjustly incarcerated in the Commonwealth of Virginia as a result of the political witchhunt against Lyndon LaRouche. Matthew Ogden volunteered to translate "Singer's Farewell," so that this volume would contain a contribution by a member of the LaRouche Youth Movement.

There are eight pages of photographs in remembrance of Marianna's work with the Schiller Institute. The cover design—off-white with gold lettering—was suggested by Karon Concha-Zea and Megan Beets, who, along with Matthew Ogden and Carlo Concha-Zea, all members of the LaRouche Youth Movement, were pallbearers for Marianna.

As Helga Zepp-LaRouche emphasizes in her Foreword, our most important consolation lies in commitment of the LaRouche Youth Movement to making Schiller's ideas of the aesthetical education of man its own, to realize them, and thus to continue the life's work of Marianna in a powerful way. If the youth of the United States—but also, of the whole world—adopt for themselves the ideas of Schiller, in particular his notions of the sublime and of the beautiful soul, which Marianna embodies, then Schiller's vision of the Age of Reason can be realized even in our lifetime. There is no better way to participate in Marianna's immortality, than this.

WEEKLY INTERNET  
AUDIO TALK SHOW  
**The LaRouche Show**  
EVERY SATURDAY  
3:00-4:00 p.m. Eastern Time  
<http://www.larouchepub.com/radio>

## The 'Official Conspiracy' Theory Dismantled

by Rainer Apel

---

**Die CIA und der 11. September.  
Internationaler Terror und die Rolle der  
Geheimdienste [The CIA and September 11:  
International Terror and the Role of Secret  
Intelligence Services]**

by Andreas von Bülow  
Munich, Piper-Verlag, 2003  
271 pages, EU 13

---

---

**Operation 9/11. Angriff auf den Globus  
[Operation 9/11: Attack on the World]**

by Gerhard Wisnewski  
Munich, Verlag Droemer Knauer, 2003  
414 pages, EU 12.90

---

It turned out to be quite providential that on September 11, 2001, Lyndon LaRouche was being interviewed on Jack Stockwell's Salt Lake City prime time radio talk-show, at the very moment that the first reports about the attacks were coming in. When the widely-listened-to Stockwell asked LaRouche what he thought, the already-announced Democratic Presidential pre-candidate replied: 1. That it was no terrorist act in the ordinary sense, but rather a precisely coordinated operation, essentially under the control of an apparatus within the United States itself. 2. That the goal of this attempt and the subsequent media propaganda was the kindling of a war in the Middle East and beyond, along the script designed by the geopolitician Samuel Huntington under the theme of his "Clash of Civilizations." 3. That, for example, the strategic goal of this operation was to prevent the formation of a Euro-Asian economic alliance, by manipulating an artificial confrontation between Islamic and non-Islamic countries. 4. That the main reason for this entire operation was the fact, that the world financial-monetary system is in its end-phase of collapse.

Whoever had had our newspaper *Neue Solidarität* in his or her hands before September 2001, will remember that, already at the point of the very odd "election" of George W. Bush to the Presidency, Lyndon LaRouche had warned in a January 2001 webcast, that the combination of political forces

in the new administration would seek a conflict with Eurasia and with Islam. Unless things were changed, he said, we should expect to see the creation of a pretext—a kind of new “Reichstag fire”—for the new “clash of civilizations.”

### Von Bülow and Wisnewski

It is good to keep LaRouche’s very early, and very precise assessment—as borne out by later events—in the back of your mind, because since then, a number of books have come onto the market, which purportedly reveal the “true background of Sept. 11 for the first time.” Here we will look at Andreas von Bülow’s book *The CIA and September 11*, and Gerhard Wisnewski’s *Operation 9/11*. A veritable flood of articles and reviews are coming out attacking these books, their authors defamed as evil and dangerous “conspiracy theorists.” Bülow, Wisnewski, and others, it is said, are trying to muddy the waters with their abstruse “conspiracy theories” against the official indisputable “truth” told by the government, that the sole responsibility for 9/11 lay with “Islamic terrorists.” The defamation becomes especially vicious when the authors are ascribed “anti-Semitic” motives, and accused of playing into the hands of the right-wing NPD party’s ideologue Horst Mahler—a rather odd charge, since Mahler—who now blames Israel, back then had *enthusiastically welcomed* the attack, in a statement posted on the internet on Sept. 12. Andreas von Bülow, whose new book has already sold more than 70,000 copies, has been given this “anti-Semitic treatment.”

Both von Bülow’s and Wisnewski’s books point to the numerous and hair-raising contradictions and matters left completely unexplained in the “official version” of the attack. The material that both authors present about the glaring contradictions and the clearly professional disinformation about Sept. 11 is worth reading—even if they leave many questions still open. Von Bülow and Wisnewski do a thorough examination of the actual background of 9/11. They name the names, such as U.S. Vice President Dick Cheney, Defense Secretary Donald Rumsfeld, Deputy Secretary Paul Wolfowitz, and other “neo-conservatives”; but they both wait until the end of their books to do so, thus putting the cart before the horse; and they are by far not as precise as LaRouche was two years before them.

Especially von Bülow, falls again and again into the tired old complaint against the “Bush Administration” and “the CIA.” Contrast that to LaRouche, who always makes a clear distinction between those who actively reaped the benefits of 9/11 and their “in the know” actual or potential collaborators within the Bush Administration—namely the “Cheney Junta” and their geopolitical war plans—and the covert “apparatus” of “outsourced” privatized operations of secret intelligence services and military special operations units. The “19 Islamic al-Qaeda terrorists” were only the window-dressing for this “apparatus,” which is actually responsible for the planning and execution of the attack, in order to make Islam into a plausible “enemy image.”

### The Role of the Cheney Junta

Under the heading “The Bush Administration Takes Advantage of the Moment,” von Bülow writes in Chapter 7, that Cheney and Rumsfeld fit the events of Sept. 11, 2001 into their previously formulated world-strategic agenda with lightning speed, and that it was Cheney who “hours after the attack, immediately proposed a military response” against Iraq.

It was Afghanistan that was chosen as the first target, “so that later there could be a projection of force in the direction of China, India and Pakistan,” and again, it was Cheney, who profited from the moment, putting 60 countries on a list of possible American targets.

Bülow writes: “According to the conception behind this political strategy, the global power struggle must be taken up in such a way, that in the foreseeable future, no one will be able to go against U.S. geopolitical demands. This is the determination of a core of personnel around Bush, to build and secure a new American Century. The only power combination that might go against the U.S.A. would be in Eurasia, from the countries that lie between the Atlantic coast of Europe and the Pacific coast of Asia. Who rules Eurasia, rules the oil and gas fields of the Near and Middle East, the Caspian Basin—and perforce Africa—that is Brzezinski’s geopolitical axiom.”

Von Bülow names some prominent names in “Project for a New American Century” (PNAC) from the 1990s: “In the ‘Project for a New American Century,’ those who set the tone were the neo-conservatives William Kristol, Vice President Richard B. Cheney, Defense Secretary Donald Rumsfeld, Deputy Secretary of Defense Wolfowitz, the current Chairman of the Pentagon’s Defense Policy Board, Richard Perle [sic—Perle had resigned as chairman earlier this year], the Deputy Secretary of State Richard Armitage, the Governor of Florida, the President’s brother Jeb Bush, as well as the current U.S. Ambassador to Afghanistan. This group is the core of American foreign and military policymakers who now hold office in the Bush Administration in Washington.”

Von Bülow does not go into, nor for that matter does Wisnewski in his statements about the PNAC, the debate that has been raging for months, even in the U.S. media, about the intellectual underpinnings of the “Cheney Junta”: the ideology of University of Chicago Prof. Leo Strauss, a friend and acolyte of Carl Schmitt, the jurist who re-wrote German law so that Hitler could become absolute dictator. The link from Schmitt through Strauss to PNAC and other “neo-conservative” groups inside and outside the Bush Administration, is especially important.

While von Bülow, who is very familiar with LaRouche’s assessment of Sept. 11, breathes not a word about this, Wisnewski does cite a number of authors and publications close to LaRouche, including this newspaper *Neue Solidarität*, but never mentioning LaRouche’s name.

*Rainer Apel wrote this review for the German weekly Neue Solidarität; it was translated for EIR by Richard Sanders.*

---

## Editorial

### *Europe's '\$87 Billion'*

In the United States, Presidential candidate Lyndon LaRouche has called for the Congressional defeat of the Administration's \$87 billion new spending bill for Iraq—LaRouche called it “the Halliburton Relief Fund” He suggested that Congress instead authorize the issuance of that much credit to the rebuilding of the U.S. electric grid and electric power capacity which has been ravaged by deregulation and underinvestment, starting with the bankrupted power system of California. That tax money, proposed to be wasted in Iraq to green the corporate books of Cheney's Halliburton and Shultz's Bechtel, is in fact only a fraction of what is needed to rebuild the power grid and systems of North America. As LaRouche emphasized, what is needed is a “Super-TVA” to take on this and other great tasks of economic infrastructure, and start to rebuild the skilled labor force and engineering cadre shattered by the collapse of the physical economy.

In Europe, this task is even greater, as Lothar Komp's study in our *Economics* section proves. The national blackouts in Italy in recent months; the shocking and tragic toll of 15,000 heat-prostration deaths of the elderly and others in France in this Summer's record heat; the periodic blackouts in Scandinavia, Britain, Central Europe; the high average age of particularly the non-nuclear power plants of the European Union; are all signs of the huge “energy gap” Europe must fill.

Simply to replace power plants which will become too old to operate by 2020, the EU nations must build 200 billion watts of new capacity in that time (and reverse the insane Green policy of forcing newer nuclear plants to be shut down). Add the need to replace superannuated capacity in the 10 new central European nations which are joining the EU, and well over 300 billion watts of new capacity are required. Add the needs of economic growth, and extend the time frame to 2030—one generation from now—and the required investment is 600 billion watts of new power plants.

This task for Europe is nearly equal to that of replacing the entire electric power capacity of the United States with new facilities and transmission

grids, over the next generation! And there remains a gap of nearly one-third between annual electricity use per capita in the United States and that in Europe—a gap which shortens lifespans when reflected, for example, in the lack of air conditioning in hospitals and other public facilities, as painfully shown in France this Summer.

The investment necessary to do this, is estimated by competent engineering authorities in Europe—even assuming the end of Green sabotage against building new power plants with advanced technologies—at about \$1.2 trillion. And once an entire economic sector's investments have been slashed through deregulation and the ensuing bankruptcies and consolidations, as Komp shows they have for the European electric power sector, do not expect these investments to be made by the private sector. The governments of the European Union must act together to start the flow of public credit into that sector. It's roughly an investment of that “\$87 billion” every year until 2020, into the rebuilding of the power sector in the European Union countries. And electricity is the linch-pin of the entire recovery of the depression-wracked economies of Europe, through their participation in the great projects of economic cooperation of the Eurasian Land-Bridge.

This huge “energy gap” demands the expansive use of new nuclear-power technologies across Europe. The homespun comparison to the “\$87 billion” makes clear just how urgent is the thorough smashing of the Maastricht “Stability Pact” straightjacket which is imposing austerity and preventing investments in renewing the physical economy in Europe. It proves how urgent is the implementation of the Tremonti Plan—sometimes called the “New Deal for Europe”—by which the governments would participate through the European Investment Bank in creating off-budget new credits for rebuilding economic infrastructure. And it demonstrates how far even the Tremonti Plan—aiming at generating \$70 billion euros a year in total investments—must be scaled up, to turn around the EU's economic depression.