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Cheney: Caught in the Act of Being Himself

by Jeffrey Steinberg

During the weekend of Feb. 11-12, Vice President Dick Cheney was caught in the act of being himself. During a quail shoot at the elite Armstrong Ranch in south Texas, Cheney shot a fellow hunter, 78-year-old Texas attorney and Republican Party fundraiser Harry Whittington. While precise details of the incident may never be publicly known, and there are reliable reports that some of the shooters, including Cheney, had been drinking, one fact is certain: Cheney reacted according to profile and immediately went into full damage-control mode.

News of the incident was blacked out for 18 hours, and sheriff's deputies responding to the "accidental shooting" were blocked by Cheney's Secret Service detail from interviewing the Vice President or any other witnesses until the next morning—thus preventing any evidence of alcohol abuse from being obtained.

When Cheney's office finally did issue a statement—after local media reported the shooting—the statement was full of lies. Cheney's claims that he had authorized the Armstrong family to alert the local press were vigorously denied by the Armstrongs, who said they called the press without informing the Veep.

When Whittington suffered a heart attack as the result of the bird-shot, fired by Cheney, lodging near his heart, the Cheney-mandated coverup collapsed, and a media feeding frenzy ensued, which has yet to die down.

The reaction to Cheney's arrogant mishandling of what should have passed as an unfortunate, garden-variety hunting accident, peaked on Feb. 16, with a pair of opinion pieces, demanding Cheney's immediate resignation.

New York Times columnist Bob Herbert summed up the verdict in his headline, "Mr. Vice President, It's Time to Go." Herbert wrote, "It's time for Dick Cheney to step down—for the sake of the country and for the sake of the Bush Administration." Cheney "got his war, and while the nation's brave young soldiers and marines were bouncing around Iraq in shamefully vulnerable humvees and other vehicles, dodging bullets, bombs, and improvised explosive devices, Mr. Cheney (a gold-medal winner in the acquisition of wartime deferments) felt perfectly comfortable packing his fancy 28-gauge Perazzi shotgun and heading off to Texas with a covey of fat cats to shoot quail." The shooting incident, Herbert continued, "was the moment when the legend of the tough, hawkish, take-no-prisoners vice president began morphing into the less-than-heroic image of a reckless, scowling incompetent who mistook his buddy for a bird. This story is never going away.... Dick Cheney is a constant reminder of those things the White House would most like to forget.... Mr. Cheney would do his nation and his president a service by packing his bags and heading back to Wyoming. He's become a joke. But not a funny one."...

[...full article, PDF version](#)

Latest From LaRouche

EXCLUSIVE TO EIR ONLINE

The following is the opening section of Lyndon LaRouche's "Prolegomena" for a Democratic Party platform. The completed document will appear in an upcoming issue of EIR.

Prolegomena for a Party Platform:

FRANKLIN ROOSEVELT'S LEGACY

by Lyndon H. LaRouche, Jr.

February 18, 2006

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

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

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

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

For that reason, for the lack of a program for this occasion, the Party's halting efforts fell victim, hopefully only temporarily, to the blight of that same quality of opportunist Sophistry which doomed ancient Athens' plunge into the doom of the Peloponnesian War. That blight is to be recognized as, largely, a symptom of that break of the young-adult, campus-based youth movement of the 68ers from the then-existing mainstream of the great productive agricultural, manufacturing, and science-specialist producers. a break within the ranks of the pre-Vietnam War constituency, a break away from the outlook on which the Party's strength had depended since the 1932 election of President Franklin Roosevelt.

That break from the legacy of the FDR-keyed alliance, made possible the shift of U.S. policy from our great tradition of fostering dynamic forms of interdependent development among basic economic infrastructure, coordinated with progressive family-farm development, with industrial progress, and with bold scientific initiatives. Those had been the four pillars of practical economic wisdom which had made us the greatest economic power the world had seen, under Franklin Roosevelt, and during approximately two decades following his death. The demoralizing effect of that break away from a producer society, to a "post-industrial" orientation, has gripped, and ruined U.S. political life, increasingly, persistently, over most of the recent four decades.

During recent decades, instead of defining the great threats and opportunities actually before us, Democrats have tended to

adopt opportunistic perception polluted by those same, pre-existing popular prejudices which had previously helped to ruin our nation. Those prejudices have often steered, or simply greatly impaired our recent general election campaigns. On that account, we must now recall, as a living lesson for today, that the Athens of Pericles was plunged by its own, same, acquired techniques of Sophistry, sophistry akin to the popular spin-doctor voodoo of today, thus mimicking what became the doom of the Greece of that earlier time.

Nonetheless, much of the leadership of the Party had enjoyed increasingly fruitful collaboration during the late Summer and Autumn of 2004, and in deliberations on the policy for the past first year of the second term of President George W. Bush, Jr. The vitality of those efforts of 2005 was weakened during the early weeks of 2006. So, the perspective which had been associated with the Democratic leadership of Senate and House of Representatives during 2005, waned during the early weeks of 2006. It is clear that without an appropriate, soundly premised statement of a clear programmatic perspective, the Party would not be able to recover the vitality it had manifested over the course of 2005.

Since the most crucial of the strategic economic domestic and global issues of 2006-2008 are of types which fit the nature of my special expertise, it is clearly my personal obligation to provide the Party with the clear strategic perspective whose crafting depends to a crucial degree on the technical competence of my special competencies in matters which are now of currently crucial importance. Thus, it is my duty to craft the needed programmatic perspective for 2006-2008, as I do in the body of this report.

The Role of Political Leadership

We should recall a certain charming anecdote from a past century. This referred to one of many pompous, leading French demagogues of the moment, who was sitting in a cafe, chatting with his rivals, when a large revolutionary mob rushed past the window of the place where the demagogue was sitting. At that moment, the startled demagogue in question rose from his chair, explaining: "That is my revolution which just rushed by; I must run out to lead it!" Unfortunately, the not-so-revolutionary would-be leaders of politics here today, are too often just as much clownish opportunists as that.

True leadership does not follow apparent public opinion blindly; true leadership shapes public opinion, by educating the electorate in what it urgently needs to know. This often means, as now, confronting the population with the urgency of changing currently prevailing both press and popular opinion on crucially relevant subjects.

The lesson the Party's leaders must recall, is that we are presently gripped by the most threatening general economic crisis of the planet in modern history, far more ominous than that of the 1928-31 unleashing of what became known as the "Great Depression" of the 1930s. President Roosevelt responded to this global condition, by launching an immediate recovery program through which the U.S. actually entered world war during 1941 with the most powerful economic machine the world had ever known. The continued rise of the U.S. to increasing physical prosperity, per capita and per square kilometer, during the twenty years following victory in Germany and Japan, appears as one of the true miracles of modern economic history: before we ruined that, with a ruinous change in economic and social policy which began about thirty-seven-odd years ago.

The mightiest economic power the world had ever seen, the U.S. revived by the policies of President Franklin Roosevelt, was sent into ruins, not by foreign powers, but by the folly of the policies which we adopted, thus, to ruin ourselves.

Thus, trans-Atlantic European civilization, and, actually, the world as a whole, are presently gripped by the kind of economic crisis which is without any precedent during the centuries since the so-called "New Dark Age" of Europe's Fourteenth Century. Nonetheless, the kind of thinking which Franklin Roosevelt brought to the challenge of the 1930s Depression, would lead, if followed appropriately, toward successful recovery today, despite the many differences, in other respects, in the situation now.

I shall explain what I have just said concerning the hope for organizing an economic recovery now.

Look back. As President Dwight Eisenhower left office, he bequeathed a precious warning to our nation: beware the "military-industrial complex." Suddenly, as he had implicitly warned us, we were faced with the "Bay of Pigs." Then, we were faced with the great missiles-crisis of 1962. The pillars of stability in trans-Atlantic civilization began to fall like bowling pins. President de Gaulle, whose initiative on behalf of the de Gaulle-Adenauer perspective for a Europe from the Atlantic to the Urals was strategically crucial for us, as for Europe, was the subject of repeated assassination attempts from the political faction which had been among the backers of Adolf Hitler during the run-up to and following February 1933. These Synarchist-banker and related forces from the past were the same forces behind what Eisenhower termed the "military-industrial complex." A faction within the United Kingdom moved to cause the premature retirement of Germany's Chancellor Konrad Adenauer. Our President Kennedy was assassinated. The launching of that Indo-China war under the pretext of an alleged Gulf of Tonkin provocation, became the precedent for a wild-eyed-lying Dick Cheney's push for an even more foolish, and more disastrous, generalized, needless, and spreading war in Southwest Asia.

So, today, we are menaced by the same "military-industrial complex," in such guises as the neo-cons of financially connected George Shultz's patsy, Dick Cheney.

About the same time Robert Strange McNamara's new war was launched, the Harold Wilson government of the United Kingdom systematically wrecked his country's productive economy, sending the British pound sterling into a 1967 tailspin. That crisis of the United Kingdom's wrecked economy, set off an echoing chain-reaction in the U.S.-led Bretton Woods fixed-exchange-rate system. This led, from 1968 on, into the opportunity for the monstrous folly known as the eminently impeachable Nixon Administration's school for scoundrels of the drinking, driving, and shooting class of Dick Cheney.

These and related disasters launched during that 1960s decade, had set a general cultural paradigm-shift into motion. The resulting election of a President Richard Nixon, reflected the ruinous state of confusion which the crises of the earlier 1960s had unleashed within what had been the earlier electoral base of the Democratic Party's traditional constituencies. From the time of the trans-Atlantic social and related crises of 1968 onward, there was a radical cultural-paradigm-shift. This was the shift which took the U.S.A. and Western Europe away from the tradition of science-driven economic growth in infrastructure, agriculture, and manufacturing, into the 1970s rapid spread of an orientation toward an increasingly decadent, now increasingly bankrupt "post-industrial services economy." This morbid trend in policy-shaping has swamped other developments in the Americas and Europe, especially, since that time.

Despite everything else, during the twenty years following what has been for our nation the untimely death of President Franklin D. Roosevelt, the physical conditions of economic life had improved more or less substantially, in virtually all areas of our nation. These improvements were chiefly reflections of the great system of reforms which Franklin Roosevelt's administration had set into motion.

Making a mistake, even a mistake as terrible as the post-1967-68 shift to an increasingly bankrupt U.S. "services economy," or "technetronic economy," is understandable. No such forgiving spirit is allowed, for continuing to tolerate a disaster as catastrophic as that cultural paradigm-shift has become, as "our tradition." Such toleration is the spirit of the kind of folly which has often doomed lost civilizations before our own. So, today, even notable political figures among us, figures whose native personal intelligence should have taught them better, often proceed in fear of what some babbling Pythia of our modern Sophists' pollster-racket tell them is the prevalent trend in the sophistry of current popular opinion. It is that sick trend in popular opinion, which has conditioned a battered mass of the majority of our citizens into treating those current trends which are destroying us, as "inevitable." It is not bad policies which have reduced our nation to an unbelievable state of national bankruptcy and related ruin; it is our treating those ruinous policies as expressions of what are wrongly considered to be inevitable trends, trends under which the majority of our political leadership has now led the

nation into a rapidly accelerating current state of national bankruptcy.

Nonetheless, the majority of our citizens are not to be blamed for creating this mess. It is not only that the mass media and kindred agencies have misled them into believing the fairy tales on which our nation's increasingly foolish policies have been premised. The Bush Administration will be seen in times to come as only the worst, by far, of any administration in recent history. That administration is far worse than any since President Richard Nixon. It is also the worst since the wrecking of the internal economy of the U.S. under the "post-industrial" Trilateral Commission madness of the 1977-1981 interval of deregulation. Under these and kindred downward shifts in economic and social policy, the lower eighty percentile of our total population's family income-brackets, has been crushed by the combined direct and indirect effects of a shift from the world's leading producer economy, to a ruined "services economy."

Thus, among most of this lower eighty percentile of our nation's family-income brackets, the sense of the matter is that their layers of the population have no efficient representation of their urgent economic and related interests in the highest places in government.

The lower eighty percentile, which used to be mobilized as mass-based organizations, around such institutions as local party committees, have come to believe that those "at the top," the upper twenty percentile of family-income brackets, are a virtual ruling oligarchy, such that the discouraged ordinary citizen either does not vote, or limits his and her political objectives to the mob-like resort of begging or bullying for token handouts at the gates of the perceived political-economic citadel.

Thus, when a foolish court authorized the payment of lush executive retirement bonuses to the mismanagement provided for the virtually bankrupt Delphi Corporation, the implied decision was to send the pensions of the working employees of the company to hedge-fund Hell. The way in which our leading political class tends to tolerate such brutish and flagrant, Enron-like injustices, is the message a negligent Congress and the party leaderships have tended to send to the lower eighty percentile of our population as a whole. In the case of continued virtually daily such insults to the lower eighty percentile of the population, should today's political leaders actually expect support from anything more comfortable than the tip of a sansculotte's pike?

- The Mission Before Us -

The mission before those who deserve to be the current leadership of the Democratic Party, including those who might deserve consideration as candidates for the 2008 Presidential nomination, is to change what has happened to our nation, and to its people, during the recent four decades of a continuing slide into the present global economic and monetary-financial disaster. This mission might be fairly described as a campaign to eradicate the use of customary, time-worn forms of Sophistry taken by the modern heirs of what was once self-doomed Athens. It is time to return, instead, urgently, to the spirit of what the Franklin Roosevelt of 1932-1933 represented at that time. Then, during 1928-1932, as now, the wrong-headed presently incumbent leadership of the opposing party has led this nation into a great disaster like, but already worse than that which the Coolidge and Hoover Administrations, and the fist of Andrew Mellon, caused to strike our nation during the 1929-1933 interval.

To lead this nation in any direction but to more of its recent downward course, we must, of course, not merely confess, but emphasize the significance of the terrible mistakes of the drift of U.S. policy over the entire sweep of the recent 1968-2005 interval. However, the most important thing is to present the seemingly radical change in direction of policy, as President Franklin Roosevelt did from 1932-33 on, which will return this nation to the prosperous, and mighty but generous tradition which we had thought we represented at the moment President Roosevelt died. Admitting what the mistakes have been, the greater emphasis must be placed, nonetheless, on the positive measures which will undo the accumulated political mischief of about forty years.

The real core leadership of the Democratic Party must now arrange itself as a virtual "Gideon's Army," to provide clear, competent, consistent, and bold national leadership upward and out of the effects of the presently onrushing global economic, monetary-financial, and human disasters.

This does not mean idolizing President Franklin Roosevelt. This means regarding that President as the most memorable expression in recent memory of the tradition which Franklin Roosevelt himself traced to the policies of an ancestor, the Isaac Roosevelt who was a crucial ally of Alexander Hamilton in defending the United States against the murderously treasonous legacy of Jeremy Bentham's agent, Aaron Burr of the Bank of Manhattan.

The policies of Franklin Roosevelt were an expression of a continuity of principle rooted in such locations as the Seventeenth-Century Commonwealth of Massachusetts, in the leadership, centered in world figure and true genius, Benjamin Franklin, who supervised his understudy Thomas Jefferson in crafting our first and continuing Constitution, the 1776 Declaration of Independence. This was the same Franklin who, largely, guided the body which crafted the needed suffix to that Declaration, the U.S. Federal Constitution which was rooted in that overruling principle of natural law set forth in the Preamble of the Constitution.

To understand President Franklin Roosevelt, we must look to a higher authority than he would have claimed as his peculiar personal wont. He represents, for recent memory, the long sweep of the great tradition, from the Fifteenth-Century Renaissance, through the 1648 Treaty of Westphalia, and the rich legacy of the Seventeenth and Eighteenth centuries' development of the English colonies in North America. We must recall that the uniqueness of our constitution, its superiority over any rival on this planet to the present date, lies in those ideas of European civilization which are traced from our founders' forerunners among the greatest minds of Classical ancient Greece. These are the traditions which have been reflected, more immediately, by the greatest aspirations of those greatest thinkers of modern Europe, who placed their trust in the role our republic would come to play as a temple of liberty and beacon of hope for all mankind. Our tradition is that we have been created as a republic, as a leading instrument for the cause of that greatest principle in the world's known statecraft, the principle known in Plato's and the Apostle Paul's Greek, as *agape@amm*, the principle that the promotion of the general welfare of all for our selves and our posterity, is the highest law to be imposed upon government for the cause of freedom.

We are the beneficiaries of President Franklin Roosevelt; but, he was, essentially, the necessary instrument in his time for the great cause of freedom, for the natural-law principle of the general welfare, which is the heart and soul of all that is good and great in the origins and history of our Federal republic.

Let us, therefore, act in behalf of that long tradition in presenting the proposed draft of the Democratic Party campaign platform for 2006, and beyond that, 2008....

InDepth Coverage

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Feature:

[Cheney: Caught In the Act of Being Himself](#)

[by Jeffrey Steinberg](#)

During the weekend of Feb. 11-12, Vice President Dick Cheney was caught in the act of being himself. During a quail shoot at the elite Armstrong Ranch in south Texas, Cheney shot a fellow hunter, 78-year-old Texas attorney and Republican Party fundraiser Harry Whittington. While precise details of the incident may never be publicly known, and there are reliable reports that some of the shooters, including Cheney, had been drinking, one fact is certain: Cheney reacted according to profile and immediately went into full damage-control mode.

- [Cheney Bags His Limit](#)

From the vast outpouring of humorous late-night TV and other commentary at the expense of Dick Cheney, here are EIR's top picks...

- [Shoot, Look, & Listen](#)

[by Lyndon H. LaRouche, Jr.](#)

February 13, 2006

What Cheney did at the Armstrong Ranch this past weekend was once called 'friendly fire.' Technically, cases of 'friendly fire' include not only the companion shot in the face, but the cases of, for one, the shooter limping back from the battle to the aid-station after shooting himself in the foot, or, the other case, of the fellow eligible for the Vietnam draft, who avoided service for yet another time, by a miraculously timely impregnation of his wife. Both interpretations are appropriate for what Cheney tried to cover up this past weekend, after apparently mistaking his Republican ally for a flock of birds on Saturday. All come under the heading of 'friendly fire.' Shakespeare would advise, 'Keep Cheney away from his rival, President Bush.' Time to take his guns away from him, before he kills more innocent birds, and people, too.

- [Not Only in China](#)

[Character Tells: Cheney's Doom](#)

[by Lyndon H. LaRouche, Jr.](#)

February 15, 2006

Apparently, most of the Democratic politicians have not yet come out from under the stupor of the sudden capitulation to Alito's nomination. This time, on the issue of cowardly Cheney's shooting his victim, it is the TV's nightly comedians, not the elected politicians, who are closest to the world's current political realities. Which is to say that the famous Democratic donkey, which should have responded immediately to this issue, needs a solid kick in the party's ass.

- [They Didn't Smell Cheney's Breath!](#)

[by Lyndon H. LaRouche, Jr.](#)

February 16, 2006

Did it occur to you, that almost everything which Vice-President Cheney said about the events of the past weekend, was almost a complete lie? What is Cheney really trying to hide with that utterly unbelievable mea culpa told to Brit Hume?

- ***Chronology***
Cheney's Crimes: The Wilson-Plame Affair

Economics:

Commodity Hyperinflation: Bomb At the End of Iran-War Fuse

by Paul Gallagher

A U.S.-British military attack on Iran is now a looming threat, under the imperial-war strategy Dick Cheney brought to this Administration. If the countdown is not stopped by the removal of Cheney from the White House, a war on Iran will turn what is already intense inflation in the markets for almost all industrial commodities, into an explosion. Another huge jump in the crude oil and oil products prices, triggered by a spreading new war in the Mideast, will hit already hyperinflationary markets for metals, plastics, chemicals, etc., and crush industry in the United States, Europe, and Japan in a blowout. This is one explosive shell of the bomb, for which Blair's and Cheney's war on Iran will be the fuse.

A Renaissance in Nuclear Power Is Under Way Around the World

by Marsha Freeman

On virtually every continent of the world, nations are making the determination that 'the future is nuclear.' In an article with that title, printed by United Press International on Feb. 13, Russian Academician and renowned physicist Yevgeny Velikhov stated; 'Nuclear power engineering is capable of reassuring all thosewhoare not certain about having sufficient energy today and tomorrow. There is no doubt it is the only source of energy that can ensure the world's steady development in the foreseeable future. Today, this fact is understood not only by physicists, but also by politicians, who have to accept it as an axiom. . . . Thank God, today's world compels politicians to think about the future.'

- **Mexican LYM: Use 'Nuclear Option' To Stop Fascism**

The policy statement excerpted here was released by the LaRouche Youth Movement (LYM) of Mexico on Feb. 7:

No, not a nuclear bomb. Nuclear energy.

In late January, Mexico's Energy Minister announced that the Fox government would promote the building of a single, new nuclear energy plant in the country, in a location to be decided before Fox leaves office in December 2006. The LaRouche Youth Movement of Mexico does not think that we should be building one nuclear plant: We need 20!

The Bolkestein Directive

European Labor Erupts Against Dereg Policy

by Rainer Apel

The European Parliament began a three-day debate on Feb. 14, on the European Commission's Services Directive— called the 'Bolkestein Directive' after its initiator, former European Union Commissioner Frits Bolkestein. The directive plans, by 2010, the full deregulation of all services in the EU—at present, 70% of all economic activities in Europe.

International:

Netanyahu's Fascist Record: All Roads Lead to Shultz

by Steven Meyer

If supporting the fascist Pinochet coup in Chile with its death squads, and creating the Cheney/Bush regime which now threatens to blow up Southwest Asia were not enough, former U.S. Secretary of State George P. Shultz can add another notch to his belt as the man who created and directed Israel's Benjamin 'Bibi' Netanyahu.

Dow Jones Stokes Riots Against Thai Premier

by Mike Billington

Dow Jones & Company, the publisher of the Wall Street Journal, keeps a high profile in Asia. Besides its own publications, including the Asian

Wall Street Journal and the Far Eastern Economic Review (FEER), it holds part ownership in The Nation, a leading English-language newspaper in Bangkok, Thailand. It has used this media presence to attack Thai Prime Minister Thaksin Shinawatra consistently, since his overwhelming election victory in 2001, and re-election in 2005. This past month, however, The Nation has gone over the edge, openly promoting violence and bloodshed in the streets as the only means to achieve its desired 'regime change' against Thaksin, and turning its website into a virtual command center for mass actions in the streets, providing minute-to-minute reporting and directions for the very demonstrators it suggests must turn violent in order to be 'successful.'

Iran Crisis: British Empire Is Up to Its Old Tricks

by Helga Zepp-LaRouche

Mrs. Zepp-LaRouche is the national chairwoman of the Civil Rights Movement Solidarity party (Bu"So) in Germany. This statement, released on Feb. 3, has been translated from German.

If the dramatically escalating crisis over Iran is not immediately overcome, it could reach the point, within a few weeks, of a military strike against Iran by either the Bush Administration or Israel. But Iran is not Iraq. One would have to count on massive counterattacks. The conflict would have the potential of leading to a strategic catastrophe and a collapse of the world financial system.

EIR Cairo Visit Exposes Psywar Behind Cartoons

by Muriel Mirak-Weissbach

As this author has just experienced during a visit to Cairo, the outpouring of rage provoked by the issue of the anti-Islamic cartoons is unprecedented. It had been building up, against injustice in Palestine, the ongoing destruction of Iraq, and the preparations for a military strike against Iran. But the cartoons were the proverbial straw that broke the camel's back. The cartoons were deliberately published to provoke such a reaction, and the reaction came, according to profile.

National:

Bipartisan Coalition Won't Work Until Cheney Goes

by Nancy Spannaus

A pattern of bipartisan collaboration in Congress, against the outrageous negligence or abuses being carried out by the Cheney-Bush Administration, has raised the hopeful potential for Congressional action in areas such as rebuilding after Hurricane Katrina, and stopping police-state abuses. However, as Lyndon LaRouche has pointed out, the expression of Congressional concern is nothing but impotent kvetching, if the legislators do not remove the lawless Cheney apparatus from power.

From the Congress

Dems Challenge Constitutionality Of Omnibus 2005 Budget Law

On Feb. 14, the House Democratic leadership, under Rep. Nancy Pelosi (Calif.), sent a letter to House Speaker Dennis Hastert (Ill.), pointing out the illegitimacy of the Budget Reconciliation Spending conference report, which was signed by President Bush on Feb. 1. Representative Pelosi wrote Hastert that 'the integrity of the House requires that you take two steps to address this serious situation. First, we insist that you inform the American people of what happened, and that you recognize the abuse of this process. Second, we urge you to reconsider this legislation this week, and to work with the Senate to ensure that any spending reconciliation bill that is passed is identical in both the House and the Senate, as the Constitution demands, and then presented to the President for his signature.'

Lyndon LaRouche: Rumsfeld's 'Long War' Is Imperial Fascism

by Carl Osgood

A new expression has emerged recently to describe the Bush Administration's commitment to the so-called war on terrorism. It is now called 'the long war,' an expression that the Washington Post credited to Gen. John Abizaid, the Chief of U.S. Central Command. But no matter where it came from, it is just another way of describing the perpetual war policy of the Cheneyacs in the Bush Administration. Secretary of Defense Donald Rumsfeld, speaking to reporters in the Pentagon briefing room on Feb. 1, put it this way: 'The truth is, that just as the Cold War lasted a long time, this war is something that is not going to go away. It's not going to be settled with a signing ceremony on the USS Missouri.'

Strategic Studies:

LESSONS OF THE PELOPONNESIAN WAR

Winning the Battle Against Sophistry

'The LaRouche Show,' an Internet radio program, interviewed EIR Editorial Board member Gerry Rose on Feb. 4. The show is broadcast every Saturday at 3:00 p.m. Eastern Time at www.larouchepub.com. Harley Schlanger hosted the show, and was joined by LaRouche Youth Movement (LYM) panelists Quincy O'Neill and Randy Kim.

Schlanger: Our show today will focus on a crucial aspect of the battle to defeat the fascist neo-cons centered around Vice President Dick Cheney. Following their success in imposing Judge Samuel Alito on the U.S. Supreme Court, Cheney and his allies have launched into a true flight-forward, placing a war against Iran on the immediate agenda; while Bush, Rumsfeld, Bolton and others are preparing for a preemptive strike against Iran's nuclear energy and research sites, the administration has launched simultaneously, an allout offensive against the U.S. Constitution, justifying illegal spying on Americans through the National Security Agency, holding prisoners without charges, and advocating torture, among other atrocities committed by this gang.

U.S. Economic/Financial News

Wall Street Journal: Let Them Eat Hedge Funds!

The *Wall Street Journal* has weighed in on behalf of the vulture hedge funds against any government effort to rebuild Louisiana or aid victims of the hurricane. The *Journal's* lead editorial Feb. 13 denounces the government recovery program for Katrina reconstruction—not because of the reports now emerging showing the failure of the effort, but because the *Journal's* editors want to let the hedge funds run it! They criticize a plan calling for a Louisiana Recovery Corporation, a \$30-billion plan proposed by Rep. Richard Baker, a Republican from Baton Rouge, for the Federal government to buy 200,000 destroyed properties, pay the owners 60% of pre-Katrina value, then reconstruct and sell the properties. The *Journal* complains that this would "deter private investors from going in and buying up properties, and thus creating a market floor." I.e., let the suckers fix New Orleans.

Labor Recycling Scheme Afoot at Delphi

A cruel scheme to turn Delphi plants into low-wage shops is being negotiated among General Motors, Delphi, and the United Auto Workers union (UAW). The plan was leaked to the *Detroit Free Press* Feb. 13 by a local union president who heard it from Richard Shoemaker, the UAW's vice president for Delphi, at a Washington, D.C. conference. The scheme is this: 45,000 GM hourly workers (out of 110,000) become eligible for retirement by 2010. If GM buys a large portion of them out with a \$100,000 bonus for early retirement, some of the 23,000 UAW-organized production workers at Delphi can rotate back to GM. Delphi would then hire replacements and become entirely a \$10-12/hour employer.

At the same time, the big auto parts manufacturer Dura Automotive Systems announced it will close half of its plants in North America by next year, losing or relocating overseas 2,000 jobs. In all, the company plans to close or sell off as many as ten plants worldwide. It's trying to sell off its German plants (Lage, Lippstadt, and Rotenburg). But it will expand production in Mexico and in Eastern Europe. Official Larry Denton complained of doubled steel costs since 2001; essentially trading wages for steel.

Meanwhile, union sources tell *EIR* that the UAW is sanctioning plans for a mass march on GM headquarters in Lansing, Mich. in the spring. Mobilization meetings are starting to be announced. The sources also report that some UAW reps are using Lyndon LaRouche's auto retooling proposal in their "Marshall Plan" meetings with Congress, and sparking good discussions with it.

Court Okays Multimillion-Dollar Payoff for Delphi Execs

U.S. Bankruptcy Judge Robert Drain ruled Feb. 11 that the \$38 million in special bonuses to the Delphi executives who destroyed the company is "an appropriate form of compensation," while the hourly workforce loses wages, health care, and pensions, according to the *Detroit Free Press*.

Meanwhile, at Visteon, the other major auto parts company, executives are enjoying the same huge increases in bonuses, pay raises, and incentive pay, despite the fact that the company continues to lose money, and has called on the unions to slash their wages and benefits. Bonuses could reach \$20.3 million to the CEO, \$16.2 million to the vice chairman, and \$12.5 million to the CFO.

Housing Bubble Losing Air

House prices rose more slowly in the fourth quarter, compared to the previous quarter, even as the number of metropolitan areas with double-digit price gains hit a record, Reuters reported Feb. 15. The National Association of Realtors said the national median home price for an existing single-family house rose 13.6%, compared to a rise of 14.7% in the third quarter. Six metro areas—in the Midwest, hit by the auto industry shutdown—reported price declines on existing homes.

In another indication that the boom is over, applications for loans to purchase homes dropped 7.9% last week to their lowest level in over two years, the Mortgage Bankers Association said.

Wall Street Fears 'Financial Debacle' from Derivatives

The Feb. 16 Bloomberg.com reported, "Fourteen of Wall Street's biggest banks told Federal regulators today they met a January goal of reducing unconfirmed trades in the \$12.4 trillion credit derivatives market, easing concern that sloppy bookkeeping may set off a financial debacle." While sloppy bookkeeping may be a concern, the real issue frightening the banks is the great instability of the highly leveraged credit derivatives market itself. The volume of credit derivatives has doubled in the past five years. The 14 Wall Street banks met Feb. 16 at the offices of the New York Federal Reserve Bank.

BearingPoint Report: 'Credit Derivatives in Crisis'

The consulting firm BearingPoint issued a report titled "Credit Derivatives in Crisis," PR Newswire reported Feb. 15. A manager with BearingPoint, Robert Benedetto, warned, "[T]he overstressed credit derivatives market infrastructure has created the potential for a financial disaster if an event triggers a significant strain, such as a major U.S. company filing for bankruptcy."

Hedge Funds Under Scrutiny

Hedge funds are under scrutiny from regulators for using borrowed shares to influence takeover votes and reap gains. The funds borrowed an unusually large amount of shares in Hong Kong-listed Henderson Investment just days before a proposed takeover was surprisingly blocked by shareholders, triggering sharp falls in the stock, the *Financial Times* reported Feb. 15. At least some of the votes against the proposal could have come from shares borrowed by hedge funds, which stood to profit by "shorting" the stock.

U.S. regulators are considering whether the practice violates market rules; while Hong Kong's Securities and Futures Commission has said it was looking into the issue of borrowed shares—previously unknown in Asia.

World Economic News

Syria Switches from Dollars to Euros

According to an AP wire written from Damascus Feb. 15, "Syria has switched the primacy hard currency it uses for foreign goods and services from the U.S. dollar to the euro in a bid to make it less vulnerable to pressure from Washington. The decree signed by Syrian Prime Minister Naji al-Otari on Feb. 13 ordered government bodies and public-sector companies to use euros to pay for foreign transactions, including payment for exports." The head of the state-run Commercial Bank of Ysia, Dureid Dergham, was quoted Feb. 14 saying that the switch to euros was "important and necessary in light of the current U.S. threats against Syria, and the ensuing complications in banking procedures and transfer operations to Syria from U.S. and European banks." "The step aims at avoiding any future disturbances," he told the state newspaper *Al-Thawra*.

Private Equity Funds Target German Mittelstand Firms

According to an international survey released Feb. 15 by a London investment bank, 60% of investors in the so-called "distressed debt" market are naming Germany as their primary target region. Second is Britain, with a rate of just 20%. Among distressed debt investors are hedge funds and private equity funds. A majority of investors participating in the survey stated that they buy up such debt from banks in order to gain control over the indebted company, for example, by demanding an exchange of debt against stocks. The particular role of Germany in this respect is the effect of the ongoing elimination of the traditional *Hausbank* ties between banks and *Mittelstand* firms. As banks are cutting credits to the firms—which are told to issue stocks or bonds instead—the volume of bad debt is rising. According to estimates, there are about 200-400 billion euros of problematic loans held by German banks. A rising proportion of this debt is now being traded at discount prices on secondary markets, including to funds specializing in distressed debt.

The German Private Equity and Venture Capital Association (BVK) states in its annual report, that by the end of 2005 private equity funds controlled 5,700 German firms, representing 797,000 employees and 21.5 billion euros in private equity capital. The BVK report states that if all such firms are taken as a whole, and if the employment of German buy-out firms is added, the German private-equity sector would be the largest private company in the country in terms of employment. The fundraising of German private equity firms more than tripled to 7.2 billion euros in 2005, compared to 2 billion euros (a 262% increase) the year before. The association includes the German branches of foreign funds.

United States News Digest

Hagel, Chafee Blast Rice on Bush Southwest Asia Policy

In Feb. 16 testimony before the Senate Foreign Relations Committee, Secretary of State Condoleezza Rice urged Congress to increase the funds for "democracy" in Southwest Asia. Rice said that the U.S. would confront the aggressive policies of the Iranian regime, while working to support the move for internal regime change.

"I don't see, Madame Secretary, how things are getting better," responded Sen. Chuck Hagel (R-Neb). "I think things are getting worse. I think they are getting worse in Iraq. I think they are getting worse in Iran." Senator Lincoln Chafee (R-RI) also commented on the lack of progress towards peace between the Palestinians and Israel.

These Republican criticisms underscore a widespread frustration in Congress with the Bush Administration's profound mishandling of the crises in the region.

Senate Overwhelmingly Invokes Cloture on Patriot Act

On Feb. 16, the Senate voted overwhelmingly (96-3) for cloture on the Patriot Act reauthorization, ending the one-man filibuster by Sen. Russ Feingold (D-Wisc). Feingold had fought valiantly to change the language in five provisions of the legislation which unduly threaten the rights and privacy of American citizens. The other Senators voting against cloture were Robert Byrd (D-WVa) and Jim Jeffords (I-Vt).

Feingold was critical of his fellow lawmakers, who had accepted a few cosmetic changes rather than fight for the substantive amendments needed. He vowed to continue to use every maneuver at his disposal to try to get the needed amendments into the bill, which will come up for debate on Feb. 28.

Said Feingold to the Senate: "The Senator from Alabama said on the floor yesterday: 'They're not large changes, but it made the Senators happy and they feel comfortable voting for the bill today.... Yesterday, [Senate Judiciary Committee chairman] Arlen Specter (R-Pa) had said, 'But sometimes cosmetics will make a beauty out of a beast and provide enough cover for Senators to change their vote'.... No amount of cosmetics is going to make this beast look any prettier."

House Katrina Report Blasts Everybody, Except Cheney

Congressman Tom Davis (R-Va), the chairman of the House Select Katrina Committee, released the Committee's report on Feb. 15, saying that, "Our investigation revealed that Katrina was a national failure, an abdication of the most solemn obligation to provide for the common welfare. At every level, individual, corporate, philanthropic, and governmental, we failed to meet the challenge that was Katrina."

From Davis's description, the report spares almost nobody, from the President on down to state and local officials in Louisiana. However, as Rep. Charlie Melancon (D-La), one of the Democrats who participated in the Committee's investigation, pointed out, it only focusses on the events in August and September, just before and just after the hurricane hit. Even today, there's still no significant rebuilding activity going on, Melancon said. "The situation is getting worse, not better," for the people of the Gulf Coast, he said.

What's left out is that the reorganization which downgraded disaster preparedness, and submerged FEMA into the Department of Homeland Security, was championed by the Vice, Dick Cheney, as part of his scheme to take over all counterterrorism planning in order to destroy it.

The House Democratic leadership had delivered its response to Davis's report after its caucus meeting. In effect, the Democrats said the report was surprisingly good, but limited by the fact that Davis did not compel cooperation from the White House, which refused to provide documents and witnesses. Democrats are also calling for DHS head Michael Chertoff to resign, as well as for the separation of FEMA from the DHS, a proposal also endorsed by Davis and some other Republicans—but which will not accomplish anything, unless Cheney himself is dumped.

Iraq War Vet Hackett Pulls Out of Ohio Senate Race

Democrat Paul Hackett, an Iraq war veteran, electrified the 2005 Ohio Congressional special-election race with his denunciation of the Bush Administration's war policy, and won 48% of the vote. Because of that showing, Democratic Party leaders including Senators Harry Reid (Nev) and Chuck Schumer (NY) urged him to run for the U.S. Senate this year. But on Feb. 14, he said, party leaders urged him to drop out of the primary campaign, in favor of Rep. Sherrod Brown (D) as the candidate to face incumbent Republican Mike DeWine. Hackett also charged that Democratic leaders were calling his donors and asking them to stop funding his campaign. Ohio Democratic Party Chairman Chris Redfern explained that the party thought seven-term Congressman Brown has a better chance against DeWine, noting that by the end of last year, Brown had raised ten times Hackett's contributions.

An analyst for the Cook Political Report is quoted by the *New York Times* Feb. 14 as saying that one of the things that made Democratic leaders nervous about Hackett, was precisely what made him popular with voters: "Hackett is seen by many to be a straight talker. On the other hand, the Senate is still an exclusive club, and the party expects a certain level of decorum that Hackett has not always shown." The *Times* notes that during Hackett's campaign, he was widely criticized for using salty language about President Bush, and for saying the Ohio Republican Party had been hijacked by fundamentalists who were not all that different from Osama bin Laden. When Republicans demanded an apology, Hackett said, "I said it. I meant it. I stand behind it."

Lyndon LaRouche commented that this silly pre-election season, is the time that politicians are making deals; they get a whiff of such deals, and they go for them. Cliqueishness, he said, is not just lying—it's the *mother* of lying.

Bush Budget Puts 'Teeth' in Caps on Medicare Spending

The so-called Medicare Modernization Act of 2003 (MMA) mandates that, at the point when Federal actuaries project that six years hence (when a demographic explosion of seniors is likely) the Federal share of Medicare spending will exceed an arbitrary 45% of the total cost of the system, an automatic trigger would alert the President to deal with the situation. That trigger mechanism, as it now exists, does not require any particular action by Congress.

But in the 2007 budget, according to Joshua Bolton, Director of the Office of Management and Budget, "[W]e're proposing that that provision be strengthened so that in the event there is not action to bring the Federal share of Medicare below 45% of the total cost in the system, that a sequester go into place, not unlike the Gramm-Rudman sequester." The sequester would cut Medicare spending and stay in place year after year thereafter until spending is brought below the 45% level. "[W]e think it would be a very useful device to try to force reform."

Cheney-Bush Spent \$1.6 Billion on Public Relations

The Government Accountability Office, in a report released on Feb. 13, calculates that the Cheney-Bush regime spent at least \$1.6 billion on public relations and advertising contracts. That was for just the seven departments the Government Accountability Office—an arm of the U.S. Congress—studied. Over the course of 2003, 2004, and the first two quarters of 2005, the Departments of Commerce, Defense; Health and Human Services; Homeland Security; Interior; Treasury; and Veterans Affairs, signed 343 contracts with PR firms, advertising agencies, media organizations, and individual members of the media.

The GAO report did not evaluate whether the contracts complied with Federal law, including the prohibition of covert propaganda.

Representative Henry Waxman (D-Calif), the ranking Democrat on the House Committee on Government Reform, and other Democrats asked the GAO to conduct the survey after it was revealed that the Department of Education had paid columnist Armstrong Williams to propagandize on behalf of the No Child Left Behind Act, and that HHS had hired a PR firm to develop "video news releases" that were then broadcast as "news" without identifying them as government propaganda.

Neither the Education Department, nor the seven other cabinet-level departments, nor any of the independent agencies, was included in the study. Nor did the study include subcontracts, previously existing contracts, nor public relations and media work done by government employees.

As the Bush-Cheney regime's approval ratings have nosedived, the money spent on PR has shot up. Those Departments studied spent \$39 million in 2000, and \$88 million in 2004, a 128% increase.

Another Bush 'Pioneer' in the Dock

Tom Noe, the former head of the Lucas County (Toledo) Ohio Republican Party, faces state charges of engaging in a pattern of corrupt activity, 11 counts of theft, 11 of money laundering, eight of tampering with records, and 22 of forgery, the Feb. 13 *Columbus Dispatch* reported. Noe, who served as chairman of the 2004 Bush-Cheney election campaign in Northwest Ohio, also faces Federal charges of illegally funneling thousands of dollars to President Bush's reelection campaign by giving money to friends and associates to contribute in their names.

As early as February 2003, Noe, a big-time coin dealer, was reportedly meeting with Karl Rove to plan the Bush Ohio campaign strategy. Democrats point to Noe's Lucas County as one of the prime examples of vote suppression and other election thuggery, in the state that tipped the Electoral College count to Bush.

Ohio Attorney General Jim Petro has accused Noe of stealing as much as \$6 million from coin funds that Noe operated. His Vintage Coins and Collectibles was entrusted with \$50 million to manage for the Ohio Bureau of Workers' Compensation. "Tom Noe pilfered millions intended for injured workers," said Petro.

The question is: Will Noe also defend himself by going "up the ladder" to Rove, et al.?

Ibero-American News Digest

LaRouche: South America Must Unite Together, Or Die Together

In several discussions on Ibero-America in recent weeks, U.S. statesman Lyndon LaRouche has emphasized that "people have to understand that either they will learn to *live* together, or they're going to *die* together—because that's the nature of the game that the British are playing," as the world financial system comes down. We face, globally a very big war, in which civilization itself could be destroyed, and people are pretending that this isn't happening, he said. They are playing by the rules, but we have to create new rules to survive.

The enemy is a banking elite. They're the bankers and the International Monetary Fund system. We have to change that system, he emphasized. We have to establish a new world system, not a world system like the current empire, but a world system based on the nation-state. Why the nation-state? Because without the nation-states, you can't develop the population. Why develop the population? Because, unless you develop the population, you won't be able to actually solve the problem that we're facing today.

South America has to be clear that the enemy is ignorance. The enemy is the IMF, but the enemy is ignorance and that's what you have to deal with. So, you must form in the region an alliance for your own cultural and political self-defense. Governments have their disagreements, but they must resolve them between themselves. For centuries, the British have operated by provoking wars. The starting point today, is for South America to avoid that British trap of war.

President Nestor Kirchner is playing a critical role in this effort, LaRouche noted. Argentines, after all, know what the British Empire is, because they have fought them, and Argentina has historically had a very high cultural and technological standard, and does still today, even after two to three generations of attempted destruction of that. And that's very significant in terms of the role that Argentina plays in the continent.

Ecuador-Colombia Border Tensions Threaten South American Peace

The hot pursuit of Colombian FARC narcoterrorists across Colombia's southern border into Ecuador in late January nearly triggered a break in relations between the two Andean countries, and talk in some circles that war could result, should such incidents continue.

The crisis erupted on Jan. 28, when Blackhawks and warplanes of the Colombian Air Force chased FARC terrorists across the river dividing Colombia and Ecuador, and bombarded the guerrillas as they fled into the Ecuadoran jungle. Ecuador's Palacios government issued a furious protest at the incursion into Ecuadoran territory, and demanded an apology. The Defense Minister denounced the cross-border incursion by Colombia as "premeditated," and announced the activation of Ecuador's air defenses at the border against "Colombian regulars and irregulars."

The Colombian government first stalled on accepting any responsibility, and then issued lukewarm "apologies" which, while admitting to the cross-border incursion, nonetheless seemed to justify it by lamenting the FARC's use of Ecuadoran territory as a refuge and launching-site for attacks back across the border into Colombia. On Feb. 9, Ecuador recalled its ambassador to Quito "for consultations," with Foreign Minister Francisco Carrion saying on Feb. 12 that "a break in diplomatic relations with Colombia was not being contemplated, at this time." A flurry of phone calls between the two heads of state, and a meeting between the countries' Foreign Ministers, eased tensions somewhat, and Ecuador's ambassador returned to Bogota Feb. 15.

Condi Rice Insists Venezuela Be Made a Target

U.S. Secretary of State Condoleezza Rice told the House Foreign Affairs Committee on Feb. 16 that Venezuela's President Hugo Chavez was "one of the biggest problems" for the United States in the Western Hemisphere, because he "is attempting to influence Venezuela's neighbors away from democratic processes." Calling the Chavez government's close ties to Cuba "particularly dangerous," Rice demanded European and other Ibero-American governments join in supporting the Bush Administration's "defense of the Venezuelan people"—i.e. regime change.

Chavez denounced Rice's "aggressive" policy of "imperialist abuse," reporting that the Secretary had already called the Foreign Ministers of Spain, Brazil, and Austria to try and "form a bloc against Venezuela." He questioned if the Bush Administration had a unified policy on this, as his ambassador to Washington and Undersecretary of State Thomas Shannon had met just two days before Rice's comments, in what Chavez termed a "conciliatory" gesture, which he had viewed optimistically. But then, he said, "the hawks were unleashed."

Funny thing. Rice's call for a "united front" against Venezuela closely paralleled the formulation used on Feb. 15 by Spain's fascist former Prime Minister Jose Maria Aznar, who told a Madrid press conference: "All of these movements—those of Castro, of Chavez, of Morales—represent a serious danger for the region, and I think it is necessary to carry out a coordinated effort to avoid the spread of populism in Latin America."

Crisis Between Uruguay and Argentina

Environmental and other groups in the Argentine province of Entre Rios continue to block two bi-national bridges into Uruguay, charging that the construction of two paper pulp plants across the border poses a huge pollution risk. Uruguayan President Tabare Vasquez is threatening to sue the Argentine government for damages caused to his country's tourist industry, and Nestor Kirchner says he will take the case to the international court at The Hague, because Uruguay violated signed protocols when it decided to build the plants.

Monsanto-Argentina Battle Escalates

After ordering the seizure of another shipment of Argentine soy flour in the Spanish port of Cartagena on Feb. 13, the Monsanto Corporation in Buenos Aires warned that it intended to stop every single shipment of this product from Argentina to Europe, until the Kirchner government agrees to pay royalties on the genetically modified Roundup Ready seeds used by most soy producers.

The day before, Argentina's Finance Ministry issued a document, "The Economic Impact of the Multinational's Coercive Actions," denouncing the "coercive actions" of Monsanto as a threat to the nation. The seizure of Argentine soy flour shipments to Europe, and the company's attempts to force Argentina to pay royalties on the use of Roundup Ready seeds—which are not patented in Argentina—will seriously affect export revenue, particularly given the fact that the European Union buys 50% of Argentine soy flour, the Ministry pointed out.

Monsanto is demanding a royalty payment of \$15 on every ton of soy shipped, which Argentina warns will negatively impact the price paid to producers, as well as employment in the agricultural sector. The vegetable oil industry, now expanding rapidly, will also be hurt.

Argentina is increasingly being driven into monoculture, and production of more traditional agricultural products for which the country is famous, has been displaced by soy—a shift encouraged by the agro-cartels and groups such as Prince Philip's World Wide Fund for Nature (WWF). The Ministry document notes that between the 1996-97 and the 2004-05 growing seasons, the area under soy cultivation has increased by 98%.

Brazilian Governor: Monsanto Promotes Return to Serfdom

In a June 9, 2005 interview with Brazilian reporters, Parana state governor Roberto Requião explained why he has gone so far as to ban the use of genetically modified seeds (GMO) and cultivation in his state. We are not against scientific research, which should be carried out, he said, but Monsanto's game is to "charge patents on Brazilian agriculture," and this "reduces Brazil, as monopolized as it is ... to the situation of the Middle Ages, of vassals and feudal lords, where the vassals pay to plant on their own land.... Transgenic seed was not created to increase productivity"; it was created to sell Monsanto's products.

This is the game of the cartel trading companies which "monopolize production," Requião pointed out. "This is a fight for food sovereignty and against the monopolization of agriculture, the enslavement of Brazilian agriculture...." Brazil has become "an agricultural company for Monsanto. Brazil, an agricultural company for the five international trading companies... This is what has to be turned around."

Kirchner Announces New Measures To Defend General Welfare

Argentine President Nestor Kirchner outlined measures Feb. 13 which will offer job training and educational opportunities to the unemployed, many of whom are now receiving a monthly 150-peso stipend through the government's "Heads of Household" plan but are not actively looking for work.

The unemployed and the poor must be incorporated into the country's economic and social structure, Kirchner said. "I am pleased with our economic growth," and with the reduction of poverty and indigence. "But I am unhappy that we still have indigence ... and 34% poverty.... We still must solve serious problems in income distribution." The task, he said, is to make Argentina once again the country with the fairest income distribution in the region.

To bring more workers into the labor force, Kirchner said that a new Employment and Job Training program will offer a monthly 225-peso stipend, on the condition that beneficiaries attend training programs and actively seek employment, unlike the controversial Heads of Household program. Unemployment insurance will also be made available, and a new "Families" plan will offer a monthly 225-peso stipend (up from 175) to single mothers caring for children, even if they have other sources of income. In the coming week, an "Education for All" initiative will also be announced, aimed at helping tens of thousands of secondary school students graduate. The implementation of the Technical Education Law, combined with a 6% increase of the education budget over the next four years, will help the country reach that goal, the President said.

Western European News Digest

Cheney Shooting Makes Headlines Throughout Europe

The story is out all over Europe:

* *Neue Zuercher Zeitung* on Feb. 15, had a very lengthy, sarcastic description under the headline, "Vice President Cheney on Hunt in Texas," with the subhead, "Instead of a chicken he hits a lawyer." Among the hunting guests was Pamela Willeford, U.S. Ambassador to Switzerland, who said that Cheney is guilty. But, says *NZZ*, for the American journalists, the hunting spree has only begun. Why does it take hours before the public gets to know?

* London's *Financial Times* Feb. 16 has extensive coverage, with the central article (reprinted from *Slate*) entitled, "Cheney and the Public's Right to No," by Jacob Weisberg. After writing that "The Bush Administration's aversion to openness reached the proportions of parody" with the 18-hour delay in the reporting of Cheney's shooting of a fellow hunter, Weisberg drew the interesting historical precedent. "When Vice President Aaron Burr shot Alexander Hamilton in a duel in 1804, Burr's second used an umbrella to obscure the wounded man from potential witnesses. Burr went home and mentioned nothing to his luncheon guest about the incident. After Hamilton died, a public cry went up and Burr fled to an undisclosed location in Georgia."

* *Le Figaro* of Paris has a picture showing Cheney with a rifle in his hand at the Riflemen's Association. Headline: "Heart attack for Cheney victim." The article reports that the White House is under fire from the media, and that for Dick Cheney and the Administration, whose rating is already very low, the criticisms come together with a wave of sarcasm and caricatures.

* The leading mass-tabloid of Germany, *Bildzeitung*, finally broke the story on Feb. 17, with a banner headline on its back page, "All of America Is Laughing About Vice President Bang-Bang"; it shows the barrel of a hunting gun pointed at the reader.

* Spain's *El Mundo* Feb. 17 headlines, "Dick Cheney: I shot at my friend and this is something that I will never forget." Their coverage is non-accusatory, using quotes from his Feb. 16 Fox TV interview.

(See this week's InDepth Feature for "Cheney: Caught in the Act of Being Himself," by Jeffrey Steinberg, and other coverage of the "Shooter-in-Chief.")

Berlusconi Allies with Mussolini Granddaughter

Italian Prime Minister Silvio Berlusconi has just concluded an electoral alliance with Alessandra Mussolini, granddaughter of the fascist Il Duce, Benito Mussolini. The deal is that La Nipote (the granddaughter), as she is called in political circles,

will bring the votes of her party Alternativa Sociale, and, in exchange, will receive four seats in Parliament in the April 9 general election.

Berlusconi has also courted other shadowy figures, like Gaetano Saya, head of a neofascist movement called Nuovo MSI, who was arrested last July in Genoa for having founded a clandestine anti-Islamic private police force. Berlusconi met Saya at a reception at the Israeli embassy on May 12, 2005, and later—when Saya was in jail —received his wife last September.

Another neofascist, former Ordine Nuovo founder Pino Rauti, has also been part of electoral negotiations.

Whereas the center-right coalition includes the neofascists, on the opposite side, Rifondazione Comunista includes left-wing radicals such as Antonio Caruso, a leader of the "disobedients," and one transvestite called Vladimir Luxuria. However, when a Trotskyist candidate publicly defended suicide bombers who had killed Italian soldiers in Nassiriya, he was promptly expelled by Rifondazione head Fausto Bertinotti.

EP Votes for Slightly Modified Bolkestein Directive

Concluding its first session on the issue Feb. 16, the European Parliament voted 394 to 215, with 33 abstentions, in favor of the compromise formula on the Bolkestein Directive worked out by the two biggest groups, the Socialists and the Conservatives. (See InDepth: "The Bolkestein Directive; European Labor Erupts Against Dereg Policy, by Rainer Apel.) The votes against came from two camps: 1) the leftists and the ecologists; 2) the radical neo-liberals who insist that the original text not be modified. They would rather have the whole directive withdrawn, than accept a compromise on deregulation principles.

The compromise is a trade-off: The highly controversial term "country of origin" which the directive wants to establish as standard of the lowest regulation in the EU, is taken out of the text, in exchange for the Euro Parliament no longer insisting that social and consumer regulations be exempt from the directive. The compromise accepts as a guiding principle that "services be free for access throughout the European Union, like financial services," but leaves options for individual governments to keep some regulations intact. The Commission will now work out a new draft for the Bolkestein Directive, to be presented to the Parliament for a second session, and to the EU member governments.

Cardinal Urges Christian, Muslim Reconciliation

Renato Martino, president of the Vatican's Justice and Peace Council, declared in an interview with the Rome daily *La Repubblica* Feb. 9 that, "the West must adopt a geopolitical strategy towards the Muslim world, deeply rethink its relationships, and imagine something like the European Conference on Security and Cooperation in the '70s" (between Western European and Warsaw Pact countries).

Martino said that "we must go to the roots, face the question of unfulfilled promises by the West towards poor countries, heal open wounds." As an example, he mentioned the Middle East conflict. "God forbid economic aid were now cut to the Palestinian Authority. If Hamas must recognize, unconditionally, Israel's right to exist, it is right that the Palestinians demand to respect the 1967 borders." Martino said it is idiotic to accuse the West of cowardice towards Islam, and that rather, "the issue is how the West succeeds in holding a consideration of the others, of their situation, history, dignity and culture."

Turkey Commits To Building Nuclear Power Plants

Turkish Prime Minister Tayyip Erdogan gave his go-ahead Feb. 15, in principle, for the construction of three nuclear power plants, to be completed by 2012. Construction work on the first reactor is to begin in 2007, if the National Security Council votes in favor of it, in its session on Feb. 28. (See also, InDepth: "A Renaissance in Nuclear Power Is Under Way Around the World," by Marsha Freeman.)

The most likely site of the first reactor, Sinop, on the Black Sea Coast, is one of eight sites that have been pre-selected under criteria including safety from earthquakes and from terrorist attacks.

Turkey not only wants the power plants, but also wants full national control of the entire nuclear fuel cycle, which means it wants to build an enrichment facility as well.

Carlyle Group Merges British, U.S. Defense Networks

Making a whopping 800% profit in the bargain, the Carlyle Group has managed to merge major segments of the U.S. and British defense networks, the *Washington Post* reported Feb. 13. QinetiQ, the British Ministry of Defense lab for high-tech gizmos (liquid crystals, vertical takeoff gear, radar, etc.), was privatized in 2002. Carlyle bought one-third for \$73 million, but got 51% voting rights, and directed the company to buy up several U.S. military contractors with the right connections. Thus merged into the booming U.S. military spending, QinetiQ's stock soared, and Carlyle made off with a quarter of a billion on a \$73 million investment, while America's historic enemy is more embedded in U.S. defense than ever.

Russia and the CIS News Digest

Russian Warnings, Diplomacy Intensify on Iran

Speaking Feb. 16 in Moscow, Russian Chief of the Armed Forces General Staff Gen. Yuri Baluyevsky warned that a military attack on Iran's nuclear plants could incite a global Muslim uprising. The senior military official underscored that while Iran's military potential cannot compare to that of the United States, "it is hard to predict how the world will respond to the use of force against Iran.... This may stir the whole world, and it is crucial to prevent anything like that."

Russia and France issued a joint statement Feb. 15, calling on Iran to suspend uranium enrichment. It said that the two countries "welcome positive interaction among Russia, the United Kingdom, Germany, France, and the EU high representative in the search for a diplomatic solution to the Iran nuclear problem. Russia and France call on Iran to abide by the February resolution and requirements set by the IAEA Board of Governors, including the suspension of the entire uranium-enrichment process. They recognize the legal rights of Iranian people to develop a safe and sustainable atomic energy program on condition of its guaranteed peaceful nature, and use the related benefits. By efficiently resolving international concerns, Iran would open the way to international cooperation, which is necessary for the development of this program. The Russian suggestion of setting up a uranium-enrichment joint venture on the territory of Russia has gained broad international support and given a chance for progress...."

Russian-Iranian talks on the matter, postponed from Feb. 16 on Iran's initiative, are set to resume on Monday, Feb. 20.

Academician Velikhov: 'The Future Is Nuclear'

Y. P. Velikhov, an internationally respected scientist for the past 30 years, wrote, in a Feb. 13 column for RIA Novosti that, although he is an optimist, and does not believe natural energy resources "will be depleted any time soon," only "nuclear-power engineering is capable of reassuring all those who are not certain about having sufficient energy today and tomorrow. There is no doubt," Velikhov said, "it is the only source of energy that can ensure the world's steady

development in the foreseeable future. Today, this fact is understood not only by physicists, but also by politicians.... Thank God, today's world compels politicians to think about the future."

Velikhov led the push in the Soviet/Russian scientific community to develop technologies based upon "new physical principles" in its beam defense program; led the international effort to set up the ITER fusion project; led the fight to preserve Soviet science when the Soviet Union broke up; and has pushed for introducing revolutionary technologies, such as lasers, into industry.

City of London Demand for G-8: Russia Must Deregulate More

The first major event during Russia's chairmanship of the Group of Eight industrial nations took place the weekend of Feb. 11-12, when the G-8 finance ministers met in Moscow. President Putin addressed the session, stressing his three announced agenda items for the year: energy security, epidemics, and education.

The *Financial Times*, City of London mouthpiece that it is, headlined on Feb. 9: "Russia Challenged To Stabilize Gas Supply." It said that France, on behalf of EU members of the G-8, would press Moscow to give "independent gas producers" (of which there are very few in Russia) access to the state-owned pipelines used by Gazprom, the Russian natural-gas monopoly, supposedly to lower gas prices in Europe. At the meeting, Russian Finance Minister Alexei Kudrin said that Gazprom's export monopoly would be lifted, but gave no time frame. He was promptly shot down by Gazprom spokesman Sergei Kuprianov, who told the *Moscow Times* Feb. 13 that giving other companies access to the pipelines "is not part of our plans."

The *Financial Times* made clear that London circles see such a shift on the Russian export pipelines as a stepping stone to the breakup of Gazprom, which has just opened up trade in its stock shares to foreign participation. On Feb. 10, the London paper ran an interview on its front page with Anatoli Chubais, head of the Russian national electricity utility, UES, who said that the time has come to push through his agenda of splitting up UES and selling its power generating units to foreign investors. Chubais claims this is the only way to acquire capital for the grid modernization for which this bitterly cold winter has demonstrated the urgent need.

Winter Crops Savaged in Russia

Reporting to a Feb. 9 Russian government meeting, Agriculture Minister Alexei Gordeyev announced that some 30% of the country's winter crops have been lost to the prolonged deep freeze in January-February. He said that fruit trees, including apples, pears, peaches, and apricots, as well as grape vines, were hit the hardest, but that the fall-planted winter wheat crop was also devastated, so that a low harvest and high grain prices are to be expected next year.

Russia-Georgia Tension Rises

On Feb. 15, the Georgian Parliament unanimously voted up a resolution demanding the departure of Russian peacekeeping forces from South Ossetia, an autonomous region in Georgia. The Russian forces have been there under Community of Independent States (CIS) auspices since 1992. South Ossetia, which borders Russia at North Ossetia in the Caucasus Mountains, is governed by Eduard Kokoity, under whom a large percentage of the population has obtained Russian citizenship. The vote followed weeks of rising tensions, including over the cut-off of Russian gas to Georgia (since restored) after explosions on the pipelines in North Ossetia.

Georgian President Saakashvili, addressing the Parliament session, accused Russia of imperial expansionism. The same Saakashvili, at the Feb. 4-5 Munich Conference on Security Policy (Wehrkunde) meeting, proclaimed that the Georgia-

Russia border will become a NATO-Russia border. (He also, at a subsequent appearance in Berlin, advertised Georgia's free-market, anti-regulation credentials, shouting: "Everything in Georgia is for sale!")

On Feb. 3 there was an incident in Georgia near South Ossetia, when a Russian-made Igla shoulder-launched surface-to-air missile was discovered by a road. Georgian Defense Minister Okruashvili claimed it had been cached for use in an assassination attempt on Saakashvili, by downing his helicopter. Then, on Feb. 8, three Russian officers were detained in a South Ossetian village for not having visas; they were not formally members of the peacekeeping force.

Russian state TV on Feb. 16 featured members of the State Duma majority party, United Russia, promising a tough counter-resolution against Georgia. Gen. Yuri Baluyevsky, the Russian Chief of Staff, was shown standing in a snowy field surrounded by military equipment, telling grimly of how he witnessed the incipient civil war in Georgia in 1991-92, before the peacekeeping arrangement was set up, and fears the re-ignition of such a conflict.

Incidents Around North Caucasus

Russian TV on Feb. 16 showed *spetsnaz* forces battling guerrillas in Dagestan. The fighters were evidently linked to those involved in a larger battle last week, in which more than 200 Russian forces engaged, in Stavropol Territory bordering the North Caucasus.

At his Jan. 31 press conference, President Vladimir Putin said he was more concerned about the situation in the North Caucasus as a whole, than in Chechnya, as such. There are indications of a resurgence of the all-Caucasus "Caliphate" operation, associated with various London-linked operatives over the past decade. On Feb. 5, according to an RFE/RL report titled "Does Chechen Resistance Leader Aspire To Become Imam of the Caucasus?", Chechen resistance leader Abdul-Khalim Sadlayev fired "Deputy Prime Minister" (of the underground separatist movement) Akhmed Zakayev, who has been criticizing Chechen "Press and Information Minister" Movladi Udugov for the latter's advocacy of an all-Caucasus Islamic state. The Jamestown Foundation (linked with Zbigniew Brzezinski's American Friends of Chechnya), in its latest *Chechnya Weekly*, suggests that Sadulayev et al. are moving "from Independent Chechnya to Independent North Caucasus" in their goals.

Southwest Asia News Digest

Syrian Think Tank Features *EIR* in Feb. 13 Posting

In a Feb. 13 posting, a top Syrian think tank, the semi-official Data and Strategic Studies Center (DASC), featured Arabic translations of two articles from the Feb. 10 *EIR*: "Iran Showdown Is the Fuse for a Global Monetary Bomb," by Jeffrey Steinberg, and Muriel Mirak-Weissbach's "Shades of Sykes-Picot Accord Are Cast Over Southwest Asia." DASC also published in Arabic an abridged version of *EIR*'s report on the background to the Danish cartoon affair, by Dean Andromidas, Michelle Rasmussen, and Tom Gillesberg.

These items, which have been circulating throughout the Arab world, have created a rush on the LaRouche Arabic-language website. Visits to the website increased sevenfold between Feb. 10 and Feb. 12. Reflections of the articles were visible in editorials and reports in many Arabic newspapers and discussion groups. The links to the articles on DASC are: www.dascsyriapress.net/ar/modules/news/article.php?storyid2901 (Steinberg); and www.dascsyriapress.net/ar/modules/news/article.php?storyid3282 (Mirak-Weissbach)

Hamas Moves Closer To Forming Government

Hamas is moving closer to forming a new Palestinian government. On Feb. 16, regional press reported that Ismail Haniyeh, the number one candidate on the Hamas election list, was named Prime Minister. Haniyeh is considered a pragmatist and has been a liaison between the movement and entities in the West.

Dr. Abed Al-Aziz Duaik, who is considered a moderate, will be sworn in on Feb. 18 as the new Speaker of the Palestinian Parliament.

"Hamas officials are representatives of the Palestinian nation, and Israel must recognize the new reality," Duaik told Israel Radio. He said Israel's efforts to organize an "economic embargo" were undemocratic.

Although Hamas would like a broad coalition government, Haniyeh has yet to form a government. Meanwhile, Fatah, the party of former President Yasser Arafat, and the Palestinian National Authority, since 1993, has, for the first time, signalled that it is willing to form a government with Hamas and has indicated its conditions.

Jibril Rajoub, security advisor to Palestinian President Abu Mazen and leading Fatah member, told the Associated Press that Fatah would be willing to join a Hamas-led government under certain conditions. "The decision of Fatah to participate in any Hamas led government is linked to their acceptance of the signed agreements and all the laws that govern Palestinian society that ensure the freedom of individuals to live in dignity and rule of law," said Rajoub.

Rajoub said it was not necessary for Hamas to officially recognize Israel, since the Palestinian Liberation Organization has not. The latter has only recognized the right of Israel to exist, and Israel has yet to recognize a Palestinian state, since one does not exist. The so-called Quartet of peace mediators, are not asking Hamas to recognize Israel, but to recognize its right to exist—two very different propositions. He was speaking from Cairo where Egyptian President Hosni Mubarak is hosting talks between Hamas and other Palestinian factions, including Fatah.

Hamas Delegations To Visit Several Nations

Despite Israel's attempts to diplomatically isolate Hamas, the latter has a very busy diplomatic schedule, with visits to Turkey, Jordan, Russia, and Egypt.

Hamas Politburo chief Khalid Meshall, on Feb. 16, led a delegation to Turkey, where they met with Turkish Foreign Ministry officials, and members of the ruling Justice and Development Party, which is also an Islamic party. It is not clear whether Meshall will meet Turkish Prime Minister Tayyip Erdogan.

Khalil Abu Laila, a Hamas official in Gaza, announced that they have received an invitation to go to Russia, but a date has not been set.

Meanwhile, Russian Foreign Minister Sergei Lavrov, commenting on any future talks with Hamas, said, "We will work towards Hamas accepting the Quartet's positions. This is not just the Quartet's opinion but also [that of] the majority of nations, including Arab nations." (The Quartet is the grouping of the U.S., UN, EU, and Russia, which drafted the "Road Map" for Palestinian statehood, in 2003.)

The Kingdom of Jordan has also invited a Hamas delegation for the first time since the organization was expelled from the Kingdom in 1999.

"We welcome the visit of a delegation of our brothers the leaders of Hamas in their capacity as Palestinians," Jordanian Prime Minister Marouf Bakheet said.

Meanwhile, Jordan's King Abdullah II had a message delivered to the European Union's foreign policy chief, Javier Solana, who was in Jordan on Feb. 15, urging the EU and other international donors not to cut aid to the Palestinian National Authority.

"It is important to await the program of the new Palestinian government.... The future of the Middle East peace making depends on that and the Israeli elections next month," Abdullah told Solana.

White House envoys Elliot Abrams of the National Security Council and David Welch of the State Department are due in the region next week for talks on Hamas.

U.S., Israel Plan To Starve Hamas and Palestinians

A Feb. 14 *New York Times* article by Steven Erlanger, from Jerusalem, leaks discussions between the U.S. and the Israelis to "destabilize the Palestinian government so that the newly elected [Hamas] officials will fail and new elections will be called." Anonymous sources in both countries say the idea is to starve Hamas of funds to discredit them and pave the way for new elections.

Both Israeli and American officials said there is no such plan. But State Department spokesman Sean McCormack, on Feb. 13 openly threatened, "We've made it clear we do not, and will not fund terrorist organizations. Hamas is a terrorist organization."

Meanwhile, plans to squeeze Hamas were discussed in a meeting in the office of Prime Minister Ehud Olmert, *Ha'aretz* reported on Feb. 15. Dov Weisglass, who was Ariel Sharon's advisor and contact man with Vice President Dick Cheney, now an advisor to Olmert, used the term "diet" in a proposal to cut aid to the Palestinians. "We must cause them to get good and thin—but not die."

It should be noted that Israel's threat not to work with a Hamas government is a sophistry, since for the last five years, it has not worked with the Fatah-led government, and has, for four years, refused to transfer Palestinian customs duties it collects at its ports on goods destined for the Palestinian Authority.

One factor now is that with Israeli elections coming up in March, Olmert's Kadima Party has to play hardball, since the Hamas victory was a clear example of the failure of their policy of unilateral withdrawal.

Russia Says Dialogue With Hamas Must Not Be Delayed

A statement issued Feb. 11 by the Russian Foreign Ministry stated: "The Russian side is convinced that in the interests of guaranteeing prospects for restoring the process of a Palestinian-Israeli settlement on the basis of the 'road map,' it is necessary not to drag out the beginning of talks with Hamas as an influential force in Palestinian society."

Separately, Interfax news agency quoted Middle East envoy Alexander Kalugin as saying that the Hamas visit to Moscow could come before the end of February.

Aoun, Nasrallah Hold Joint Press Conference in Beirut

In the aftermath of the Feb. 5 Mohammed cartoon riots in Beirut, Lebanon, which left one demonstrator dead and many

more injured, U.S. Deputy Secretary of State for Europe, Kurt Volker, told the press on Feb. 6, "We hold Syria responsible for that."

But, another press conference given by Christian leader, Gen. Michel Aoun and the head of the Shi'ite Hezbollah, Hassan Nasrallah, on the same day, was not so predictable. Not only did they refuse to cast blame on Syria or Iran for the riots, they also said they had formulated a document of understanding on the issue of Hezbollah's disarmament, which is pivotal to the implementation of UN Security Council resolution 1559.

"The fate of Hezbollah's arms should be examined within the framework of a national dialogue and a roundtable," Nasrallah said. The accord between the two parties calls for the Lebanese government to take legal measures to claim the territory of Shabaa Farms, for the release of Lebanese held in Israeli prisons, and for "the defense of Lebanon from Israeli threats."

While some reports portrayed this accord as merely an election ploy, with Hezbollah backing Aoun's ambitions to remove President Emile Lahoud and assume the Presidency himself, sources thought that the responses of both leaders—who refused to attack Syria or Iran in the press conference—was a sign of a determined intervention into the heated region. Aoun had once been courted as a neo-conservative "favorite," in Washington, but has refused to play into the Cheney/neo-con desire to use Lebanon as an excuse to launch war on Syria.

Asia News Digest

Deadly Violence Continues in Pakistan Over Cartoons

The third Pakistani city in the past week, Peshawar, was put to the torch on Feb. 15, by angry mobs protesting the four-month-old political cartoons ridiculing Prophet Mohammed, published in a Danish paper. Five other Pakistani cities have reported some level of violence. Less violent protests continue.

During the first two days of protests (Feb. 13-14), Lahore and Islamabad were vandalized by the mobs, but there were no fatalities. On the third day, however, three were killed in clashes with police—two in Peshawar, and one in Lahore. In Peshawar, most of the protesters were students.

The sudden flare-up of violence across the nation bodes trouble for the Musharraf regime. The Pakistani Army is now involved on three separate fronts—in Kashmir, facing Indian troops; in Baluchistan, where 25,000 troops are engaged in battling the Baluch rebels; and in the tribal agencies of Pakistan, bordering Afghanistan, where, under American pressure, Islamabad has deployed a large contingent of troops to capture al-Qaeda and Taliban militia.

Pakistan is staring at a very bleak domestic situation, which could worsen rapidly in the coming days.

U.S., EU Oppose Pakistan's Baluchistan Policy

During a consultative meeting in Brussels on Feb. 10, European Union (EU) members raised concerns about Pakistan's military actions against Baluch rebels challenging the Pakistani Army in the southwestern province of Baluchistan. Islamabad has announced, the EU pointed out, that it would deploy 150,000 troops to crush the Baluch autonomous movement centered around Dera Bugti.

At Brussels, the U.S. joined with the EU and urged Pakistan to adopt a political approach to the rebellion. They pointed out

that Islamabad's use of troops equipped with gunships and tanks has already significantly provoked the tribes.

Western diplomats claim that the Baluch tribes are geared up to fight a full-scale war with Pakistan since its troops have attacked and killed hundreds of villagers in the last two years. Pakistani troops deployed in Baluchistan are mainly drawn from the Pakistan-Afghan borders (Pushtuns) and reserve strike forces.

Islamabad claims, without citing any evidence, that New Delhi is funding the Baluch tribes with arms and cash. There were also reports of Baluch tribes located on the Iranian side of the border providing funds for arms.

Russian Naval Shipyard Contract with Indian Navy

A Russian naval shipyard, Severodvinsk-based Zvyozdochka shipyard, has signed a three-year contract with the Indian Navy for providing full service for four Kilo-class diesel-electric submarines operated by India, reported the Press Trust of India (PTI), Feb. 16. Located on the White Sea coast in north Russia, Zvyozdochka shipyard specializes on servicing nuclear submarines as well.

What has not been said is that India is in the process of leasing two Akula-class nuclear submarines from Russia and it is likely that Zvyozdochka shipyard will also facilitate upgrading, or whatever, of these submarines.

Recently, Indian President A.P.J. Abdul Kalam said, during the Indian naval fleet review, that the Indian Navy would deploy the Indo-Russian supersonic Brahmo cruise missiles on the naval submarines.

Indian PM Manmohan Singh Expresses Concern Over Iran

Speaking before the Indian Parliament on Feb. 17, Indian Prime Minister Manmohan Singh expressed deep concern at the growing rhetoric and possibility of a confrontation over Iran's nuclear program. "We are deeply concerned by escalating rhetoric and growing tensions and possibility of confrontation over this issue.... This is a matter of concern for us, as tensions in this region, where our vital political, economic, and security interests are involved, affect us directly," he said. India had voted earlier this month at the IAEA Board of Governor's meeting to refer Iran's nuclear issue to the United Nations.

Manmohan Singh's speech followed U.S. Secretary of State Condoleezza Rice's testimony on Capitol Hill Feb. 16. On that occasion, Rice stoked the propaganda for military action against Iran, calling Tehran the "central banker" for global terrorism, and a partner with Syria in destabilizing the Middle East. This has nothing to do with the reasons that the IAEA board members voted to refer the Iran nuclear case to the UN Security Council, but it is characteristic of the Bush Administration's exaggerated and unsubstantiated accusations against Iran, to justify "regime change," the policy pushed by Dick Cheney. Rice also said it would take "tough diplomacy" to agree on UN sanctions against Iran, and suggested worried Arab countries take their own action.

Indonesia, Russia Plan To Build Aerospace Center in Papua

Indonesia and Russia plan to build an aerospace center in Papua, New Guinea, *Kyodo News* reported Feb. 13. The center in the western, Indonesian portion of New Guinea will launch rockets and satellites, the weekly news magazine *Gatra* said in its Feb. 18 edition. *Gatra* reported that senior officials of the Indonesian and Russian governments signed an initial agreement last week, during a three-day meeting in the North Sumatra provincial capital of Medan, to build the aerospace center on Biak Island. A memorandum of understanding is expected to be signed during a visit by Indonesian President Susilo Bambang Yudhoyono to Moscow, probably in June.

Wisjnu Permana Marsis, secretary general of Indonesia's National Institute of Aeronautics and Space, or LAPAN, said Biak has been regarded as an ideal site to build the aerospace center because the island is close to the Equator. According to calculations made by LAPAN, an aerospace vehicle needs a speed of 7.8 kilometers per second to orbit the Earth. However, if it is launched from an Equatorial region, it only needs 7.4 km per second. The institute also said a rocket launched from the Equatorial region can carry a load that is 25% heavier than those launched elsewhere.

Marsis said China, Japan, and the United States had earlier showed interest in building the aerospace center, but "Russia gives the most competitive" offer. The project will be built by Russia's Air Launch Aerospace Corporation in 2007. ALAC President Anatoly Karpov said the aerospace center will utilize an air-launch technology system, which is four times cheaper than launching from the sea, and ten times cheaper than a land-launch system.

Abramoff Bilked the Malaysians, Too

Two aides to indicted U.S. criminal "lobbyist" Jack Abramoff have revealed that Abramoff was hired as a lobbyist by Malaysia after Sept. 11, 2001, to help fix relations with the U.S., and set a meeting between Prime Minister Mahathir and George Bush, the *Los Angeles Times* reported Feb. 15.

According to this report, Malaysia paid \$1.2 million for the service, but Abramoff typically laundered it through a front, the American International Center, run by Michael Scanlon, his partner and co-defendant in Federal prosecutions, in order to avoid registering as a foreign agent. Mahathir travelled to the U.S. in May 2002, and held a meeting with President Bush in the White House. The White House, and Abramoff's buddy Karl Rove, claim that the meeting was arranged through normal diplomatic channels.

Banks Order Philippines To Dump Presidential System

Top banks are now ordering the Philippines to dump its Presidential system, or have its credit downgraded, according to the Philippines *Inquirer* Feb. 13. "The Philippines may merit a one-notch sovereign credit-rating upgrade from one or two global rating agencies as early as the third quarter of this year once a clearer Charter Change path shapes up, investment banking giant Credit Suisse predicted," in a report titled "Philippines: Let's Do the Cha-Cha" dated Feb. 1. Charter Change is the shift to a parliamentary system being peddled by Fidel Ramos and his cohorts.

Africa News Digest

FBI Head Mueller in Morocco, Algeria, and Tunisia

Robert Mueller, director of the U.S. Federal Bureau of Investigation (FBI), visited three governments in the Maghreb the week of Feb. 6—Morocco, Algeria, and Tunisia—to promote the "Global War on Terrorism." He and Lauren Anderson, the FBI representative stationed in Rabat, the capital of Morocco, were received Feb. 7 by King Mohammed VI. The top three Moroccan internal security officials also attended the meeting.

Moroccan media obliged Mueller by reporting, at the time of his arrival, that suspected al-Qaeda members were attempting to sneak into Europe by infiltrating waves of illegal migrants from sub-Saharan African who are also trying to reach Europe.

NATO Defense Ministers Meet 'Mediterranean Partners'

NATO Defense Ministers met Feb. 10 in Taormina, Sicily, with their "Mediterranean partners"—Israel, Egypt, Algeria, Morocco, Tunisia, Jordan, and Mauritania—to seek their cooperation in the "war on terrorism," AP reported Feb. 10. U.S. Secretary of Defense Donald Rumsfeld told a news conference that NATO had to shift from "the Cold War defense posture ... to one that is more agile, certainly more expeditionary and better able to respond to defuse the global terrorist network." NATO Secretary General Jaap de Hoop Scheffer said that Algeria, Morocco, and Israel "had shown a keen interest" in joining NATO's naval patrols to deter terrorist traffic in the Mediterranean. NATO would have no dealings with Hamas, he said. Russia also plans to take part in the patrols, and Russian Defense Minister Sergei Ivanov was in attendance.

Rumsfeld in Maghreb To Deepen 'Counterterrorism' Ties

Following FBI head Robert Mueller's visit to the Mahgreb earlier in the week (see above), U.S. Secretary of Defense Donald Rumsfeld made a three-day visit to Tunisia, Algeria, and Morocco after the close of the NATO defense ministers' summit in Sicily on Feb. 10. Middle East Newsline (MENL) reported Feb. 13 that the Bush Administration "was preparing to increase aid to Algeria, Morocco, and Tunisia over the next year."

In Tunis Feb. 11, Rumsfeld said, "We are continuing to participate with each one of these three countries ... on a military-to-military relationship," according to MENL. In Algiers Feb. 12, Rumsfeld said Washington intended to deepen its military and "counterterrorism" cooperation with Algeria, Reuters reported.

Rumsfeld Likens 'War on Terror' to Algerian Dirty War

U.S. Defense Secretary Rumsfeld likened his "War on Terror" to the Algerian government's war of terror and butchery against its population in the 1990s. In Algiers Feb. 12, according to the *New York Times*, "Mr. Rumsfeld said [Algerian President Abdelaziz] Bouteflika reviewed his country's decade-long battle with Islamic militant groups and offered suggestions to the United States for conducting what Bush administration officials have recently begun referring to as 'the long war' against Islamic extremists. 'He described it from the inside as to what took place and how they fought off the terrorism,' Mr. Rumsfeld told reporters. 'It's instructive for us to realize that the struggle we're in is not unlike the struggle that the people of Algeria went through.'" The *Times* comments that Algeria "endured a brutal Islamic insurgency during the 1990s."

Charles Richardson of Australia, however, a writer on the Crikey.com web site, quoted the *Times* in a Feb. 15 column, and said of Rumsfeld's remarks: "As a piece of context-dropping, this would be hard to beat. The reason Algeria faced an Islamic insurgency, estimated to have cost 150,000 lives, was that the military intervened in 1991 to cancel democratic elections that the Islamic parties looked like winning. The West turned a blind eye to both the coup and the resulting carnage."

UN Issues Appeal for Aid as Millions Face Death in Africa

Jan Egeland, the United Nations Under Secretary for Aid Coordination, said on Feb. 12 that the death rate in Congo from hunger and disease is 1,200 a day. He said that the rest of the world must provide \$680 million to Congo this year to stop the disaster.

In Kenya, 3.5 million people are now in need of emergency assistance, as a result of an ongoing drought in the Horn of Africa. A study of the drought situation by the Kenyan government and various agencies says that close to 400,000 metric tons of food aid is needed to feed the millions of Kenyans affected. Thousands of head of livestock are dying from lack of food and water. "Many Kenyans—facing a fifth consecutive season of failed or poor rains—are already living on the edge, and unless donors respond immediately, we fear for the worst," said UN World Food Program Country Director Tesema

Negash. More than 8 million people in Kenya, Somalia, Ethiopia, and Djibouti are affected by the drought, including some 1.5 million children under the age of 5.

In Djibouti, where 42% of the population exist under conditions called "extreme poverty," according to the UN Development Program, the government issued an appeal for aid in late January, but as of Feb. 7, only Japan had pledged assistance.

This Week in History

February 21 - 27, 1732

General Washington Sets Up an Effective Intelligence Network, and Takes a Role Himself

When General George Washington triumphantly led the Continental Army into New York City at the end of the American Revolution, he amazed many loyal Americans by breakfasting the very next morning with Hercules Mulligan, a known Tory. Not only that, but the General then visited James Rivington, publisher of the *New York Gazette*, a notorious Tory newspaper. Of course, both of these gentlemen had served as members of the patriot intelligence network, which owed its existence largely to the efforts of George Washington.

On this anniversary of Washington's birthday, February 22, 1732, it is worthwhile to look at how this republican intelligence network was established, and the very active role which George Washington took within it. In the early days of the American Revolution, the gathering of information was haphazard, and those attempting to gather it were untrained. The sad case of Captain Nathan Hale, sent behind British lines with no training or backup, illustrates the point.

However, the Americans were under the goad of grim necessity to develop an intelligence network, not only because their military forces were so outnumbered, but because they faced one of the most feared intelligence services in the world, that of the British Empire. The characteristic of that empire was corruption, and therefore its intelligence service, modelled on that of Venice, used various forms of corruption, including large amounts of gold, to attain its ends. Its Achilles' heel was its belief that anyone could be corrupted, and to that weakness was added the inability of many of its participants to out-think George Washington.

Some progress had been made in setting up intelligence agents by 1776, when Washington was headquartered in New York City after driving the British out of Boston. In that year, a plot to kill or kidnap General Washington was discovered in the nick of time, partly due to the efforts of Samuel Fraunces, a free black who owned the famous Fraunces Tavern where British officers wined and dined during the war, and where Washington bade farewell to his officers when the erstwhile diners were forced to abandon the city. Also involved in protecting Washington was Samuel's 13-year-old daughter Phoebe, who detected part of the plot, in which one of Washington's own bodyguards was involved.

When the British captured New York City and the Continental Army was forced to retreat across New Jersey, Washington left an intelligence net behind him, one that helped lead to the victories at Trenton and Princeton. At each stop, a few army volunteers were dropped off to keep a close watch on the advancing British, but a much larger group of ordinary Americans was recruited to gather intelligence in their immediate neighborhoods. General Washington did some of the recruiting himself, and kept a tight hand on reports from the network.

He also insisted that the American intelligence agents be properly trained. "Give the persons you pitch upon, proper lessons," Washington told General Thomas Mifflin, who was about to set up an intelligence network in Philadelphia.

Washington even drafted a paper in September of 1780 for the benefit of spies sent into New York, telling them what kind of signs to look for that would imply a possible British military move. These included whether the British were preparing wagons and shoeing their horses, whether the troop transports were taking on supplies, and even included the detail that if the Tory merchants were packing up or selling off their goods, the agent should "attend particularly to Coffin and Anderson who keep a large dry good Store and supply their Officers and Army."

Another reason that Washington wanted accurate assessments of British movements was that he would install American agents ahead of time in any city or town that the British were aiming to capture. This policy was followed so well in the months between finding out the British were moving to attack Philadelphia, and the actual British conquest of the city, that all of southeastern Pennsylvania had been seeded with a well-coordinated American spy ring before the British troops ever set foot on Market Street.

Washington loved the theater, and on some occasions he could not resist acting a part in deception operations. One of these opportunities came before the Battle of Trenton on Christmas Day in 1776, when many of the state enlistments for the Continental Army would expire with the turn of the New Year. Washington had to strike before his army was reduced to an impossibly small size, but he needed intelligence in order to use his forces wisely. He not only needed a victory, but one that would embolden those soldiers who were discouraged or wavering. If he made a mistake, the republican cause would be reduced to conducting guerrilla warfare.

Washington found a courageous agent in John Honeyman, a New Jersey weaver and butcher who had fought for the British during the French and Indian War, and had even helped to carry the mortally wounded General Wolfe off the Plains of Abraham at Quebec. Around the middle of December, Honeyman fled his home and pretended to espouse the British cause. Washington issued orders to arrest him on sight, but added the provision that he must be brought back alive. In the meantime, Honeyman travelled in and out of Trenton on business, supplying the Hessian troops with beef and gathering information on Colonel Rall's plans.

When he had gathered enough intelligence, Honeyman wandered far enough from Trenton to allow the Americans to capture him. He was brought to General Washington, who ordered the room cleared. After they had conferred, Washington loudly berated Honeyman for his treason, much to the delight of the Continental soldiers outside and to the great interest of any lurking Tory spies. Then prisoner Honeyman was put into a log hut to await his early morning court martial, but a fire broke out nearby, and when the sentries came back from putting it out, Honeyman was gone.

A few hours later, Honeyman was telling Colonel Rall in Trenton that "no danger was to be apprehended" from the American camp across the Delaware "for some time to come." Meanwhile, Washington had sent out three volunteers, although he had wanted more, to prevent any Tories from sending warnings to Colonel Rall about the coming American move across the Delaware. Because there were not enough men for the job, one Tory farmer did ride to Trenton with a written warning. But Rall was in the midst of Christmas festivities and refused to see him. When the farmer sent in the note, Rall put it in his pocket unread, and that is where it was found after he was mortally wounded during the Battle of Trenton.

After Washington's subsequent victory at Princeton, also aided by good intelligence, the British retreated back into New York City, and Washington established his headquarters at Morristown, New Jersey. When campaigning began again in 1777, General John Burgoyne and his large British force set out from Canada southward via Lakes Champlain and George, heading for the Hudson Valley. He was to link up with British forces from New York, which would move up the Hudson and thus cut the rebellious American colonies in two.

Washington consulted with General Philip Schuyler, who commanded at Albany, and they developed a master plan which eventually led to the American victory at Saratoga. Closer to his own headquarters, Washington had to deal with the knotty

problem of what British Generals William Howe and Henry Clinton would do, especially in regard to the large British fleet anchored in New York Harbor. On July 23, the fleet put out to sea with Sir William Howe's troops on board, while Sir Henry Clinton remained in New York. Howe's destination was unknown, but Washington's networks had informed him that the target was Philadelphia. This was totally contrary to reason, since Howe and Clinton had been ordered by London to cooperate fully with Burgoyne, but British Generals tended to be jealous of each other's prerogatives and generally followed the maxim of "every man for himself."

Soon, a young man appeared at one of the American outposts above New York, saying that he'd been held as a prisoner in the city but had been given his liberty and supplied with money to enable him to carry a letter from Howe to Burgoyne. Washington examined the letter, and it was indeed in Howe's handwriting and was signed by him. It told Burgoyne that he was bound for the East to attack Boston, but was "now making demonstrations to the southward, which I think will have the full effect in carrying our plan into execution." Howe promised that he would support Burgoyne from his new base in New England.

Washington immediately recognized the letter as a deception. "No stronger proof could be given that Howe is not going to the eastward," he said. "The letter was evidently intended to fall into our hands. If there were not too great a risk of the dispersion of their fleet, I should think their putting to sea a mere manoeuvre to deceive, and the North River [Hudson River] still their object. I am persuaded, more than ever, that Philadelphia is the place of destination." Washington immediately prepared to march a large portion of his troops to Philadelphia, and his reasoning and intelligence reports proved correct.

It was not that Washington and his spymasters did not provide the British with letters actually written by Washington or his commanders but containing false information—they did. But Washington never allowed a false piece of information to arrive in just one way. He took care that the same information arrived at British Headquarters from many different sources in different parts of the country. He also did not fear sending the British actual information on his troop strength or the location of his supply depots (if the British could not reach them), as long as the message also contained one item of false information which the British would believe along with the rest. For example, in trying to keep General Clinton pinned down in New York while Washington moved his troops south to trap General Cornwallis on the Yorktown Peninsula, a wealth of real information was included with the fable that the Americans were gathering all the boats they could lay their hands on. This, and an American deception operation involving the building of baking ovens, laying out encampments, and moving a small number of troops down the east bank of the Hudson toward New York, convinced Clinton that an American attack was imminent.

Despite pleas for help from General Cornwallis, Clinton did not dare embark reinforcements for Virginia, when he might need them in New York. While Washington and his main body of troops were moving southward beyond the Watchung Mountains, a British intelligence agent sent Clinton a full description of American movements on a paper rolled up in a button. Clinton, unlike Rall, did read it, but he didn't believe it. The subsequent American victory at Yorktown led to the Peace of Paris, where Britain was forced to recognize the fact that America had become an independent nation.

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