

September 10, 2003

President Bush
1600 Pennsylvania Avenue
Washington, D.C. 20502

Dear Mr. President,

It is my understanding that on Friday, September 5th, 2003, the CFIUS had submitted their recommendation to your attention with respect to the transfer of Global Crossing to Singapore Technologies Telemedia. According to a recent article on this subject, you have 15 days to approve or deny this transaction.

In my opinion, the fact that the Federal Communication Commission and CFIUS could not make this decision during their extensive review period should be seen as a testament of a deep division of opinions within these Federal Commissions and several associated Government Agencies.

This division of opinions is simple to identify, on one side of the isle are those whom support the transfer of Global Crossing to Singapore Technologies Telemedia. This group of individuals, advisors, and organizations are associated with Global Corporations whose "Frame of Reference" is only that of Economic Globalization.

Included in this group are:

Robert Zoellick - U.S. Trade Representative and CFIUS/Trilateral Commission member

Stephen Freidman - Chief Economic Advisor and CFIUS/Trilateral Commission member (also has a conflict of interest as a result of being on the Board of Directors of Goldman Sachs (Advisor for Hutchison Whampoa), and as a Senior Principal of Marsh & McLennan Capital, Inc. (whom have a business relationship with Global Crossing bankruptcy advisor (THE BLACKSTONE GROUP)

John W. Snow -Treasure Secretary, CFIUS member, and former Chairman and CEO of CSX whom had business dealings with Global Crossing. Also co-chairman of the "Blue Ribbon Commission on Public Trust and Private Enterprise" with Pete Peterson, who is also chairman of THE BLACKSTONE GROUP.)

One of the mentioned organizations that have publicly supported the transfer of Global Crossing to the foreign ownership of Singapore Technologies Telemedia is the Organization for Foreign Investments (OFFI). What this organization failed to disclose was that two of its members are also represented as members of the Global Crossing unsecured creditors committee in the Global Crossing Bankruptcy case.

One of the members of the OFFI who is also an unsecured creditor member in the Global Crossing bankruptcy case is The Aegon Group. It is not hard to understand why the OFFI has stepped in to the ring to publicly support the transaction when you consider that The Aegon Group has an established joint venture with the China National Offshore Oil Company (CNOOC). A conflict of interest exists in that The China National Offshore Oil Company has additional joint ventures and contractual agreements with Li ka-shing's Husky Oil. In addition, Li ka-shings Hutchison Whampoa and the SINGAPORE GOVERNMENT INVESTMENT COMPANY (TEMASEK) are also considered as strategic investors through a private placement of shares in CNOOC.

In no means am I trying to disrespect any of these individuals, advisors, or organizations. I am merely trying to point out the "Frame of Reference " and "Conflicts of Interests" for which they base their views of not having their objectives and proliferation jeopardized in the name of National Security.

On the other side of the isle are those who "Oppose" the transfer of Global Crossing to the foreign ownership of Singapore Technologies Telemedia. This group of individuals and advisors has access to military intelligence and who's "Frame of Reference" is solely of National Security. Even before the events of 9-11, they placed the issue of National Security above all other policies and treaties. They understand that Singapore Technologies Telemedia's parent company "Temasek" is a Singapore Government Investment Company that has an 11.5% ownership of China Ocean Shipping Group (COSCO), in addition to the above-mentioned stake in China National Oil Company (CNOC).

This intelligence demonstrates the known relationship between STT, Singapore Government Investment Company (Temasek), and Li ka-shings COSCO, there by raising the concern and risk of the world's most extensive fiber optic network in Global Crossing eventually falling into the hands of the PRC and Li ka-shing. (<http://business-times.asial.com/story/0,4567,80191,00.html>)

In addition, the deliberate transfer of technologies to China during the last administration by Loral, Boeing, Hughes, and most recently the smart bomb technology of Magnequench, leaves our nation with little room for error. A miscalculation of the PRC's economic and military strategies could jeopardize the United States as a Superpower and a Democracy.

Perhaps a summary for the past 17 months of Pentagon reports furnished by the Washington Times (<http://www.gertzfile.com/gertzfile/>) will help reveal the behavior and potential strategies of the PRC:

Chinese missiles concern Pentagon

April 3, 2002

China's buildup of short-range missiles near its southeastern coast is "threatening" to Taiwan and poses a danger to sea lanes and ports in the region, the Pentagon said yesterday.

China-made artillery seized in Afghanistan

April 12, 2002

More than 100 Chinese artillery rockets found in Afghanistan were either smuggled into the country from China or sent years ago during the Soviet military occupation, U.S. officials said yesterday.

Missiles bolstered opposite Taiwan

April 29, 2002

China delivered a new shipment of missiles to bases near Taiwan last week as part of a mounting buildup under way since the beginning of the year, U.S. intelligence officials said.

Exporting weapons draws U.S. sanctions

May 20, 2002

Chinese and European arms exporters were hit with U.S. economic sanctions for selling cruise missile and chemical weapons goods to Iran, The Washington Times has learned.

FBI makes spy-catching priority, topped only by counterterrorism

June 17, 2002

The FBI is stepping up efforts to catch foreign spies in the United States as agents from China, Russia and other countries are increasing intelligence activities here, according to the FBI's top counterspy.

China test-fires new missile

July 1, 2002

China's air force test-fired a new air-to-air missile for the first time last week in a move that has altered the military balance across the Taiwan Strait, defense officials say.

China deploys drones from Israel

July 2, 2002

U.S. Intelligence agencies have identified an Israeli-made anti-radar weapon deployed with Chinese forces opposite Taiwan, The Washington Times has learned.

Chinese buildup targets Taiwan

July 13, 2002

China's military is engaged in a threatening buildup that includes extending the range of its nuclear missiles and developing forces to coerce and attack Taiwan, according to a Pentagon report on Chinese military power.

U.S. penalizes 8 Chinese firms

July 19, 2002

The United States is imposing economic sanctions on eight Chinese companies for selling destabilizing arms and germ-weapons materials to Iran, The Washington Times has learned.

China pursues arsenal of technology

July 31, 2002

China is developing high-technology arms, including laser weapons and radio-frequency bombs, to boost its ability to successfully carry out warfare against the United States and other advanced military powers, according to a recent Pentagon report.

SEC aide quits after leak to Chinese

November 11, 2002

An employee of the Securities and Exchange Commission was forced to resign after it was discovered she had sent sensitive data on American computer companies to China in what U.S. officials say may be a case of economic espionage, The Washington Times has learned.

Congressional watchdog to probe China-SEC relations

November 12, 2002

A congressionally mandated commission on China and security issues will investigate Beijing's approach to obtaining economically valuable data from the U.S. government, including the Securities and Exchange Commission, the commission's chairman said yesterday.

N. Korea seeks aid from China on nukes

December 9, 2002

North Korea is trying to buy a chemical from China used in the production of nuclear-weapons fuel that U.S. intelligence officials say is a sign the communist government in Pyongyang is continuing to secretly develop nuclear arms, The Washington Times has learned.

China's arms sales, stance on Taiwan chill talks with U.S.

December 10, 2002

Chinese military officials yesterday rebuffed questions about Beijing's arms sales to rogue states and refused to renounce the use of force to reunite Taiwan with the mainland, defense officials said yesterday.

Chinese general told threat against U.S. unacceptable
December 11, 2002

The White House told a visiting Chinese general yesterday that comments he made in 1995 suggesting China would use nuclear weapons against Los Angeles were unacceptable.

China ships North Korea ingredient for nuclear arms
December 17, 2002

North Korea has purchased a large shipment of chemicals from China that can be used to make nuclear-weapons fuel, U.S. intelligence officials say.

Israel asked to stop arms sales to China
January 3, 2003

The Bush administration has asked Israel to halt arms sales and technology transfers to China in a bid to reduce Beijing's growing military threat to Taiwan, U.S. officials said yesterday.

Ex-Los Alamos scientist called spy for China
January 17, 2003

A former Energy Department intelligence chief charges in his new book that fired Los Alamos nuclear scientist Wen Ho Lee provided sensitive weapons data to China during unreported meetings with nuclear-weapons scientists.

N. Korea using China to obtain missile supplies
January 22, 2003

North Korean companies in China are funneling technology and goods for Pyongyang's missile program, highlighting Beijing's mixed approach to the nuclear crisis on the Korean Peninsula.

China enacts law extending its control
January 27, 2003

China has enacted a new decree extending its control over a 200-mile economic zone from its coast that Bush administration officials say could lead to another clash with the United States over freedom of navigation.

Chinese sold Iraq 'dual-use' chemical
March 15, 2003

Despite French denials, U.S. intelligence and defense officials have confirmed that Iraq purchased from China a chemical used in making fuel for long-range missiles, with help from brokers in France and Syria.

U.S. sets sanctions for Iran arms sales
July 4, 2003

The Bush administration announced yesterday it has imposed economic sanctions on Chinese and North Korean companies for selling chemical-, biological- and nuclear-arms material and missile goods to Iran.

Pentagon says China refitting missiles to hit Okinawa
July 31, 2003

China is modifying short-range mobile missiles to target U.S. forces in Okinawa and is sharply increasing the number of missiles aimed at Taiwan, according to the Pentagon's latest annual report on Chinese military power.

Chinese missiles called destabilizing

August 1, 2003

The White House yesterday said China's buildup of missiles opposite Taiwan is destabilizing the region.

Chinese students suspects in espionage

August 5, 2003

Two Chinese students studying in the United States supplied China's military with American defense technology that allowed Beijing to produce a special metal used in sensors and weapons, according to a Pentagon report.

In analyzing the "Frame of Reference" of the opposing points of view with respect to the transfer of Global Crossing to the foreign ownership of Singapore Technologies Telemedia, the following realities should be accepted in the name of "Common Sense":

-Global Crossing does not in "it self" represent Free Trade with Singapore, and claims that the denial of this transfer of ownership will jeopardize future trade with Singapore are silly and foolish.

-When National Security concerns are involved, the confirmation of a threat to National Security should be the single and deciding factor in the final decision over and above commitments to any existing foreign treaties or agreements.

It should be noted that Global Crossing Management had stated in their FCC application that failure to approve the transfer of Global Crossing licenses to Singapore Technologies Telemedia is not in the best interests of the public because 5000 jobs could be lost. They justified this statement by saying that the company would be forced to liquidate as a result of no other bidders being available to purchase the company.

Be advised that this same management recently announced it is closing the Westminster facility located in Colorado causing layoffs of more than 100 workers, and moving the operation mainly to Canada. I would like to know from the management of Global Crossing why they would do this with one of the few profitable divisions of Global Crossing, and how this action represents the best interests of the public. Who's public were they talking about? Certainly not the United States of America.

It is also known by Global Crossing shareholders that a company by the name of CommAxxess has offered a higher bid than that of Singapore Technologies Telemedia, but has been locked out of the bidding process. CommAxxess is even willing to offer relief to the victimized shareholders of Global Crossing by gifting them a 10% stake in the new capital structure of the reorganized corporation. Again, I would like to know why the CommAxxess offer is not considered in the best interests of the public. Anyone who would choose a lower bidder that excludes shareholders over a larger bid that includes shareholders in a new capital structure is truly un-American, and must have some ulterior motive.

Sadly, the answers to my questions are obvious. Gary Winnick, Li ka-shing, Goldman Sachs, The Blackstone Group, and a host of others never intended to have a bidding process, and orchestrated the cleansing of debt and shareholders from the capital structure by declaring bankruptcy as soon as the construction of the network was completed. It is a known fact that Gary Winnick has an interest in Singapore Technologies Telemedia through his affiliation with K-1 Ventures, and

there exists an arrangement that Global Crossing Management receives 8% of the new capital structure as part of the Singapore Technology Telemedia agreement.

In conclusion, not so long ago, a U.S. President was called upon to respond to the worst terrorist attack on US soil in the history of the United States of America. A nation in shock stood motionless as it watched a symbol of our National Security burn before our eyes. We desperately waited for our President to address us and assure us those responsible for this act would be brought to justice. The most powerful words of this President that I shall never forget were; "If you are not with us, you are against us."

Now this same President has been called upon to respond to a different kind of terrorism. A terrorism that has caused the wiping out of savings and retirement plans of many Americans. It has destroyed businesses, torn a part families, jeopardized our economy, and is now jeopardizing our National Security. It is called "Financial Terrorism."

The case of Global Crossing is a symbol of a shameful period in our proud American history. It is a period where greed, corruption, and collusion reached the highest levels of corporations, government, and the judicial system.

And now it is the American people who ask these same words to our president and the Republican Party; "Are you with us, or are you against us?"

A nation waits your decision.

Respectfully Submitted,

James R. Elkington