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A Turning-Point in Current History:

Drum-Beats Over Libya

by Lyndon H. LaRouche, Jr.

June 26, 2011—*The early impeachment and ouster of President Barack Obama is almost inevitable as an event before or during the coming Summer months, unless the backers of Obama, especially from London, were to copy the Adolf Hitler option with the likeness of the British creation, Adolf Hitler's March 23, 1933 Ermächtigungsgesetz. The danger of the latter development has just been greatly increased by an opportunist vote in the U.S. Senate, a vote made in de facto opposition to my own principles, from others' stated policy for this occasion.*

The Senate majority has, thus, made a lalapalooza of an amazing mistake, a mistake fairly characterized as one which reveals a great, great deal about the pettiness of which some legislators are capable, a mistake comparable in the annals of gallows humor, to cutting off one's face to save one's buttock, or, in the alternative, the loss of one's buttocks to save the appearance of a face.

The trans-Atlantic region, in which our United States is situated, still, despite its Presidents George W. Bush, Jr. and Barack Obama, as a crucially important part, is now that largely self-inflicted target for destruction, to which it were doomed if it continued to fail in effecting the relatively immediate expulsion of the increasingly despised President Barack Obama from office. Unlike many other leaders presently incumbent, who seek to compromise with an indictable scoundrel, I come from a tougher, World War II generation...

**Separate In-Depth articles from
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This Week's Cover

- **A Turning-point in Current History:**

Drum-Beats Over Libya

by Lyndon H. LaRouche, Jr.

The only way in which Obama could manage to remain in office, would be to imitate the fascist takeover of the otherwise doomed Hitler government. So, as in Germany then, like U.S. President Barack Obama now, leading figures inside the national legislature, had declined to acknowledge the virtual treason of a sitting President.'

- **Obama Rips Up the Constitution**

Obama's overt contempt for the U.S. Constitution, as seen in his refusal to go to Congress for authorization of his Libya war, is an impeachable offense.

- **Documentation:**

House Debates Libya War Resolutions

- [Obama's Libya War: In Nixon's Footsteps](#)
- [The Road to Dictatorship: Hitler's Enabling Act](#)

National

- [The Second Battle of Trenton: Mass Strike Resurges in New Jersey](#)

American history scholar Nancy Spannaus reviews the mass revolt in Trenton, N.J. against the union-busting Republican governor and the goose-stepping Democratic leadership, whose capitulation to fascist austerity inspired a New Orleans-style funeral march.

Economics

- [U.S. 2012 State Budget Deadline: Chain-Reaction Bankruptcies for Global Monetary System?](#)

U.S. state governments are in an impossible situation, which itself marks a crisis point for the collapsed world monetary system. July 1 marks the beginning of FY 2012 for 46 states, with their governments committed to the charade of devising ways to cut operations sufficiently to 'manage' debts and expenditures for essential functions.

- [SAC-D Aquarius Satellite: Argentina Revives Its Scientific Legacy](#)
President Cristina Fernández de Kirchner declared that Argentina's satellite launch 'reflects the real nation.'
- [Inflation, Hot Money, and Sleaze Paralyze Indian Economy](#)

International

- [The U.S.A. and Europe Are Reaching the End of the Line by Helga Zepp-LaRouche.](#)

The euro crisis is coinciding dramatically with the de facto bankruptcy of Greece and other states, and also the imminent bankruptcy of the U.S. government: In both cases, the end of the line is here.

- [Documentation: Dissent Inside the System](#)

- [In Italy, Reich Calls for Glass-Steagall](#)

The former Secretary of Labor visited the textile-producing city of Prato, in central Italy, where he called for a Glass-Steagall banking system.

- [Russia Condemns Drug Legalizers' Report as PR Job for Lethal Drugs](#)
- [Elections in Peru: London Candidate Wins](#)
- [Why London Hates Fujimori](#)

Science

- **Our Young Existentialists:
What Self-Interest?**

Lyndon LaRouche addresses the malaise which afflicts the young generation of today: 'The point which I make here, is . . . a reflection of my insights into the urgent need of freeing the members of that generation, in particular, from the crippling grip of the existentialist fevers of these present times.'

Editorial

- **Our Constitution versus Liberalism**

This Week's News

- **U.S. Economic News**
- **Global Economic News**
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U.S. Economic/Financial News

JP Morgan Chase Pays Paltry Fine for Stealing Billions

BLS on Impact of a Major Quake on the San Andreas Fault

Money Market Fund Blow-Out Threatens

JP Morgan Chase Pays Paltry Fine for Stealing Billions

June 21 (EIRNS)—The SEC announced today that JPMorgan Chase will pay \$153.6 million to settle charges that it sold CDO derivatives to investors while they and related hedge funds were betting that the same derivatives would fail. Even *Forbes* magazine called it a "Slap on the Wrist."

Goldman Sachs was given a slightly harder slap on the wrist last year—\$550 million—for the same scam. In both cases, without Glass-Steagall and criminal prosecutions, these fines will continue as nothing but a minor nuisance—the cost of doing business on Wall Street. Multiple state criminal prosecutions against these institutions are now in the works,

precisely because Obama has prevented any Federal prosecutions beyond these "cover-up" civil actions.

BLS on Impact of a Major Quake on the San Andreas Fault

June 23 (EIRNS)—The June issue of the Regional Report of the U.S. Bureau of Labor Statistics features a report on the economic effect of a major, 7.8-magnitude earthquake on the San Andreas fault in Southern California.

According to the report, issued June 21, a 7.8-magnitude quake on the San Andreas fault could affect 430,000 businesses and 4.5 million workers. The study, modeling a 7.8-magnitude tremor, mapped the region into areas of vulnerability, and denoted areas predicted to experience either "very strong" or "destructive" shaking.

The southern section of the fault has not ruptured for more than 300 years, although evidence indicates that a large earthquake has occurred on the fault every 150 years, on average, according to the report. The fault runs through the heavily populated counties of Los Angeles, Riverside, and San Bernardino.

Such an earthquake would have a huge impact on a seven-county region that generates \$206.5 billion in annual wages, the report said. More than half of the employment and earnings exposure in the destructive-shaking zone would fall in Los Angeles County alone.

A 7.8-magnitude earthquake—considerably larger than the 1994 6.7 quake that rocked Northridge—would "put our [area's] jobs and economy at risk," Bureau of Labor Statistics Regional Commissioner Richard Holden said.

Money Market Fund Blow-Out Threatens

June 22 (EIRNS)—It was the imminent collapse of U.S.-based money-market funds which triggered total Wall Street and Federal Reserve panic in September 2008, and the Federal Reserve and SEC are again, now, worrying about and closely monitoring those funds for signs of collapse. The danger has woken up the House Financial Services Committee for a June 24 hearing on the situation of these funds.

The immediately urgent reason is exposure of the \$2.7 trillion in money-market funds' to the banks of Europe, whose commercial paper and bonds they have bought to the tune of \$1 trillion. This bank debt is all deteriorating on market indexes as the euro debt crisis blows up; but the money-market funds are not required to mark it down, and are setting themselves up for a "subprime" repeat of 2007-08. Fed chairman Ben Bernanke, while making reassuring noises about banks at his press conference today, said that "Money-market mutual funds have very substantial exposure to the European core country banks. So there is some concern.... The effects of Greek default in the United States would be quite significant."

In terms of derivatives markets reacting to European sovereign and/or bank defaults, the banks themselves, in the form of the International Swaps and Derivatives Dealers Association (IASD), estimate the net *loss* exposure at \$40 billion in Irish sovereign and bank debt; \$60 billion in Greek debt; \$150 billion in Spanish debt. This is considerably greater than the derivatives losses in the September 2008 Lehman Brothers bankruptcy.

Global Economic News

[Resistance Developing to German Nuclear Shutdown](#)

Bank of England Governor: No More Euro Bailouts, Please

Resistance Developing to German Nuclear Shutdown

June 24 (EIRNS)—After the initial shock over the sudden, dictatorial government nuclear exit in Germany, pockets of resistance are developing, with factory council members, employees, and families mobilizing. People are starting to realize that they have to stand up as citizens, if they do not want everything that generations have worked for, to suddenly be thrown onto the garbage pile, because of the arbitrary and despotic decisions by the self-appointed oligarchical political class.

On June 22, the factory council chairman of the Bavarian nuclear power plant Gundremmingen, representing more than 800 employees, wrote a spirited "Open Letter to Bavarian Minister President Horst Seehofer" (CSU), protesting the nuclear exit and the consequent deindustrialization policy. They remind Seehofer, who completely switched sides, like Chancellor Angela Merkel, in no uncertain terms, that nuclear energy was key in transforming Bavaria from an agrarian state into Germany's leading industrial center.

After reviewing the excellent safety conditions in the German plants, and the costs of the exit, including daily electricity imports, the letter states forcefully: "Now this is simply a matter of deindustrializing Bavaria and all of Germany." It continues: "You, as Bavarian Minister President, are bound to the welfare of the population of the Free State of Bavaria. If you do not act responsibly on the issue of nuclear energy, you will go down in the history books as grave-digger of Bavarian industry, and as a companion of a red-green Bavarian government. Commit yourself to a reason-founded, thoughtful and fact-based policy! Calculations based on party politics cannot suspend the laws of the market and of physics!..."

Bank of England Governor: No More Euro Bailouts, Please

June 24 (EIRNS)—In sharp contrast to the European Central Bank, Bank of England Governor Mervyn King warned against any more bailouts for Europe, because they can only buy time, and never solve the problem. He warned that Europe is not suffering from a liquidity crisis, but is insolvent, i.e., bankrupt.

"Right through this crisis from the very beginning ... an awful lot of people wanted to believe that it was a crisis of liquidity," King said. "It wasn't, it isn't. And until we accept that, we will never find an answer to it. It was a crisis based on solvency ... Initially financial institutions and now sovereigns." Although he did not mention Mr. "Just One More Bailout" Dominique Strauss-Kahn, he warned, "Providing liquidity can only be used to buy time. Simply the belief, 'Oh we can just lend a bit more,' will never be an answer to a problem which is essentially one about solvency."

While British banks have little direct exposure to sovereign debt in the Eurozone, he said, nonetheless the Eurozone debt crisis poses the biggest threat to the U.K. banking system. The report itself points out that the exposure of British banks is not with sovereign debt, but with private debt. For instance, claims of British banks on the non-bank private sector in Spain and Ireland account for 50% of their core Tier 1 capital. So any financial crisis in these countries hits the City of London. The same holds for France and Germany, where claims by British banks account for 130% of their own core Tier 1 capital.

The report also warns that derivatives and other "exotic" financial instruments are something that authorities need to monitor closely.

United States News Digest

Obama Turns to Wall Street To Beef Up Campaign Dirty-Tricks Fund

Obama Moves To Finish Off Medicaid and SCHIP

Obama Afghanistan Withdrawal Plan Fails To Satisfy War Opponents

Obama Starves the Elderly

Opposition Growing to Obama's Medicare T4 Plan

Obama Turns to Wall Street To Beef Up Campaign Dirty-Tricks Fund

June 24 (EIRNS)—As many Americans starve, President Obama sucked in a reported \$2.4 million from Wall Street hedge funds and private equity funds, at a \$38,500-a-head fundraiser held at New York City's Upper East Side four-star Daniels Restaurant yesterday.

Among the dozens of speculators coughing up last night for Obama's reelection campaign were some of those revealed a few days ago to have attended a March 7 meeting of 30 Wall Street hedge fund speculators and money men at the White House itself. These include Avenue Capital Group CEO and billionaire Marc Lasry, York Capital Management hedge fund's Jamie Dinan, Highbridge hedge fund co-founder Glenn Dubin, and Centerbridge Partners co-founder Mark Gallogly.

Also attending yesterday's fundraiser was Robert Wolf, president and chief operating officer for UBS and the head of J.P. Morgan's own Investment Bank, Jes Staley.

Adding in the cash raised from the 600 people attending a \$1,250-a-head Lesbian, Gay, Bisexual and Transgender Leadership Gala at the Sheraton, plus a lesser event for the "masses," the *New York Daily News* calculated some \$4 million raised in Obama's June 24 one-night stand in New York City.

Senior Washington intelligence sources have told *EIR* that Obama aims to pull together a \$1 billion war chest, in the name of preparing for the election.

Obama Moves To Finish Off Medicaid and SCHIP

June 24 (EIRNS)—As if the states don't already have enough difficulties, a proposal floated by the Obama Administration in deficit reduction/debt ceiling talks with the Republican legislators, would virtually eliminate Medicaid and the State Children's Health Insurance Program (SCHIP). According to a report posted this morning by the Center on Budget and Policy Priorities, the proposal reduces the Federal share of the Medicaid and SCHIP programs, by shifting costs to the states. The states would most likely respond by doing even more of what they've already been doing: reducing payments to providers, and reducing services available to recipients—meaning even less access to care for the poor and disabled.

Under current law, including the Affordable Care Act, states are reimbursed for their costs for providing people with insurance according to various matching rates, which range from 50% to about 95%, depending on what category the care

falls into. Under the Obama proposal, that system of matching rates would be replaced by a "blended rate," which would result in states receiving less money than they do under the current system, thereby "saving" the Federal government money. According to the CBPP, this proposal does little to reduce administrative costs, or to make the program more efficient. The states would then have to make up the difference, an obvious impossibility.

The Administration is also proposing to severely restrict or bar states from taxing providers as part of their Medicaid income stream. States use these "provider taxes" as part of their matching funds, so that if the states are not able to raise these revenues, they have less money that the Federal government has to match, thereby further undermining the program. Obama's Deficit Commission estimated that barring provider taxes would save the Federal government \$44 billion. The slightly less austere Obama proposal to restrict those taxes, would reduce the Federal contribution by \$26.3 billion. Since the Administration has not disclosed how it would calculate the blended rate (which the CBPP argues is almost impossible to do in a fair manner, anyway) there is no estimate as to how much money that measure would "save."

In any case, either or both of these measures would do significant damage to the Medicaid and SCHIP programs, and would leave untold numbers of Americans with no health care.

Obama Afghanistan Withdrawal Plan Fails To Satisfy War Opponents

June 23 (EIRNS)—The plan to withdraw 10,000 U.S. troops from Afghanistan by the end of this year, and the remainder of the 33,000 surge troops by next Summer, has done little to satisfy opponents of the war on both sides of the aisle in the Congress. Rep. James McGovern (D-Mass.), speaking at the Center for American Progress in Washington today, called Obama's plan "insufficient," and "more of a continuation of current policy rather than a dramatic change." He argued that Obama needs to do the right thing, which is to bring the troops home.

Rep. Walter Jones (R-N.C.), who co-sponsored an amendment to the defense authorization bill with McGovern two weeks ago, to require an exit strategy for the US from Afghanistan (it failed by only 11 votes), agreed, and warned that politically, it won't fly far. "I believe there's an element in the country, whether Democratic or Republican, that's definitely not happy with what the President announced last night," he said. "This continuation shows that we're in a perpetual war state and I don't think this is going to sit well with the majority of the American people."

Rep. John Conyers (D-Mich.) echoed Jones's view in a press release, saying that the Afghanistan war continues "with no end in sight."

Rep. John Garamendi (D-Calif.), who had called for the U.S. troop presence to be reduced to 25,000 troops by the end of 2012, called Obama's speech "disappointing." "He is maintaining the same counterinsurgency, nation-building mission that we've now been on for more than a year, one that's been incredibly expensive and commits tens of thousands of troops for the long term in Afghanistan," he said.

Rep. Barbara Lee (D-Calif.) similarly called the planned draw-down "unacceptable" and vowed to continue to work in the Appropriations Committee to end funding for combat operations in Afghanistan.

Obama Starves the Elderly

June 21 (EIRNS)—The failure of the Obama Administration to adequately address the economic crisis through appropriate measures, such as LaRouche's Homeowners and Bank Protection Act, and the restoration of Glass-Steagall, has directly led to an increase of hunger among elderly Americans. This reality is documented in a new report released this morning by Sen. Bernie Sanders (I-Vt.), the chairman of the Senate Subcommittee on Primary Health and Aging. It warns that hunger

among elderly Americans is on the rise.

"Hunger rates have more than doubled for poor senior citizens in the United States in recent years," the report states. "According to a 2009 [University of Kentucky] study, there are over 5 million seniors who face the threat of hunger, almost 3 million seniors who are at risk of going hungry, and almost 1 million seniors who do go hungry because they cannot afford to buy food." The problem is aggravated by the fact that Area Agencies on Aging simply don't have the resources to provide services to all those in need, this despite the fact that the average cost of delivering a meal is \$5 a day. Agencies reported that they have waiting lists, are struggling to provide current meals due to increases in food costs, and are losing volunteers—who often pay for gasoline used to deliver meals out of their own pockets—due to the high cost of gas.

The report doesn't address the status of funding of Federal programs under the Older Americans Act, although one can't assume that these programs are any more safe from the budget axe than the food stamp program has been. It notes, however, that these programs are a relatively small investment with a big impact, and calls for their reauthorization.

Opposition Growing to Obama's Medicare T4 Plan

June 20 (EIRNS)—The opposition to President Obama's T4 plan to deny care to Medicare patients based on you-aren't-worth-it triaging, is gaining momentum in the House of Representatives.

In an opinion piece posted on *Politico* June 19, Tennessee Republican Phil Roe said that he has some 120 co-sponsors on his bill, H.R. 452, that would outlaw the T4-like Independent Payment Advisory Board. As of this afternoon, the bill, the Medicare Decisions Accountability Act, has 135 co-sponsors. That number includes seven Democrats.

Noting that the regime's ghouls explicitly modeled IPAB on the National Institute for Health and Clinical Excellence in Britain, Roe wrote, "NICE recently denied use of several new drugs used to treat chronic leukemia patients. Its board's reasoning was: When we recommend the use of very expensive treatments, we need to be confident that they bring sufficient benefit to justify their cost.

"While the president claims his board will help reduce the deficit, the latest decision by NICE in Britain illustrates the likely way such deficit savings could be achieved: rationing care.

"It's easy for a board to deny funding for care. But what if you're the patient with leukemia, or a doctor trying to offer the best care? NICE's decision ignores quality of care if the treatment is deemed too expensive by the medical board's standard.

"Decisions like these are what the IPAB will have the authority to make. This cannot be allowed to happen."

Ibero-American News Digest

British Send Minister To Tighten Grip on Brazil

Brazil Needs Thousands of Space Scientists

No Let-Up in Chilean Student Protests

Haiti: Cholera's Death Toll Still Climbing

British Send Minister To Tighten Grip on Brazil

June 23 (EIRNS)—British Deputy Prime Minister Nick Clegg paid a two-day visit to Brazil on June 21-22, the first official visit by a British cabinet minister since the Royal Navy ship deployed to "protect" Britain's colonial enclave in the Malvinas Islands was turned away from the Rio de Janeiro port in January 2011.

British dailies, such as the *Daily Telegraph*, played Clegg's visit as a drive to split Brazil off from supporting Argentina's sovereign claim to the Malvinas. While that is undoubtedly the case, more is at stake. With few exceptions in its history, Brazil has served as faithful toady to the British empire ever since the British Navy transported the Portuguese Royal family to Brazil's shores two centuries ago. But can the British Empire be certain that Brazil might not assert its right to protect its sovereign right to exist, as its Trans-Atlantic financial system disintegrates?

Clegg, accompanied by three ministers (Universities, Trade, and Foreign) and top executives of Britain's defense and oil companies (the notorious BAE Systems included), went in pitching the line that Britain has not made enough of its links with Brazil in the past, and now wants to forge a new partnership for prosperity between Brazil and the UK. The great bribe offered Brazil, is support for Brazil getting a seat on UN Security Council.

Brazil Needs Thousands of Space Scientists

June 22 (EIRNS)—During recent hearings in Brazil's House of Representatives, the head of the Brazilian Space Agency, AEB, Marco Antonio Raupp, said a new space plan is being prepared, titled, "Urgent Brazil Space." One of the critical areas to be addressed, he said, is the fact that about half of AEB's 3,000 employees are about to retire. By 2020, all will be eligible for retirement.

One official noted at the hearing that Brazil spends about \$200 million per year on its program, which is one-fourth that spent by India. Brazil has, for years, had close cooperation with China in remote sensing satellites, and is now the largest distributor of satellite images in the world.

Last month, Brazil signed an upgraded agreement with Russia, to complete development of Brazil's VLS-1 launcher, which suffered a catastrophic accident in 2003. The Alcantara launch complex, behind schedule, is now slated for its inaugural rocket launch by 2014.

Although private companies will be encouraged to become involved in space development, Raupp assured the Representatives that this participation "does not imply, however, privatization of the space agency," or the government's National Institute for Space Research (INPE) Aerospace Technical Center. By the end of this decade, with increased investment, Brazil could "vaunt into the upper ranks of space-faring nations," reporter Doug Messier from *parabolicarc* observes.

No Let-Up in Chilean Student Protests

June 27 (EIRNS)—Far from being discouraged, leaders of Chile's high-school and college student federations are now mobilizing ever larger sectors of society—students, parents, workers, and educators—in response to Education Minister Joaquin Lavin's refusal to consider their demands for a state-guaranteed free public education system.

For months, students nationwide have been protesting and striking, occupying schools and shutting them down, to demand an end to the de facto privatization of public education that occurred under the 1973-90 dictatorship of fascist Gen. Augusto Pinochet. Aside from demanding Lavin's resignation, students have proposed abolishing the Constitution authored by Pinochet's devotees in 1980 and drafting a new one that would enshrine free public education as a "right guaranteed by the State."

The protests have struck a chord with the Chilean population. After mobilizing almost 200,000 people nationwide on June 16 in support of their demands, student leaders have called a general strike for June 30, which they expect to be even larger. Chile's labor federation, the CUT, is backing the strike and also preparing its own 48-hour general strike in August to demand better wages and working conditions. The Catholic Church is urging Lavin to take the student demand for reform seriously.

A former Presidential candidate and advocate of the Mont Pelerin Society's fascist economics, Lavin has so far ignored the fundamental issue driving the student protest, offering instead only to marginally increase some funding to educational institutions.

No surprise here. According to investigative reporter Maria Olivia Monckenberg, author of the book *The Privatization of the Universities: a Story of Money, Power and Influence*, Lavin has a gigantic conflict of interest in this matter, not to mention an ideological bias against "statist" policies. For years, he's been deeply involved in the creation and funding of for-profit educational entities, as well as in real estate companies that buy up near-bankrupt public universities to convert them to lucrative private ones.

Haiti: Cholera's Death Toll Still Climbing

June 27 (EIRNS)—According to Haiti's Public Health Ministry (MSPP), between May 2 and June 12, there were 51,526 new cholera cases reported in the country, including 18,187 in the capital of Port-au-Prince. In the 50-day period from May 2 to June 20, that figure jumped to 70,020, giving the lie to claims by some medical NGOs on the ground that the epidemic is "declining."

Sylvain Groulx, chief of mission for Doctors Without Borders, warns that "the epidemic could surge again at any time." Not only do hurricanes and flooding from the rainy season pose a grave threat, Groulx said, but little has changed in resolving the underlying issue of non-existent sanitation infrastructure.

The lack of clean water or much of a public health infrastructure, in addition to the drying up of outside funding, will all compound to produce a "horrendous impact on this country," the International Society for Infectious Disease warns.

In a June 24 report, the World Health Organization (WHO) admitted that cholera is on the rise in both Haiti and the Dominican Republic, which shares the island of Hispaniola with Haiti. Fifty Dominicans have died of cholera, out of the 1,727 infected to date.

Western European News Digest

Beethoven's 9th Inspires Spain's 'Indignados'

Indignants Gather in Athens Syntagma Square

EU Commission Cuts Food Aid to Europe's Poorest

Italian Foreign Minister Calls for Halt in Libyan War

CDU Party Base Fights Back on Nuclear Issue

German ARD Exposes WWF Biofuels Program

Turbine Collapses in German Wind Park

Greens Plan Riots To Stop Stuttgart 21 Rail Project

Beethoven's 9th Inspires Spain's 'Indignados'

June 19 (EIRNS)—Across Spain today, in at least 100 cities, hundreds of thousands of "indignados" demonstrated peacefully against the banks and the decaying euro system. In Madrid, where an estimated 150,000 people marched from six different locations to the Plaza de Neptuno, a full orchestra and chorus performed Beethoven's 9th Symphony, to cap the day's events.

Indignants Gather in Athens Syntagma Square

June 20 (EIRNS)—For the fourth consecutive Sunday in Athens' Syntagma Square, and the 26th consecutive day, Greeks have assembled to protest the Troika (IMF/EU/ECB)'s killer austerity. *Athens News* reports that there were 50,000 demonstrators, while an eyewitness put the number of people at 70,000.

Greek workers and the Indignants are planning mass action to stop the passing of the "interim program" of brutal austerity measures demanded by the Troika, which will be presented for a vote in Greece's Parliament on June 29.

The Indignants are planning a mass demonstration once again at Syntagma Square on June 28, with delegations from across the country participating. This week one delegation hiking from Sparta, over 200 km away, arrived in Syntagma Square in Athens.

EU Commission Cuts Food Aid to Europe's Poorest

June 22 (EIRNS)—The European Commission went ahead on June 20 with cutting subsidies for food aid to the poorest by close to 80%, slashing around EU500 million a year to a mere EU113 million!

European charities and food banks are in an uproar. Many of them depend on the EU subsidy for up to half of their income. Consequently, according to food banks, the cuts decided on, will starve at least *2 million Europeans*. In France, EU subsidies for food banks will drop from EU78 million to EU15.9 million.

Speaking at the EU Parliament, Belgian Socialist Marc Tarabella denounced EU President José Manuel Barroso's decision not to appeal the court decision: "When you know that 43 million Europeans are faced with food poverty and 80 million of them live below poverty level, we can say this is a real catastrophe. How bitter is it to see that when the issue is to help the banks and the financial sector, the cash is easily found, while if the issue is to support the people, the ordinary citizen, the

guy having difficulties at the end of every month, then the money isn't there!"

Italian Foreign Minister Calls for Halt in Libyan War

June 22 (EIRNS)—Italian Foreign Minister Franco Frattini has called for an immediate halt in the war on Libya. Speaking to a committee of the Italian parliament on June 22, Frattini said, "I believe an immediate humanitarian suspension of hostilities is required in order to create effective humanitarian corridors," reported Agence France Press.

Frattini denounced "the dramatic errors that hit civilians, which is clearly not an objective of the NATO mission," adding, "I think this is the most urgent and dramatic point ... [and] it is legitimate to request ever more detailed information on the results" of the NATO mission.

Frattini's statement was immediately countered by Britain and France, with French Foreign Ministry spokesman Bernard Valero saying the coalition must intensify the pressure on Qaddafi, because any pause in operations would allow him to gain time and reorganize.

CDU Party Base Fights Back on Nuclear Issue

June 23 (EIRNS)—The CDU, in Biblis, Hesse, whose 1,200-MW nuclear power plant would be shut down if Chancellor Angela Merkel's foreclosure program should be enacted, has finally chosen to protest. Hans-Michael Platz, chairman of the CDU group in the Biblis town council, wrote via Twitter June 21 that "with Merkel, the CDU has become the biggest turncoat since Krenz." The reference is to Egon Krenz's takeover of East Germany's ruling Socialist Unity Party (SED) in October 1989, promising "reforms" in an attempt to calm the mass protest rallies in Leipzig and other East German cities then; these soon proved to be an empty promise and a pack of lies, and Krenz had to quit a couple of weeks later.

When Hessen Radio asked the next day about this attack on Merkel, the first German Chancellor to have grown up in the East, Platz said he is sticking to his words; the shift on nuclear power has so enraged him, that he is thinking of resigning his CDU party membership.

Regional pro-nuclear demonstrations are planned at nuclear plant sites in Germany, on July 3. Before that, an all-day vigil and demonstration by a "pro-nuclear initiative" will take place in Berlin on June 30, the day when the Bundestag votes on the nuclear exit; the upper house, the Bundesrat, is scheduled to vote on July 8.

German ARD Exposes WWF Biofuels Program

June 24 (EIRNS)—The first channel of German television ARD aired a documentary on the World Wildlife Fund June 22, which has an explosive potential in the German situation. The WWF tried to stop the broadcast with legal means, and obtained some "corrections" to the script. Nonetheless, the program aired, albeit late at night.

The program includes a section on the oligarchical origins of the WWF, which could have been lifted from LaRouche publications: Prince Philip, Prince Bernhard, the Club 1001, HSBC, how Prince Bernhard paid British SAS death-squads in Africa, etc.

The video has been put on Youtube.

Turbine Collapses in German Wind Park

June 23 (EIRNS)—A serious incident occurred at the beginning of this week in the German state of Hesse, when a huge wind turbine near the village of Kirtorf, in Vogelsberg County, collapsed. The entire, 62-meter rotor with its three blades crashed into a transformer station 100 meters away and destroyed it entirely. This cut off three other wind turbines that are part of this park, from the grid as well. There is evidence that the very strong winds that have been blowing in the region for the past several days, were too much for the turbines. The damage is estimated at EU1 million.

Greens Plan Riots To Stop Stuttgart 21 Rail Project

June 22 (EIRNS)—After their usual Monday protest rally of 3,000, a group of several hundred crazed greenies stormed the Stuttgart 21 railway construction site, and occupied trees, cut cables, and destroyed construction material worth several million euros.

Police were called in, faced with heavy rioting; one policeman was seriously injured, and eight others received injuries as well.

Russia and the CIS News Digest

- [Russian Nuclear Elite Killed in Plane Crash](#)

Russian Nuclear Elite Killed in Plane Crash

June 21 (EIRNS)—Sergei Ryzhov, the chief designer of the light-water VVER nuclear reactors which Russia has built in many nations, was among those killed in a plane crash in Karelia, Russia the night of June 20-21. Karelia is in northeastern Russia, bordering Finland. VVER reactors are the ones being built at the Russian-Indian nuclear project in Kudankulam, India.

The 44 dead in the crash included three leading officials of Russia's main nuclear reactor design company Gidropress, which is a subsidiary of the Russian federal nuclear agency, Rosatom.

Staff members of three nuclear companies were killed, reports Novosti, citing a source at Rosatom: Gidropress design bureau; Afrikantov design bureau; and Atomenergomash.

Gidropress lost essentially its entire leadership: general director Sergei Ryzhov, chief designer Nikolai Trunov, deputy director Nikolai Banyuk. From the other companies: chief technological specialist of the Afrikantov DB Andrei Trofimov; and department head from Atomenergomash, Valeri Lyalin. There were 8 survivors of the crash, including children.

The nuclear designers were going to inspect a local plant in Petrozavodsk, Karelia.

Southwest Asia News Digest

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Iran's Bushehr Nuclear Plant To Be Operational in August

Arab Mass Strike Continues; Egypt Cancels Request for IMF, World Bank Loans

June 27 (EIRNS)—As *EIR* reported in its June 24, 2011 issue, the Egyptian population's distrust of the International Monetary Fund and the World Bank, and the rise of renewed belief in the national sovereignty is one of the hottest debates in the continuing revolution.

In this context, the interim government cancelled a request for a \$3 billion loan from the IMF and a \$2.2 billion loan from the World Bank, reported the *Financial Times* of London on June 25. Finance Minister Samir Radwan said the loans were "not necessary" at the current time, and that there was popular opposition to the loans.

In an *EIR* (June 24) interview, "The Key to Egypt's Future Is the American Economic System," an Egyptian citizen reported that the opposition to the IMF blackmail of Egypt's economy is extensive. "The suspicion among the population toward these two institutions was already abundant before the fight began," he said, and that with "Egypt having unemployment rates of over 35%, and a flood of newcomers to the labor market every year," there is no justification for becoming further indebted to international banks.

The Egyptian citizen also warned that taking more IMF/World Bank/European Union loans would only make the situation worse since "the early installments will go mostly to cover the deficit in our budget and repay interest on previous loans."

Shaky Netanyahu Defiant as U.S. and Israel Experts Attack Iran War Drive

June 27 (EIRNS)—Speaking at the Brookings Institution in Washington, D.C. on June 23, former Chief of Staff of the Israeli Defense Forces, Gabi Ashkenazi, said sanctions against Tehran are "less costly than all the other options," and should be pursued instead of military threats, but he also asserted that it is necessary to keep "all the options on the table." Ashkenazi, who is currently a visiting fellow at the Brookings Institution, joins ex-Mossad chief Meir Dagan, who last month said a military strike on Iran would be a "stupid thing." A similar viewpoint was dominant at the June 2, 2011 meeting of the Atlantic Council, where the Council's Iran Task Force released its report, "Iran Sanctions: Preferable to War, But No Silver Bullet."

Importantly, Ashkenazi's statements occurred at the same time that about 4,000 delegates were attending Shimon Peres's Israeli Presidential Conference in Jerusalem where a defiant Bibi Netanyahu addressed the crowd, swaggering and boastful, but encountering an audience that was very critical.

Netanyahu is on shaky grounds, according to Washington intelligence sources, and a recent report in the American Jewish newspaper, *The Forward*. Reporting on the Jerusalem conference, *Forward*'s J.J. Goldberg wrote that "mistrust of Netanyahu is growing to unprecedented proportions in the security establishment ... the Prime Minister had a very public feud last year with the outgoing military chief of staff, Lt. Gen. Gabi Ashkenazi, who was known to be an opponent of military action against Iran. Since then, a host of ex-commanders—including most of the living ex-chiefs of the military and intelligence services—have come out as public critics of Netanyahu's policies, on both Iran and the Palestinians."

To compensate, Netanyahu has taken a series of retaliatory actions, not against the Iranians, but against Israel's own military luminaries. According to the *Forward*, just before the start of the Peres conference in Jerusalem, Netanyahu publicly pulled the diplomatic passport of Dagan, one of Netanyahu's leading opponents. At about the same time, Netanyahu refused a request to delay a Cabinet vote on Jewish settlements made by Defense Minister Ehud Barak, who was traveling at the time. The controversial vote "removed approval of settlement construction from ... Barak, whom

settler leaders accuse of tying their hands," reported the *Forward*. The approval of settlements was put directly in the Prime Minister's office.

According to well-informed U.S. intelligence sources, however, the U.S. and Israeli opposition to a war against Iran is based on the success of covert operations, including computer interference and other high-tech sabotage that has slowed down Iran's uranium enrichment program. That is far from a good, or reliable guarantee of war avoidance; hence the continued concern within the U.S. military that Netanyahu's Israel will launch a strike against Iran as early as this year.

One desperate hope being discussed by some Netanyahu opponents is that his coalition government will fall and bring about new elections in which a Kadima-led government could come into power. The scenario for the fall of the government is based largely on criminal allegations against Foreign Minister Avigdor Lieberman. The Israeli National Police have already obtained a criminal indictment against Lieberman. At any time that the indictment is unsealed, the Netanyahu government could fall.

Iran's Bushehr Nuclear Plant To Be Operational in August

June 27 (EIRNS)—After many months of delay, the Bushehr nuclear power plant in southern Iran is expected to become operational and connected to the nation's energy grid by the end of August, according to the Mehr news agency of Iran, quoting statements from Foreign Minister Ali-Akbar Salehi today.

Salehi's announcement was seconded by Russia's Deputy Foreign Minister Sergei Ryabkov, according to the Russian state RIA Novosti news agency. "The project has been completed and everything has been ironed out," Ryabkov said.

Salehi, who was formerly the head of the Iran's Atomic Energy Organization, said the plant will reach 40% of its full capacity around mid-August and will be connected to the national power grid by the end of that month. Salehi explained the technical problems that resulted in delays since October of 2010. The Bushehr plant was built by Russia in an agreement with Iran that dates back to 1995; it operates under the supervision of the International Atomic Energy Agency (IAEA).

Asia News Digest

UN Drug Report Shows New Drug Addiction and Transit Areas

Will Japan Reopen Shut Nuclear Power Reactors This Summer?

Chicago Speculation Follows China Flood Damage to Crops

Japanese Cabinet Member: Nationalize Nuclear Industry

UN Drug Report Shows New Drug Addiction and Transit Areas

June 24 (EIRNS)—The UN Office on Drugs and Crime (UNODC) issued the World Drug Report 2011 on June 21. The report tables mostly 2009 figures, and points out that some 12 to 21 million people used opiates worldwide; some three quarters of them used heroin. In 2009, an estimated 12-14 million global heroin users consumed some 375 metric tons of heroin. Europe and Asia remain the key global consumption markets, and they are largely supplied by Afghan opium.

The report says that in Asia, the biggest markets for heroin are China, Pakistan, the Islamic Republic of Iran, and India. South Asia is now an important consumption and transit point for heroin originating from Afghanistan. However, domestically produced heroin and opium is half of the consumption in India.

The report urged attention towards the growing exportation of drugs from Myanmar. While Afghanistan remains the world's top opium producer, the report notes that cultivation in Burma (Myanmar) rose by 20% in 2010, and with Afghanistan's decline, its share of global opium production has risen from 5% in 2007 to 12% last year. Most of the drugs came from, or were seized in Burma, which UNODC calls one of the primary sources of methamphetamine pills in Southeast Asia. Burma has also seen a surge in opium poppy production to make heroin, according to the agency. The international community seems to have taken its eye off the ball on drug control in Southeast Asia, said Yury Fedotov, executive director of the UN Office on Drugs and Crime (UNODC).

The report indicates some new findings. For instance, the economically devastated Ireland, Iceland, and Ukraine are showing a significant rise in heroin addiction and associated deaths. These countries report heroin addiction-related deaths twice the European average, though the report cautions that many countries may be significantly underestimating the number of deaths.

Also, the sharp rise in drug addiction in Russia, attributable in part to its inundation with oil-and gas-related cash and other sources of hot money poured in by the mafia, is now getting replicated in the so-called emerging markets of India and China, and economically devastated and socially unstable states of Pakistan and Iran.

See Indepth for more on the global war over drugs and their legalization.

Will Japan Reopen Shut Nuclear Power Reactors This Summer?

June 20 (EIRNS)—Japanese Prime Minister Naoto Kan says his administration will seek the understanding of local governments for resuming the operation of nuclear power plants nationwide, once their safety is guaranteed. Thirty-five of Japan's 54 nuclear reactors are shut, only four from the Fukushima accident. Most of the other were brought down, either automatically during the quake or for normal maintenance, and not restarted.

Kan, who has expressed great enthusiasm for various unworkable green energy schemes and had indicated he was working towards a non-nuclear future for Japan, has apparently shifted gears, saying that he absolutely agrees with the request Economy and Industry Minister Banri Kaieda made on June 18 that local governments should restart nuclear power plants after implementing measures to avert any serious accidents. The Japanese people have largely defied the global anti-nuclear hysteria and refuse to give up their support nuclear power.

Warnings have been coming from various industry and public sources, besides Industry Minister Kaieda, that Japanese industry could not prosper without the power from nuclear sources. Even the strongly anti-nuclear *Asahi Shinbum* editorialized over the weekend that Japan was not like Germany and could not import power to make up for domestic shortfalls.

Local approval for the restart of the reactors is not legally required, but is considered politically required in Japan.

Chicago Speculation Follows China Flood Damage to Crops

June 21 (EIRNS)—As in many parts of the world, the weather in China has not been favorable this year. Initially there was

drought in North China, the center of China's wheat belt. Rains came before crop damage had become too severe, but rumors of potential Chinese wheat purchases on the world market had already been used to drive up speculative prices in the Chicago commodities market.

Then drought conditions hit central China, especially in Hunan Province, and generally along the central reaches of the Yangtze River. The Chinese press carries photos of wilted corn and dust-swept fields.

In the beginning of June, the drought broke over a large portion of the affected region with a bang—there has been almost continually heavy rain in central China and in parts of Szechuan Province. Over 175 people have died, over 600 reservoirs are filled to overflowing in a single province, and over a million acres of farmland are under water.

Early estimates are that 20% of the vegetable crop has so far been lost, and vegetable prices have gone up about 40%. The impact on the corn crop has consequently driven up the price of pork, which jumped by 4.8% in the week ending June 19, higher than the 2008 peak.

Corn futures are rising in Chicago, as speculators savor the flood-damage news from China. Wheat and other food commodities are affected in turn.

Japanese Cabinet Member: Nationalize Nuclear Industry

June 25 (EIRNS)—Tadashi Maeda, member of the Japanese Cabinet and chief of the Corporate Planning Department of the Japan Bank for International Cooperation, has proposed the nationalization of all nuclear power plants in, Japan as a means to get past the current crisis and to secure the long-term viability of atomic energy.

In an interview with *Asahi Shimbun*, Maeda advanced two reasons for nationalization: compensation and public confidence.

Tokyo Electric Power Company is facing immense claims to compensate those displaced by the Fukushima crisis, along with the cost of controlling and cleaning up the Fukushima compound. These costs not only threaten the viability of TEPCO as a company, but the economic viability of the Japanese nuclear industry as a whole. Private companies, such as TEPCO, cannot handle single-event costs of this type, which exceed their insurance coverage, whereas a government can. Early on in the crisis, Prime Minister Naoto Kan had declared that the unprecedented March 11 earthquake and tsunami were not covered by the provision of Japanese law that limited company liability in "act of God" cases.

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