



PROPHETIC TIMES

WEEKLY WORLD NEWS UPDATE

OAKLAND, CALIFORNIA

OCTOBER 04 2008

SYRIA RESUMES PURSUIT OF NUCLEAR WEAPONS

October 02, 2008 London Daily Telegraph reported: "Arab newspapers reported that Israeli Defence officials believed that Syria was determined to emulate Iran's covert efforts to produce fissile material and continued to rely on North Korean technology transfers.

Iranian experts are also said to be working on projects in Syria. Damascus has been emboldened by Iran's defiance of international sanctions in pursuit of a nuclear weapon.

The reports said that Israeli officials had briefed Arab journalists that Syria had spread its work around a number of sites in the country to ensure that the programme could not be destroyed in a single bombing raid.

Israel bombed a remote desert plant at al-Kibar last year and subsequently produced photographs showing advanced work on reactor facilities.

The officials warned that Israel would not tolerate any attempt to revive the programme. The Israelis also linked the murder in early August of a senior Syrian intelligence official, Brigadier Muhammad Suleiman with a dispute over the future of the programme."

WHY PROPPING UP BANKS WILL NOT RESCUE A DEBAUCHED FINANCIAL SYSTEM

October 1, 2008 London Daily Telegraph reported: "At last, there were public figures prepared to reject the political and financial blackmail of a debased White House-Wall Street elite. This is an unfashionable view; it runs counter to The Daily Telegraph's editorial line.

But the hard-sell of President Bush and the US Treasury Secretary felt too much like the pressure patter of a door-to-door hawk. Their message was crude: "Trust us. You are in a terrible place. Only we can get you out of this mess. No need to check the details. Hurry now, or it will be too late. Here's a pen. There's the dotted line. Just sign."

But with the President's ratings so low, few would let him leave the House with anything more than small change. Congress asked, not unreasonably: "If you guys know so much about banking, how come we are in such trouble?"

Having spent most of the year telling America, contrary to mounting evidence, that the US economy was just dandy, Mr Bush's credibility is threadbare. When making statements, he's beginning to look as if he doesn't even believe himself. As for Mr Paulson, his long association with the jackpot culture of Goldman Sachs is, in the eyes of many outsiders, a gilded millstone.



Predictably, the refuseniks have been pilloried as ill-informed nihilists. They have been lambasted for failing to understand the consequences of their actions. They are, according to the Big Bail-out Brigade, condemning the rest of us to be buried alive in the rubble of a disintegrating banking system.

Try a different take. Yes, the West's financial infrastructure is in severe distress. Yes, more banks are going to crumble. Yes, there will be a recession. But allocating \$700bn (it would almost certainly turn out to be more) to a clean-up programme for toxic assets, in effect socialising the poison of private greed, has no merit other than to delay the inevitable. No amount of federal cash can rewind the X-rated horror video.

There is a conspiracy of bankers and politicians whose self-interest is masquerading as sophisticated policy. They want us to believe that they have the keys to salvation. I have not seen a scrap of evidence to confirm this."..."

RUSSIA SEES IN CREDIT CRISIS END OF U.S. DOMINATION

October 02, 2008 International Herald Tribune reported: "The Russian president said in a speech Thursday that the financial crisis in the United States should be taken as a sign that America's global economic leadership is drawing to a close, reiterating an argument that leaders here have been making for some time, though investors in recent weeks have been fleeing Russia and depositing money in U.S. Treasury bills.

Perhaps inevitably for a country long lectured to by the United States, Russia is using the occasion of the U.S. financial crisis to do some lecturing of its own.

President Dmitri Medvedev said Thursday that the U.S. crisis showed that "the times when one economy and one country dominated are gone for good." Speaking of the United States, Medvedev said the world no longer needed a "megaregulator."

Russia has argued that the freewheeling Anglo-American style of capitalism is to blame for the crisis, a position echoed by Germany and other Continental European nations. Medvedev even called it financial "egoism."

A drumbeat of similar pronouncements has been heard in Russia in recent days. Prime Minister Vladimir Putin made a major speech Wednesday on U.S. financial "irresponsibility," blaming the plunge of more than 50 percent in the Russian stock market on the global economic slowdown and U.S. financial turmoil, rather than on any troubles endemic to Russia.

"The saddest thing is that we can see an inability to take appropriate decisions," Putin said in his speech after the U.S. House of Representatives rejected the Bush administration's bailout plan. In contrast, the Russian bailout was decided by decree.

"This is not the irresponsibility of some people but the irresponsibility of the system, which, as it is known, claimed to be the leader," Putin said.

Medvedev spoke Thursday at St. Petersburg State University during the eighth annual Petersburger Dialog, a forum devoted to developing relations with Germany and where he met with Chancellor Angela Merkel. Members of Merkel's government have also been critical of U.S. regulators.

Germany will "always support a multilateral approach" to market regulation, Merkel said, adding that officials from the European members of the Group of 8 industrialized nations would meet to discuss new market regulations, Bloomberg News reported.

But in contrast with other European countries Russia's own financial system has been in steep decline over the past weeks, and regulators suspended stock trading three times. As in other emerging markets during periods of turmoil, investors have had a tendency to pull money out of Russia and to deposit it in U.S. Treasury bills."..."

FRANCE AND GERMANY AT ODDS OVER EU 'PAULSON PLAN'

October 02, 2008 The EU Observer reported: "France believes EU-level measures may have to be cobbled together to aid banks in smaller member states, while denying rumours of a €300 billion package. But Germany has indicated it would not support any European "big-bang" deal. French finance minister Christine Lagarde has told a German paper that a "safety net" would be needed to support smaller countries in Europe "threatened with banking failures."

"What happens if a smaller EU state is hit by a looming bank collapse? Maybe this country does not have the means to save the bank," she told the Handelsblatt in an interview published on Thursday (2 October). "Therefore the question of a European safety net solution comes up."

The safety package may be presented by French President Nicholas Sarkozy at a 4 October meeting between himself, the prime ministers of Germany, Italy and the UK, as well as Eurogroup chief Jean-Claude Juncker and European Central Bank president Jean-Claude Trichet.

Rumours of the sums that should be attached to such a package have swirled around Europe, but Ms Lagarde has denied a widely reported figure of €300 billion. Speaking at a Paris event on Wednesday evening, the French finance minister denied that France was planning the major cash injection. "There is no such thing. There is nothing of the sort," she told reporters, according to the Reuters news agency.

Elsewhere, reports have appeared suggesting the Netherlands is the source of the €300 billion proposal. The country quickly denied this was the case.

But any suggestion of a European version of US treasury secretary Henry Paulson's \$700 billion bail-out plan for Wall Street is being stiffly resisted by Berlin."..."

RUSSIA PLANS TO RAISE DEFENSE EXPENDITURE BY HALF IN THREE YEARS

October 03, 2008 SpaceWar.com reported: "Russia is planning to increase its spending on defense by 50% in the next three years, a senior MP said Tuesday. Russia's defense budget is believed to be less than a tenth of the United States', but the country's military expenditure has been steadily growing in the past few years.

"According to a draft federal budget for 2009-2011, expenditure on national defense will increase in 2009 by 25.7% from 1.02 trillion rubles (\$40 billion) to 1.28 trillion rubles (\$51.3 billion) and would account for 14% of total budget spending," said Viktor Zavarzin, chairman of the Defense Committee in Russia's lower house of parliament.

He also said that by 2011 the total defense expenditures would increase by 45.6% compared with 2008.

A large portion of additional expenditures would go toward raising salaries and improving the living conditions of military personnel, he added.

Russia is soon to adopt a new military doctrine that aims to transform the Armed Forces into a mobile and effective military force. Their structures will be "optimized" through the use of combined arms units performing similar tasks.

President Dmitry Medvedev said last week that Russia would make the modernization of its nuclear deterrent and Armed Forces a priority in the decade up to 2020.

"We must ensure air superiority, precision strikes at land and sea targets, and timely deployment of troops," Medvedev said. "We are planning to launch large-scale production of warships, primarily, nuclear submarines with cruise missiles and multi-purpose attack submarines."

