

Arabs Turn to LaRouche for Strategic Vision for Mideast

by Muriel Mirak-Weissbach

The keynote of the June 2-3 conference in the United Arab Emirates on “The Role of Oil and Gas in World Politics” was given, not by an Arab, but by Lyndon LaRouche, candidate for the 2004 Democratic nomination for U.S. President. In the U.A.E.’s capital, Abu Dhabi, leading personalities from Arab oil-producing nations gathered at the Zayed Centre for Coordination and Follow-Up of the Arab League; they heard LaRouche speak on “The Mideast as a Strategic Crossroad.” His participation underscored the growing influence of his ideas in the Arab and Islamic world, especially since the dramatic events of Sept. 11.

Where official Washington is viewed with circumspection, and the policies of the “war against terrorism” have generated fear and mistrust, LaRouche has become known as a trusted interlocutor, whose policy alternatives represent the true interests not only of the Arab and Islamic world, but of the United States itself.

The Zayed Centre emphasized in pre-conference releases issued to all the major Arabic press, that it “does not want this dialogue to be an Arab-to-Arab dialogue, but . . . an Arab dialogue with all parties in the world that are interested in the issues and future of the Arab world.” The release added that “the major American politician and Presidential candidate” was invited “as an appreciation of the positive stances expressed by LaRouche toward the causes of the Arab nation and just causes in all parts of the world in general.”

Seeking Alternative to War, Destabilization

In the targetting of Arabs and Muslims worldwide as supporters of terrorism since Sept. 11, oil giant Saudi Arabia, Iran, and Iraq have been singled out for special attention. At the same time, the forces behind the Sept. 11 attempted coup d’état pushed the Bush Administration into backing Israel’s

war on the Palestinians, opening a Clash of Civilizations war against Islam, which they intended to unleash with the World Trade Center and Pentagon attacks. Under the same banner, an Anglo-American force has extended its military presence into the resource-rich areas of Central Asia and the Caucasus. Scenarios spun by leading British and U.S. think-tanks have openly proposed to knock out Iraqi and/or Iranian oil production by pre-emptive strikes, and then, to secure a oil supply by taking over Saudi oil fields by military force. Or, in alternative versions, that the United States could simply abandon the area to war, and draw for its energy needs on the alternative sources in the nations of the former Soviet Union—the energy agreement signed at the recent summit between U.S. President George Bush and Russian President Vladimir Putin is so described.

Thus, the Mideast oil-producing nations’ fears of destabilization are well-founded and real. It is in this context that the Abu Dhabi conference took its special character. The organization which arranged it, the Zayed Centre, is recognized by leading Arab powers, as a crucial intellectual and political institution forum for both Arab-Arab and Arab-international discussion. Founded in 1997 at the initiative of the U.A.E. President, it has a dense program of activities, sponsoring single lectures on a regular basis, and international conferences several times a year. Saudi Foreign Minister Prince Saud Al-Faisal, recently praised it for “tackling issues of the Arab world . . . [and] developing a concept of integration and unity in the Arab and Islamic countries.”

The center is under the high patronage of H.H. Sheikh Sultan Bin Zayed Al-Nahyan, Chairman of the center and Deputy Prime Minister, who presided over the opening session which LaRouche keynoted.

LaRouche was introduced by Mohammed Khalifa Al



Lyndon LaRouche with Dr. Ubaid bin Masood al-Jahni between sessions of the widely followed conference on "The Role of Oil and Gas in World Politics" at the Zayed Centre in Abu Dhabi. The conference was held June 2-3; LaRouche's address was given on the first day.

Murar, executive director of the ZCCF, who emphasized LaRouche's "critical vision, inside the U.S. and worldwide," adding that the candidate lived "politics as human thought," preserving his "integrity and honesty." LaRouche's keynote (printed below) defined the Middle East, which historically has been a crossroads of civilization between Asia and Africa, as a strategic crossroads today. His approach was much appreciated for bringing a much-needed view of optimism into an otherwise gloomy picture.

Many speakers displayed a preoccupation with instability in oil prices and markets, and with political trends in the United States in particular shifting away from the Gulf region. H.E. Obeid bin Saif Al-Nasiri, Minister of Petroleum and Mineral Resources of the U.A.E., emphasized that the region's oil and gas reserves are the highest in the world, and should continue to provide energy worldwide for decades to come. However, he said, various factors, including the Arab-Israeli conflict, were discouraging investments in the region, and adding to instability. The minister cited Russia's having broken its agreement with the Organization of Petroleum Exporting Countries on production, and hoped that Russia would cooperate with OPEC and others to stabilize the market.

Several speeches dealt with the fraud of the Caspian Sea "bonanza." The Chairman of the Arabian Gulf Center for Energy and Strategic Studies in Saudi Arabia, Dr. Ubaid bin Masood al-Jahni, showed in his presentation that the proven reserves of OPEC, or those of the Persian Gulf producers alone, dwarf those of the Caspian. The Gulf region possesses more than 60% of the world oil reserves. Some 40% of world oil imports, and 59.1% of America's, are supplied by the Gulf region. He added that the world, including China, is slated

to increase oil dependence on the Gulf through the year 2008. Citing the International Energy Agency 1999 report, he indicated that total world demand in the first quarter of 1999 reached 74.9 million barrels per day (bpd); reports by the U.S. Department of Energy in 1999 and 2000 showed it increasing to 117.4 million bpd in 2020.

Dr. Al-Jahni said that the world demand on oil during 1997-2020 will increase at 1.3% annually; that OPEC oil will remain in first place for world energy consumption during 1998-2020; and that Saudi Arabia, the U.A.E., Kuwait, Iraq, Iran, and Venezuela will secure about 42% of world demand in 2020. The Arabian Gulf provides 88% of OPEC production, and half of OPEC reserves, which in turn, are three-quarters of world reserves.

Dr. Al-Jahni liquidated the myth of Caspian Sea oil in answer to a question.

Caspian Sea oil reserves do not exceed 40 to 50 billion barrels, he said, which is not even equivalent to the oil reserve in the Zakum oil field in the U.A.E., or half of the reserves of the Gawar oil field in Saudi Arabia. If the Caspian were proven to have such oil resources as the United States is claiming, there are other factors—political, geographical, economic, and others—which would render it prohibitively expensive.

Oil as Perceived by Sheikh Zayed

The U.A.E. is seen as a model by many resource-rich developing nations, for allocating export earnings to spur national development. In a paper submitted by the Zayed Centre, "Oil as Perceived by Sheikh Zayed," the early vision of U.A.E. President Sheikh Zayed bin Sultan Al-Nahyan, was summarized. Sheikh Zayed, the founder of the modern U.A.E., and its President since 1966, sees petroleum as "a Divine endowment" with which a nation's real wealth—its people—should be developed. "Therefore, we have to invest oil revenues in the public services projects"—in transportation, energy, health, and education infrastructure—first, followed by encouragement of agriculture and industry, the post-oil stage. At the same time, such wealth is to be shared, by investing in the development of other countries.

Sheikh Zayed is known for an idea of wealth diametrically opposed to monetarist, free-trade doctrine. "Money is meaningless if not mobilized for the good of man"; the "priority is for man. Money is valueless without national human resources qualified for and capable of building up the country." Thus, "we should build our country with knowledge and culture, and should educate the new generation, as education is

a wealth in itself. . . . Oil wealth is utilized in yielding various sources of wealth. The first is culture and science, the second is agriculture . . . the third is industry, which will start small, then will be expanded by the help of God until we get factories of various sizes. The production of our agricultural and industrial projects will be equal to the amount of knowledge and learning that our sons and daughters acquire, because it is they, not expatriates, who should work out such agriculture and industry. To me, this is the most sustainable source of wealth.”

The similarities in outlook between Sheikh Zayed’s vision, and that presented by LaRouche, are striking.

The Middle East as A Strategic Crossroad

by Lyndon H. LaRouche, Jr.

May 26, 2002

The world has come to a crossroads in modern history. If the world were to continue along the pathway currently chosen by my government and some others, civilization will be plunged, for as long as a generation or more, into a global dark age comparable to that which struck Europe about seven-hundred-fifty years ago. We must not pretend that danger does not exist; but, also, we must commit ourselves to the hopeful alternative which wise governments will prefer. Therefore, I shall speak frankly, but also optimistically, of a second crossroads: the Middle East.

The history of oil in this region, began with the British Navy’s plans for what became known as the Great War of 1914-1918. That Empire intended to use petroleum extracted from this region, to provide its navy the crucial strategic advantage of a change to oil-burning, from coal-burning warships. Since that time, as all nations represented here know, this region has been dominated by the great powers’ struggles over control of the special, strategically significant economic advantages of oil extracted from this region. But, it was never oil alone which shaped the fate of the Middle East; for as far back as known history of civilization reaches, long, long before the discovery of oil, the Middle East has been the strategic crossroads of Eurasia and Africa combined, as it is today. With or without petroleum, the historic strategic significance of the Middle East would remain.

Now, there are ill-conceived plans, including those which have been the subject of some discussions between my government and Russia’s, to attempt to by-pass present world strategic dependency on Middle East oil. Such a policy could only bring an added factor of chaos to an already explosive

world monetary-financial and economic situation as a whole. I would hope that I could persuade the powers to abandon recklessly incompetent economic and geopolitical impulses such as those.

In any sane ordering of the world’s strategic economic affairs, Middle East oil will continue to be an outstanding factor in the petroleum supplies of the world economy for at least a generation or more yet to come. This would be so, for what should be the implicitly obvious economic reasons. However, as in all matters of current world affairs, given the desperate situation of the world today, we can not be so naive as to presume that powers which may be great, or even simply powerful, will, therefore, react sanely to the relevant strategic facts of the situation.

I focus on the subject of oil, but do that within the context of the historically determined strategic options for a Middle East defined in its ancient and continuing role as a crucial strategic crossroads of Eurasia. After defining that context, I shall return our attention to petroleum as such, situating the production and marketing of petroleum as a presently crucial factor of vital strategic importance for the Middle East as a region with special ecological and implicit cultural qualities.

I concentrate on three distinct, interacting factors to be considered in the attempt to forecast the prospects of the region, and also its petroleum: the ecological, the economic, and the political-strategic factors.

To begin, zoom in, as if from an orbiting space-station, upon the past and present ecology of this region of the world’s biosphere. In our imagination, let us watch the long-range historical process, of melting of the great Eurasian glacier, over the interval from about 19,000 years ago, when ocean levels were approximately 400 feet below those today. Watch the evolution of the Mediterranean region over the following millennia. Watch the later phase of great dessication of the once-rich, desert regions of the Sahara, Gulf, and Central Asia. From the standpoint of that lapsed-time panorama, we are reminded in the most useful way of a fact we already know: that the most critical of the strategic economic factors inside the Middle East region as a whole today, is not petroleum, but fresh water. The characteristic of that portion of a predominantly Islamic civilization, which extends from Asia’s “roof of the world,” westward, through the Middle East, and across northern Africa, is the continuing struggle against the aridization which has continued during approximately the past six to eight thousand years.

Today, we have the scientific potential to begin to control, if not entirely reverse some of the effects of that post-glacier process. That is the principal strategic ecological challenge which obstructs the realization of an otherwise great potential, a potential which has existed for the greater part of two millennia, in Arab civilization. It is to the degree that we make significant steps toward applying and improving the methods for production and distribution of fresh water, that other crucial factors of development can be brought into play. In that



Lyndon LaRouche speaking June 1 to the Zayed Centre for Coordination and Follow-Up in Abu Dhabi, at the opening of the Centre's two-day conference. On LaRouche's right is U.A.E. Oil Minister Obeid Bin Saif Al-Nasseri, and on his left, former Iraqi Oil Minister Essam Abdul-Aziz Al-Galabi. Inset: an Abu Dhabi newspaper reports LaRouche's view on its website.

case, we shall see the implicit strategic potential of the Middle East as the crossroads of Eurasia. Any long-range forecast of the prospects of Middle East petroleum must be studied in the context of that challenge.

The development of fresh-water production and management, which is interlinked with the role of petroleum, is the indispensable foundation for all other optimistic prospects for a peaceful and politically stable internal development of the Middle East region. If people lack essential means to live, there is no peace; they will live as the successive waves of "land pirates," including the Mongol empire, swept into Europe, and the Middle East, from across Eurasia, in times past. There will be no peace without adequate provision of water.

The Land-Bridge Concept

This brings me to the pivotal economic issues. For this purpose, view the Middle East's greatest economic potential in its role as a pivotal economic-strategic crossroads for Eurasia as a whole. While the Suez Canal's strategic importance for the link between the Mediterranean and Indian Ocean is obvious, I shall indicate why the cross-land routes across the Middle East are far more crucial forms of transport for Eurasia as a whole, and also for the Africa-Asia connections.

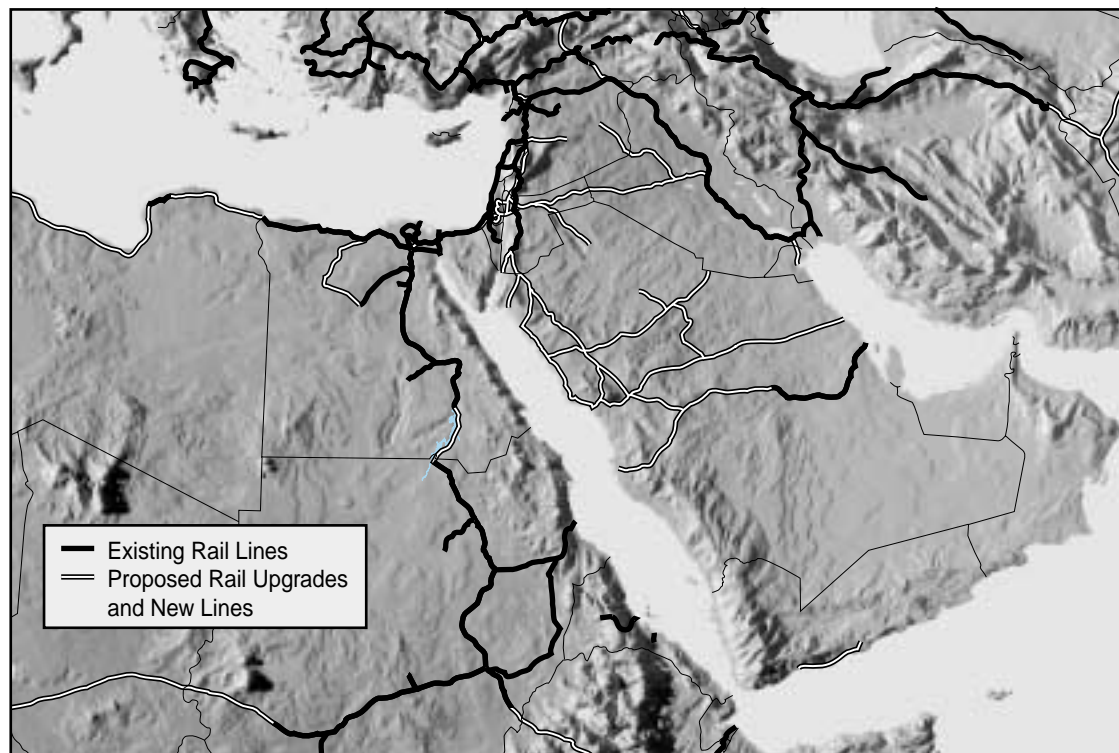
It is a simple fact of accounting, that the cost of transporting a product, as, for example, by sea, or by other means, must be compared with cost of production of that product, up to the point of embarkation. Therefore, we tend to transport products, such as petroleum and grains, which have a relatively lower price per ton, by slower, cheaper water transport. The more useful work, as value added, to the product, as it moves

through various phases of production, lessens the percentile of costs of transporting the value represented by that product as a whole. Therefore, the more real value-added, by production, to a raw or semi-finished material, the greater the relative prosperity the export of the products, adds to the exporting nation or region of a nation. This has always been understood by the greatest economists and statesmen of the Americas and Europe, since about 150 years ago.

Until modern times, transport by water continued to be the principal roadway of progress in the material conditions of human life. This continued until one-hundred-seventy years ago, when the German-American economist Friedrich List outlined what became the railway revolution. This development was accelerated by the successful development of the U.S. transcontinental railway system, a development of crucial importance for the U.S. emergence as a leading world economic power, under President Abraham Lincoln. After 1876, American methods typified by the development of the American transcontinental railway system, were adopted in Germany, Russia, Japan, and elsewhere, including China.

Admittedly, the effort to connect the Atlantic to the Pacific, eastward, by rail, as the U.S. had connected the Atlantic to the Pacific westward, was seen by the British Empire as a threat to that empire's strategic maritime supremacy in the world as a whole, with the two so-called geopolitical world wars of the Twentieth-Century as a result. Admittedly, there is an influential, utopian faction inside the U.S. today, which is prepared to unleash a geopolitical war throughout continental Eurasia, for the purpose of preventing the internal development of the mainlands of Asia and Africa. Those geopolitical

Greater Middle East, Existing and Proposed Rail Development (Arab League)



“While the Suez Canal’s strategic importance . . . is obvious, I shall indicate why the cross-land routes across the Middle East are far more crucial forms of transport for Eurasia as a whole. . . .” Bottom map shows Egypt’s new railroad bridges across the Canal.

policies are contrary to all rational definitions of the interests of a U.S. economy which is now wracked by an onrushing world monetary-financial collapse. Unfortunately, those policies exist among some presently very influential circles.

Whatever U.S. policy might appear to be now, the reality of the present world economic crisis, will probably force some sweeping changes in U.S. policy and thinking during the near

future. There is no hope for the economic revival of the U.S.A. from the present world economic crisis, without precisely such cooperation in the land-transport-based development of the Eurasian and African continents as a whole. If the U.S. is to find a solution to the inevitable early disasters caused by its present policies, this must include a special role for the Middle East.

The approach to a solution to that strategic crisis, does not lie in oil as such, but in the way petroleum production and marketing can be applied to serve the broader long-term interests of the region. Stable governments within the region, and stable relations with areas outside the region, are the first line of defense of the region from the forces and other perils which presently menace it. The crucial role of transport development is a leading example of the measures of defense required.

The special advantage of modern rail, or magnetic levitation, as compared with sea-based transport, lies in the elementary fact, that with rare special exceptions, the product transported by sea does not improve, in itself, during transport. Under the right conditions, long-range transportation corridors, which are based on a central role of modern rail or magnetic-levitation transport, are, in net effect, cheaper and faster routes of transport than the seas. As in the case of the original U.S. transcontinental rail systems, these routes were not merely roads of transport; the transportation system transformed a virtual economic wasteland into a rich region of powerful economic development. In effect, every average kilometer of investment in the transport system along these main and subsidiary routes gave back to the nation a net amount of produced wealth from agriculture, mining, and manufacturing, far in excess of the cost of developing and maintaining the system.

Instead of thinking of simply connecting two points with a long-distance rail line, or magnetic-levitation system, think of the transport line as the central spine of a development corridor of up to fifty to a hundred kilometers width. Running parallel to the spine are main-line conduits of water and power. At appropriate places along the spine, agro-industrial-residential complexes are placed. Satellite areas of a similar type also lie within the same corridor. What I have just described in a summary way, is a modern equivalent of the methods which produced an agricultural-industrial revolution in the U.S. approximately a century and a half ago.

By concentrating resources of transportation, water, and power within development corridors, the most efficient use of those resources can be managed. The most economical use of the total available land-area is achieved by tending to concentrate development in those corridors. Under conditions of continued growth, subsidiary development corridors will branch out from the principal ones.

This same method can be applied, with a combination of technologies either existing, or within reach, to transform the interior of Asia, including its deserts and tundras.

Under proper policies, the net cost of such development corridors is less than zero. As goods flow along the spine of the corridor, new wealth is being generated in and around each of the nodal agro-industrial-residential locations along the route.

Now, look at the core of the Arab world, from the Atlantic to the borders of Iran, Turkey, and Trans-Caucasus. Center our focus upon the Suez Canal and Sinai, where Africa joins

Asia. Focus on sea-borne transport between the Mediterranean and Indian Ocean; see the criss-crossing of the region by relevant natural choices for routes of land-based development corridors intersecting seaports. Think of the volumes of raw materials and semi-finished goods, flowing toward the Middle East, by sea and by land, from Asia westward, and from Europe eastward.

The Middle East today is what has been, in principle, for thousands of years, even long before the building of the Great Pyramids of Egypt. It was, and remains one of the great natural crossroads in the development of civilization.

I emphasize, once again, that each time we combine materials and parts into semi-finished or finished products, we are decreasing the percentile of the total cost of that product incurred as a cost of transportation. The Middle East, once again, represents one of the world's most natural, strategic locations for concentration of trade and production. It should not be a passive tube through which products are transported; it should become a crucial stage of strategic importance, in the total process of the world's production of wealth.

What happens to Middle East petroleum, under those conditions? There will be a natural shift in patterns of consumption. Domestic consumption will increase with productive development. Also, there will be increasing emphasis on the use of oil and natural gas as chemical, raw material feedstocks for production, especially Middle East production.

The Strategic Issues

What, then, can be forecast for the coming history of Middle East oil? We must ask ourselves three key questions. First, what alternatives are available? Second, which alternative is likely to be chosen, and by whom? Third, will the result be a success, or a disaster like the thirty-five-year succession of policy-changes, by which the U.S.A. and Europe have brought the world to the presently looming global catastrophe?

If intelligent forces prevail, the world will contrast the failure of the 1971-2002 floating-exchange-rate monetary-financial system, with the successful system dominant during 1945-1965, the fixed-exchange-rate monetary-financial system. If those forces prevail, the most crucial features of the 1945-1965 system will be copied in launching global emergency reforms. In that case, we shall soon establish a fixed-rate, protectionist form of monetary-financial system, a new gold-reserve system similar to that of the 1945-1965 period.

During a period of approximately the past thirty-five years, the U.S.A., the U.K. and other formerly healthy industrial powers, have been ruined by the utopian delusion of what has been called a "post-industrial," or consumer society. This utopian policy led to the wrecking of the then-existing world monetary-financial system, by U.S. leadership in the 1971 break-up of the successful 1945-1965 monetary-financial system, and the avalanche of destruction of the regulatory sys-

tems on which earlier, stable economic development and prosperity had depended.

Now, that post-1971 monetary-financial system is hopelessly bankrupt. The delusion of the so-called “new economy” is collapsing into an inevitable bankruptcy. So, about thirty-five years ago, the U.S.A. and U.K. made a change in world policy which has now shown itself to have been a terrible mistake. It is time to correct that mistake, to return to proven sound principles, and to cooperate in organizing the urgently needed global economic recovery.

Under present conditions of general bankruptcy of the world’s financial system, while a large-scale reorganization of bankrupt assets is underway, the crucial margin of economic recovery will be the creation of new, low-cost, long-term credit, which will be initially injected, largely, for essential programs of long-term building of basic economic infrastructure. This investment in infrastructure will then cause expansion of agricultural and industrial development. This investment must be supplied largely by perfectly sovereign nation-states, under terms of simple interest for loans of up to a quarter-century or greater maturity.

Under these conditions, there must be a greatly increased flow of high-technology to regions and localities of the world in which there is critical lack of sufficient technological inputs.

As part of this pattern, we shall require medium- to long-term agreements on relatively fixed fair prices for certain categories of commodities, especially in world trade. This system of fair prices will include energy-stocks, such as petroleum, which has a very sensitive relationship to the world’s circulation of credit. A fair price means the price at which the average supplier nation can continue to contribute, profitably, the volume and quality of product which the world economy requires. Stable prices of essential raw materials, such as petroleum, combined with nominal long-term rates of simple interest on primary flows of international credit, are a crucial necessity, if a durable process of reconstruction is to exist.

These measures must be adopted, not as a matter of taste, but as a matter of survival. Sometimes, when the ship is sinking, no sane passenger says, “But, I refuse to be seen on a life-raft.”

It will be objected by some, that we are living under conditions of spreading war, not the conditions of peace under which the 1945-65 monetary system was installed. That warning is, of course, true. However, if nations are not willing to establish the institutional preconditions of durable peace, including essential economic preconditions, then the immediate future of civilization everywhere, would be a virtually hopeless one. It were better to mount the life-raft. The first step, is to recognize, at last, the simple fact, that the ship, the war-torn present world financial-monetary system, is sinking, hopelessly. Then, perhaps, the proper moves toward the peace of prosperity, the life-raft, will be made by governments and others.

Question-and-Answer Session With LaRouche

Zayed Centre Staff: You accused some American circles of being behind the attacks of 11th September. Could you elaborate on this and your opinion about Osama bin Laden? My second question is, how do you interpret the American prejudice to Israel against the Arabs? Do you believe that the cause of this prejudice is the domination of the Zionist lobby?

LaRouche: What happened on Sept. 11 could not have happened without the connivance of something inside, very high level, inside the United States military command. However, you may recall that on Sept. 10, President George Bush was still committed to act for the establishment of a Palestinian state. . . . I was on a radio broadcast at the time the attack occurred. I said, I hope some idiot doesn’t blame Osama bin Laden, who could never have done this. Even if he had the intention, he couldn’t have done it. So that’s number one; there was an inside operation, and the inside operation was to produce the effect we have seen.

The United States has gone into a kind of war which I oppose. It’s a global war; it’s a Clash of Civilizations war, in which the fact of the Sharon government in Israel is a very important detonation. The bombing of Afghanistan has helped to make complications. The threat to bomb or attack Iraq makes it more complicated. We are at a point where I am concerned of the danger of a Roman Empire-style, Clash of Civilizations war spreading very rapidly throughout Eurasia. So therefore, the people who did it—the people whom I suspect; I can’t prove it was them, but I know what group did it: the group of Brzezinski and Huntington. That group intended to push the United States into this kind of policy, and use an instrument of state terror to intimidate the United States government and people, into following this kind of policy which they otherwise would not have accepted.

Osama bin Laden to me is of no significance. He had some certain significance when he worked for the United States and the British. But I don’t think he is of any importance now.

The Role of the President

Q: Mr. LaRouche, I would like to know how great are the powers of the American President in issuing a strategic decision? Are there any other circles, non-formal circles in the United States, which have an effective impact in issuing a strategic decision for the United States?

LaRouche: Let me be very frank and as delicate as possible on a certain aspect of this. This is not the most capable President of the United States that we have ever had. He has known limitations. He is a victim, therefore, of influences acting upon him. A President of the United States in particu-

lar, but it is also true with some other countries and heads of state: When you become the head of a nation, you must put aside all secondary political considerations. You are now responsible to the future population, the people of that nation, for the decisions you make. You must become the conscience of the nation. This poor fellow is not capable of doing that.

Now the basic problem operating here . . . is not the Zionist lobby as such, because the biggest factor in pushing the President into this support for Sharon is not Jews. There are Jewish gangsters involved. But the real force is the so-called Christian Zionists, fanatics, and they are the major force. They are the ones who are behind Sharon, from an international standpoint, and there are other people who are exploiting that to push this President into something he would otherwise not do. If you know the history, you will know how James Baker III behaved when he was Secretary of State on the question of Israel. And you can compare the way he has spoken more reasonably as a spokesman, to this administration. It is not the same policy. The Bush family is not against Palestinians, is not against Arabs; they are opportunist on that question, but they are not against them. They would like profitable arrangements. But in this case they were pushed . . . by a powerful faction in the United States, which shares the ideas of people like Brzezinski, Huntington, and Kissinger. And this is where the threat comes from.

My attempt to change this thing from inside the United States is based on those considerations. There are many people inside the United States, outside the Washington Beltway, who are very unhappy with this, and would like to have a change in the President's policy. But we will have to induce the President to change his policy. He is not the man who is likely to see his way clear on his own.

Occupation of the Oil Fields

Q: The press are always giving reports about a plan in Washington for occupying the oil fields in the Gulf. Is there any threat against the American interest in the region? What is your reaction to these reports?

LaRouche: There would be no rational reason for the United States to consider doing that. That doesn't mean it wouldn't happen. We have, in Washington, many things that have happened recently, which no sane President would wish to do. We have an out-of-control situation. Remember, . . . this has to be taken into account. The United



Helga Zepp-LaRouche, and a conference participant at the Zayed Centre, discuss the analysis of the economic and strategic crisis reported in EIR.

States, contrary to the leading press reports on CNN . . . and similar mass media in the United States—contrary to these stories, the United States is already in a process of economic depression far worse than 1929-1933. That is not something that *might* happen; that is already deeply happening. It's happening every day, if you look at the details of what's happening in the U.S. economy and in Europe. It's going to get worse.

Under these conditions, you have a government which is pretending there are no economic crises. They are pumping billions of money—of Japanese money, rather—into the system every day, to try to conceal the fact that there is a hopeless bankruptcy in progress. But if Japan's yen goes, and a few other things go—the housing bubble goes—the whole thing will blow out.

Under these conditions, the political institutions of the United States are at a point of insanity. Especially the upper 20% or the upper 10% of the U.S. population, which is highly involved in these markets. They are about to see a bankruptcy like the world has not seen in centuries. Far worse than the 1930s. They know it, and they are crazy. When you have madmen, people who are driven crazy by desperation, as the leading circles in the United States are right now, and the pressure on the U.S. government; under those conditions anything is possible. You can not say, you can not predict, you can not ask an astrologer what's going to happen next week. You have to know how can we intervene to try to prevent something awful from happening. That's what I am involved with every day.

When the United States admits that it is in a depression, we will then have a healthier situation, because the United

States government will have to abandon every policy for which this government was elected. Every policy has to go, every free-trade policy, globalization. We have to go back to reforms like those of the Roosevelt period, and they are not willing to do it yet. If they say, "We are in a depression," the American people are going to say, "Let's go back to what Roosevelt did." Then you will have sanity. But until that point, we are in an extremely dangerous situation, and we have to fight in every country . . . to intervene wherever we can to prevent the worst from happening.

Prospects for Cooperation

United Arab Emirates Minister of Foreign Affairs:

There was a confrontation in the past between producers and consumers [of oil]. Do you see any hope in the future that both sides can sit and plan a future of cooperation?

LaRouche: I see a lot of hope. . . . We are in a collapse of the world financial monetary system and a collapse of the economy. . . . All the attempts to deny this are becoming undeniable. Under such conditions, how would the world recover? Now, you are looking at it from your background, which obviously includes this knowledge. You are looking at a system which is no longer a sane financial system. We are now operating on the basis of financial operations which run into hundreds of trillions of dollars. We don't know how many there are, because they are unregulated markets. These are obligations. We have bubbles, all kinds of financial bubbles. We see the collapse in the so-called telecom sector. So, we are into a major bankruptcy now.

This means that we are at a point where we can save the economies through cooperation among national governments, but we require state-to-state agreements of the type we made in the time of the first IMF agreement. If we went back to the model of 1945-1965 and . . . put the world through bankruptcy reorganization; do the things you do in bankruptcy, around the so-called Chapter 11 of the United States code; get government credit mobilized to large infrastructure projects. And so, what do you do? Well, to maintain that system, we have to have a gold reserve-based system, because we have to have a fixed-currency value or peg ratio. Otherwise you can not have cheap loans, 1% or 2% in the international markets on long term.

Under those conditions, the next thing you go to, is certain categories of trade. Now this means that the price of petroleum should be a negotiated price between consumer and producer nations, which should be fixed, because we will now be fixing energy, which is the biggest key commodity. In international markets, we fix that to the rate of currency. Now we can have an economy that will work, and we can invest. So, therefore, we have to go to a fixed-currency system, which includes precisely that kind of provision, that we used to think we had before 1971. We have to go back to that; and I presume that under conditions of a crisis, when governments admit there

is a crisis, they will be willing to come together as governments, and say, "Let's make a new system based on the best experience from the previous system."

The Iraq Question

Zayed Centre Staff: Mr. LaRouche, I have two questions. First, some analysts say that the United States and Britain seek to build up an Anglo-Saxon empire. What is your reaction? The second question: The writer said that Britain and the United States are planning for a scenario to return inspectors to Iraq, so as to launch an assault against Iraq. What is your comment?

LaRouche: The Iraq question is a complicated question, because the United States does not, presently, have the ability to attack Iraq. That is, not as in a war sense. The U.S. military estimates run between 200,000 to 500,000 troops to conduct a war against Iraq. This varies with how much they can rely upon Turkish troops, or other troops for such an operation.

The intention among the idiots, the insane idiots in Washington, is to go into Iraq as soon as possible, whatever, and to rely upon air power and similar kinds of methods that have failed in Afghanistan, against Iraq. That is a possibility, because insane people will do insane things, and if they have the authority, and the President gives them permission, or doesn't deny them that operation, they will do it.

However, you also know from the State Department, from the Secretary of State and from the military professionals in the Pentagon, the argument is, "This is insane." Now the reason why they oppose this is not because of their desire for peace, but because, being responsible military officials, they say it won't work; and therefore they are calling for delay, and other approaches for the time being.

On the first question, there is a faction, which has existed for a long time, started by H.G. Wells and Bertrand Russell back in the 1920s and 1930s. It's a very powerful, very influential faction in international circles, especially English-speaking circles. This faction, which we call the utopians, believed from the beginning that the existence of nuclear weapons alone would create weapons so terrible, that nations would give up their sovereignty and submit to world government, rather than face the prospect of having to fight wars with such weapons.

This faction took over control of U.S. military policy once Eisenhower ended his term as President. This fact caused a great crisis around the world between 1961-1965—assassinations, coups at high levels, and terrible things.

This faction is a dominant faction in the United Kingdom and the United States today, on military-strategic policy. These people intend, especially since the collapse of the Soviet Union, to eliminate all nation-states, through measures such as globalization, and to establish a world "rule of law" in which appointed judges, sitting some place, can sit in judg-

ment on the citizen of any country, without the consent of the country itself.

Now this is a plan for a new Roman Empire, under which legions—killers—rob the world, shooting down people in order to control subject peoples. That is the intent of some people. In Britain in particular, the United Kingdom, you will see in the London *Guardian* in particular, other voices saying this is insane, we shouldn't do it. But then, you see the Blair government is fully in support of this policy by the United States. And British interest, British forces are working [in this direction]. . . .

In modern times we developed a sense of warfare. We did not believe in killing people. In warfare you will kill people, but the intent of winning war is not by killing as many people as possible. In the Second World War, the United States won, not by killing people. Some people have that idea; but as in the case of MacArthur, by using the superior logistical power of the United States to control the situation, you could bring about conquest over an adversary without killing everybody. Because the object of war is peace, and if you are going to kill everybody, or nearly everybody, how are you going to get the survivors to accept loving peace? And therefore, the object of warfare is to win the war in order to win the peace, and therefore, this method which is being proposed now, is not only bad because it is a militarily adventurous policy; but, [it is] like the Roman legions, which rule by killing people and terrifying people into submission.

That's what's happening in Afghanistan. There is no way the United States can win a war in Afghanistan right now. It can not happen, based on mountain warfare. Mountain warfare against determined fighting forces—you can not succeed. They will fade into the landscape and come out and shoot again. And this will go on as long as the United States is hated, in particular.

But these people [the utopians] have this kind of intention. They exist. They are a danger. My major concern has been, for some time, to try to expose this inside the United States and elsewhere, and to mobilize people inside the United States against this kind of policy; and I would hope that the world would be more aware of this problem, and we could focus on that problem.

Who Really Runs the U.S.A.?

Al Jazeera Satellite Television: Mr. LaRouche, don't you believe that you've exaggerated much of the role of Huntington and Brzezinski in the United States? We know that Huntington is not known by many Americans, and that he is more popular in the Arab nations rather than in America. Again, you said that the American President is not capable: My question is, how do you justify that he is the most popular President of America? Is the problem in the people, or in the President?

LaRouche: The popularity in the United States is largely

controlled by the press, reading the press. You had a famous story about the Pope. It's a real story. The Pope was asked on his birthday, "How do you feel today? How is your health?" He said, "I don't know—I haven't read the press yet." So the President is not the most popular person in the United States. There are people in the United States, who are dominated by mass media, who often report what's expected of them as a fanatic group.

I mean, you go to Germany [in the 1930s] and say, "Do you like Adolf Hitler?" And the Germans will say, "Yes, we like Adolf Hitler." They may have hated him; they may have made jokes about him. But the popular opinion says, in a powerful nation, you have to say what is expected of you.

Huntington is well known in the United States, very well known. Huntington is only one person of a group which was organized at Harvard University, under William [Yandell] Elliott. William Elliott created out of mud people such as Henry Kissinger, Zbigniew Brzezinski. . . . Nixon's administrations, for eight years, were not run by Nixon, they were run by Henry Kissinger. The Carter Administration was not run by President Carter. Carter was made President by appointment by Zbigniew Brzezinski, who is the close associate and co-thinker of Huntington.

The policies on the Middle East of Kissinger, Brzezinski, and Huntington were not made at Harvard. They were made by the British Arab Bureau in the personality of Bernard Lewis, who is the key designer of the "Arc of Crisis" policy, which some of you may remember from back in the 1970s and 1980s.

And this was the advent of the Clash of Civilizations policy. This is the reality of the United States. The United States is run from the top down by people who are more and more divorced from the political parties. [Americans] vote for the parties, they don't participate in the parties. They are estranged. I hope to get them back into politics. But we are run by an elite. The elite is the people like the RAND Corporation, the Olin Foundation, the Olin Institute, and Brookings Institution. These institutions, and money from Wall Street, control the leadership of the parties and control public opinion, control the mass media of the United States.

So politics is often done behind the scenes, and what the people get is what's put to them on the surface. But on Huntington, you have been misinformed. Huntington wrote a book at Harvard in 1956. He wrote it under Elliott. He wrote it at the same time he was in the same group with Kissinger. It was called *The Soldier and the State*. The utopian military policy of the United States is based on that book. That book has been regularly reprinted, again and again to the present date. This is the book which is the basic manual for all utopian military thinking, inside and outside the military in the United States today. So when you are talking about Huntington, you are talking about the man who wrote the book, which has the greatest influence for the bad, on the military thinking of the

military cadres of the United States today. So this is no obscure fellow. President Bush is extremely obscure compared to Huntington, in effectiveness.

Qatar head of delegation: The news last month reported that some members of the Congress submitted a proposal for exploration in the protected areas, and made a condition that if they discovered oil and gas, it should be only used for export to Israel. What is your comment?

LaRouche: This sort of thing goes on. You have people like [California Democrat, Tom] Lantos and others in the Congress who are notorious. You have the members of the Congress such as [House Majority Whip, Tom] DeLay from Texas, others of that type who are Christian Zionist fanatics. That doesn't mean that they are Christians. There are Christian Zionists, like Pat Robertson or Jerry Falwell: These people are more Israeli than the Israelis. What they believe is this, and probably they are bought by big money, the so-called Zionist money, and the Mega crowd in New York.

But the other side is, they actually believe that if they can bring on a battle of Armageddon and cause a general Middle East war, that God will intervene and they won't have to pay the rent next month. This is what they believe, if you look at the television sets in the United States and see the international broadcast of these lunatics. You are dealing with the most dangerous lunatics on this planet right now. There are no other lunatics on this planet who can cause greater damage to the world as a whole than these types of lunatics inside the United States. And they have voices in the Congress, important voices in the Congress. They are lunatics, but they are Congressmen, and they do say these kinds of things. They come up all the time. This does not necessarily mean the threat is real. These people are also frauds. They often say things to be heard saying them, not because they actually expect to get the result.

Address the Economic Crisis

Q: You called for cooperation between the United States and the Middle East countries, producing countries there, and you suggested many solutions. But when we put this into effect, we don't know how such cooperation could be in effect between Europe, the United States, and the Middle East, in the light of the obscurity of United States policy, and the double-standard approach in solving problems, especially the Palestinian problem, and the tension spots all over Asia. How could such cooperation be achieved with the non-clarity of the American stance?

LaRouche: Very good. That's exactly the way it is. The problem is this, in Europe: The majority of the Western Europeans will be fully in support, and totally in opposition to what Israel is doing. Totally in opposition to the U.S. policy towards the Middle East at present. But the Europeans have no courage. Maybe a few here and there do. A few speak up. But when the United States speaks, the United

Kingdom, and especially continental Europe, says, "Yes, Father, we hear."

But the point is the vital interest. Take Western Europe and the Middle East. The vital interest of Europe is not only in the Middle East as such. I spoke of the Middle East as the crossroads of Eurasia and Africa. If you have the kind of chaos in the Islamic world, which these terrible characters are trying to unleash, where can you find peace in Eurasia? In order to have peace and economic development in Eurasia, you must have China, India, Pakistan, and Russia not fighting. Then you can have other nations and bring them together for cooperation. But as long as you have these hot issues, you can't have peace.

If you have a fight against Islam, which is what this thing is—it's a crusade against Islam that they are talking about—then Europe has no chance because Europe can not revive from the economic crisis except through markets in Asia—chiefly Asia—the Middle East, which includes Turkey, which includes Iran. This is the market. If this area is destabilized, Europe has no choice, no chance.

Therefore, Europe's vital interest is to have Middle East peace, and every European leader we talked to, whether it was in Italy, in Germany, or the sane ones in France, all agree that Middle East peace is a desperate, strategic imperative for Europe, economically and otherwise. Otherwise no Africa, no Asia.

But the Americans say, "Now, we run the world, and the British support us—Blair supports us, at least." Other British are very critical of this for one reason or the other.

So we add a point: What's going to happen? Why am I so optimistic? Because the financial-monetary system is coming down. Under those conditions, the United States does not have the power to do the things it says it intends to do. The United States decided to become a Roman Empire at the end of its power, whereas the Roman Empire was begun at the beginning of its power, at the height of its power. The system is collapsing.

Yes, the United States is still a potentially powerful nation. But not with this sick economy. To get out of this mess, it must come to agreement with other nations; especially with Europe and Japan, and especially with Asian countries. Then we can get out this mess. If I were President of the United States, we could get out of this mess tomorrow; because if the President of the United States calls other nations together and says, "Meet with me tomorrow morning—we have got an economic crisis and we need to come to an emergency agreement," the nations would come. They would scream and protest, but they would come. And they would agree, and you will have a new system. Not a perfect system, but a system which will enable us to stabilize the world situation.

Under those conditions, at that point, Europe, which is now almost a useless voice in terms of this issue, would suddenly become a very important voice, because Europe would then be in a position to assert its interest.

Conference Is Big Story In Arabic Mass Media

by Hussein Askary Al-Nadeem

Arabic mass media gave great attention to the Abu Dhabi June 2-3 conference on "Oil and Gas in World Politics," arranged by the Zayed Centre for Coordination and Follow-Up (ZCCF, of the Arab League), with Lyndon LaRouche as the only featured speaker from the West. This conference was regarded as a platform for discussing and shaping Arab oil policy in the current strategic and financial situation.

It came at a time of extremely hot "oil diplomacy" in the region, where Organization of Petroleum Exporting Countries (OPEC) Secretary General Alí Rodríguez is touring for consultations with OPEC leaders. The threat of spreading war in the Mideast and South Asia, a renewed Iraqi-directed oil blockade against the world oil market, and/or a price and production war between OPEC and Russia, have been the talk of the past weeks.

Russia's decision to break with its agreement with OPEC, which imposed a ceiling on oil production to keep the price between \$22-28 per barrel, is regarded in the region as reflecting moves by the United States to destabilize and marginalize the Persian Gulf region in the so-called "war against terrorism."

The emphasis placed on LaRouche's participation is a signal that the oil-exporting countries in the region are not easily giving in to the blackmail, and would rather encourage the United States and Europe to adopt the reasonable and morally founded ideas of LaRouche for a solution for the current economic and strategic crisis.

The Arabic press widely publicized this conference already in early May. Announcements and promotional reports were published in virtually every Arabic newspaper, most prominently, the London-based *Al-Arab International*, *Ash-arq Al-Awsat*, *Al-Hayat*, *al-Quds Al-Arabi*, and newspapers in the U.A.E., Saudi Arabia, Qatar, and Bahrain. English-language dailies in the U.A.E., the *Gulf News* and *Khaleej Times*, also contributed to the coverage. These dailies followed the sessions of the conference and reported on its activities on June 3 and 4.

'Appropriate Opportunity' To Hear LaRouche

The Arabic press release announcing the arrangement of the conference by the Zayed Centre said, "The ZCCF states that well-known international figures will represent a qualitative and outstanding attendance to discuss the main themes that will be presented in the conference."

It added that "the ZCCF disclosed that Arab and international figures, who are known for their continuous contributions to the Arab and international oil and gas policies as well as having a remarkable presence in oil and gas issues internationally, have confirmed their attendance in the conference."

Referring to LaRouche's participation, Aminah Al-Mehiri, Chairwoman of the ZCCF Press and Technical Affairs section, stated that "the strategic expert, economic analyst, and American Presidential candidate Lyndon LaRouche would take part in the activities of the conference. The General Secretariat of the Gulf Cooperation Council will also participate through an official delegation. His Excellency Obeid bin Saif Al-Nasiri, Minister of Oil and Mineral Resources of the United Arab Emirates will give an opening speech."

Al-Mehiri said "that parallel contacts are being conducted with the current Oil Ministers of Saudi Arabia, Iraq, Algeria, and His Excellency Abdul Rahman Al-Atiya the Secretary General of the Gulf Cooperation Council, and with the Secretary General of OPEC and Director of the Venezuelan Oil Company, Alí Rodríguez."

Al-Mehiri emphasized that the ZCCF has decided to arrange this conference at this sensitive juncture of the current history of the Arab world, because of the proliferation of countless political, academic, and popular theories about the power and ability of Arab oil to affect the directions and options of international politics.

The Zayed Centre's Arabic press release announced that "the conference would be an appropriate opportunity for the attendance by the major American politician and a Presidential candidate in earlier and coming elections, Lyndon LaRouche. . . . The invitation of the American Presidential candidate Lyndon LaRouche, according to the ZCCF, was extended to him as an appreciation of the positive stances expressed by LaRouche towards the causes of the Arab nation and just causes in all parts of the world in general."

Contrast With Western Press

Most of the reports briefly covered the theme of LaRouche's speech. *Al-Arab International* was the first Arabic international daily to publish LaRouche's presentation in full on its "economy" pages on June 6 and 7. *Al-Hayat* extensively cited LaRouche's warning regarding the financial-economic system and his proposals for reorganization of the system with new, long-term credit and trade agreements.

The Dubai Business Satellite Channel led its coverage with clips of LaRouche speaking and noted, "The discussion was dominated by the events of Sept. 11." Other speakers, who spoke on the second day of the conference, were interviewed briefly. The British and French international news agencies such as Reuters and AFP, by contrast, tried to avoid LaRouche by reporting only on the second day of conference and its final statement.