

EIR

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Dukakis to get Eagleton treatment?
U.S. nuclear energy: a tale of sabotage
Russia's 'forgotten holocaust' against Poland

**Revive Verdi's tuning to
bring back great music**



**The trail leads from Russia's KGB . . .
to Shabtai Kalmanowitch . . . to Armand Hammer
. . . to George Bush.**

Now, for the first time, *EIR* tears the mask off Vice President George Bush's full and witting involvement in the Irangate scandal—and in Moscow's takeover of the U.S. intelligence establishment.

EIR

SPECIAL

REPORT

**The
Kalmanowitch
Report:**

**Moscow's Moles in the
Reagan-Bush Administration**

with a preface by Lyndon H. LaRouche, Jr.

On December 23, 1987, some were shocked at the news that Israeli playboy and arms trafficker Shabtai Kalmanowitch had been caught working as a top agent for the Soviet KGB. But it was no shock to George Bush's "secret government," which had just finished brainwashing President Reagan into accepting Moscow's phony "peace" treaties.

For more than 20 years Moscow has been using the Israeli intelligence services as a conveyor-belt to place its agents high within the U.S. government. And although "little fish" Jonathan Jay Pollard was caught passing U.S. secrets to Israel—and from there to the KGB—the man who recruited Pollard still walks free at Tufts University in Massachusetts.

The threads of the Kalmanowitch story lead into the most sophisticated sorts of Soviet warfare against the West: from the brothels and casinos of Bophuthatswana in South Africa, to the burgeoning Russian mafia in the United States, to the "State Department socialist" Roy Godson, to Soviet agent Armand Hammer, and directly into the Reagan-Bush White House.

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From the Editor

Our cover story this week brings together politics, science, and music in an unusually dramatic way, which justifies its unusual length.

Beginning on page 24, we reproduce the translated full text—motivation and articles—of a bill which will come up for debate in the Italian parliament next month, and some of the press commentary in Europe and America which this legislative proposal has excited.

The proposed law would establish the musical tuning pitch in Italy $A = 432$ cycles per second, following the explicit request of composer Giuseppe Verdi in 1884. This law, if it is approved, will roll back the trend set in 1939—one of the grimmest years in this century in many respects—when “International Standard Pitch” was put at $A = 440$, an arbitrary “compromise” between the lower, classical tuning, and the extremely high tunings which prevailed in many European symphonies, theatres, and concert halls. In reality, while $A = 440$ is far too high, even higher tunings are increasingly imposed today, in search of such sensationalist aims as “brilliance.”

The motivation for this law is very simple: above all to save the beauty of the human voice; to save the heritage of irreplaceable musical instruments, such as the “Cremona violins,” which were designed in imitation of the voice; and to save the work of the great musical composers, which cannot be comprehended through the distorted lens of higher, louder, and faster which prevails today. The proposed standard pitch, based on the “physicists’ tuning” of $C = 256$, appeals to principles embedded in the physical laws of the universe, and not to convention or arbitrary compromise.

The political implications? As Lyndon LaRouche remarked in his interview with an Italian review, “The capacity of Verdi to bring tears of joy to Italians, even many today, is a mighty weapon for uplifting the spirits of the people of Italy out of the cultural pessimism into which the nation has been depressed over more than a decade.

“This exemplifies a principle. To the degree that all sorts of practical political and economic measures are needed to rebuild Italy—or any other nation of Western civilization—without the revitalization of the popular spirit, none of these political and economic programs is likely to be implemented successfully.”

Nora Hamerman

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Soviets demand the West surrender 'excess wealth'

by Marcia Merry

A top-level Soviet policy speech was delivered in Moscow in July that marks a new phase of Soviet demands for Western food supplies. The tone of the speech made clear that what Moscow wants is "imperial tribute."

As drought devastation intensifies across the North American continent and in the Chinese rice bowl provinces and other major food-surplus regions around the world, Yuli Kvitsinsky, Soviet ambassador to West Germany, stated the view that the Soviet Union must now add "economic parity" to the "military parity" it has achieved, and arrogate to itself the food that it needs. He said, "We must strive to set up international controls over the use of economic power in relations between countries, and over the surrender of excessive wealth—too great for the needs of some states and citizens—for the benefit of the international community." By "international community," he meant the Soviet Union, and he repeatedly referred to the excessive, "unnatural" quantities of food present in nations other than the U.S.S.R.

Kvitsinsky spoke at the July 1 session of the 19th All-Union Party Conference in Moscow.

For the past 15 years, despite a temporary embargo in 1974-75, U.S. food commitments to the Soviet Union have been almost open-ended, covered by a veneer of "treaty" arrangements, and implemented through private contracts from the cartel company brokers (Cargill, Continental, Bunge, André/Garnac, Louis Dreyfus, etc.). After the scandal surrounding the famous "Great Russian Grain Robbery" of the summer of 1972, the Kissinger State Department used the episode to negotiate a grain and shipping "protocol" with the Soviet Union to assure them access to U.S. grain. The excuse was that this would help "stabilize" U.S. grain prices. In 1972, the Soviets bought at low prices. After this, the cartel companies made huge profits off subsequent price increases.

The same price pattern is unfolding today—but more dramatically, because of the drought. The Soviets have been acquiring huge amounts of grain, at subsidized, or mid-level prices, while the cartels are positioning themselves to corner the market on the remaining scarce stocks, whose prices will soon soar.

Following the 1973 Kissinger protocols, a series of Long Term Grain Agreements (LTGAs) were begun between the United States and the U.S.S.R., the first for five years beginning in 1976-77. This LTGA specified terms on which the Soviets would buy 6 to 8 million tons of corn and wheat (about equally divided) a year; but if supplies were short, there was an "escape clause" for the United States.

The second LTGA was negotiated in 1983, by the newly appointed Undersecretary of Agriculture Daniel Amstutz (a 25-year Cargill executive). Amstutz dropped the short-supply escape clause—asserting that there would never be scarce stocks—and set the annual minimum Soviet purchase at 9 million tons of U.S. grain a year. From 1985 to 1987, the grain and soybean totals shipped to Russia were: 5.92 million tons of wheat, 21.16 million tons of corn, and over 2 million tons of soybeans and meal.

Discount for the Russians

After the new 1985 farm bill, the "National Food Security Act," the Soviets were offered discount prices for their U.S. grain imports, under the new "Export Enhancement Program." The Soviets have received fully 12.8 million tons of subsidized grain under this program (which gives free government grain to the cartel companies to offer sweetheart deals to nations of preference). The Soviets are the largest beneficiaries of the program, and have received grain at \$35 to \$42 a ton below the market price.

As of May 6 this year, the U.S.S.R. has already fulfilled

and exceeded the minimum requirements for the fifth and last LTGA year, the 1987-88 trade year.

As the extent of the drought became clear in late May, prices for U.S. corn and soybeans rose dramatically, but U.S. State Department and agriculture and trade officials insisted that U.S. grain stocks were "adequate," and that the United States would be a reliable supplier to the Soviet Union. In mid-summer, grain and soybean prices leveled off at a temporary plateau (attributed to a few rainshowers), during which time the Soviets placed new orders for huge amounts of grain. The Soviets made a gigantic rush purchase of 1 million tons of U.S. corn—deliverable in August. At the same time, brokers arranged large sales of European Community food-stocks to Russia.

Meantime in Vienna, talks have been under way between U.S. and Soviet representatives on the terms of the third Long Term Grain Agreement to begin in September. While these negotiations were proceeding, the U.S. Department of Agriculture issued a special assessment of the drought's impact on crops, on July 12, that minimized the forecasts of damage, and insisted that grain stocks were adequate to meet Soviet needs.

Without announcement, however, the USDA placed a temporary moratorium on shipments out of 11 states of corn and certain other grain stocks held by the federal Commodity Credit Corporation. The "surplus" corn is not there. But still, U.S. officials issued assurances to the Soviet Union that grain was plentiful. In contrast, Canada and other nations suspended grain exports pending review.

World shortages

Finally, as of mid-summer, the toll from the drought has become too obvious for the reassurances of the USDA to be credible to anyone. For example, instead of the July 12 USDA projection of a 25% reduction in the 1988 corn harvest, the reduction may exceed 50%.

In July, the United Nations Food and Agriculture Organization in Rome warned that annual world carryover grain stocks were sinking below even a nominal 17%, when 25% is considered the minimum necessary for security. The FAO reported that if the U.S. grain harvest fell by as much as 50% (the likely loss of corn), then world total grain carryover may sink to the catastrophic level of 11%. Annual world grain consumption has exceeded annual production for the last two years, and this year, grain output will fall catastrophically below consumption, to an estimated 1.4 billion tons.

On Aug. 2, the Worldwatch Institute, the malthusian population-reduction lobby, released a projection on the drought toll that said that world reserves of grain will drop to 54 days of supply, 3 days less than 1973, after the Great Russian Grain Robbery, when U.S. grain prices doubled. Harvest shortfalls will deplete carryover stocks by up to 150 million tons.

In the latest reports from China, the drought has been so

severe in the Southeast, that hundreds of people died from the 23 days of searing summer heat, and thousands of hectares of crops are lost. The *China Daily* July 29 quoted officials that up to 4.5 million people in Zhejiang province, devastated by floods, may go short of food. Some 350,000 tons of early rice were lost in the floods, which followed a severe heat wave and drought that had dried the soil to cement hardness. China has some reserve grain stores, he said, but the crops in Zhejiang province have been severely damaged, and the autumn crops are threatened. There is talk of China, a rice exporter, having to import as much as 20 million tons of rice.

Soviet agriculture, persistently unproductive, is itself hit by adverse weather. Floods have swamped much of the grain fields in the Ukraine. Food riots have broken out throughout Eastern Europe. Severe food shortages are reported in the Soviet city of Kharkov, and other locations.

The Russians demand food

It is against this backdrop that the speech by Yuli Kvitsinsky becomes menacing. In one of the few commentaries reporting and attacking the speech, Prof. Ewa Thompson, writing in the Aug. 1 *Houston Chronicle*, said that Kvitsinsky's presentation reflected a Soviet strategy "to institutionalize a process whereby Western democracies pay economic tribute to the Soviets in the form of credits, cooperative ventures, and giveaways."

Specifically, Kvitsinsky complained that Third World countries do not ship enough food to the U.S.S.R. He said:

"Our help [mostly military aid—ed.] to them has to be paid for. . . . We in the Soviet Union are experiencing a shortage of coffee and tropical fruits at a time when the markets of Western states are bursting with them. Yet, we are investing billions in aid to those developing countries that can produce and traditionally always did produce those products.

"It is our duty to offer developing states selfless aid. This is indisputable. But the current situation is unnatural. It must be rectified in our own interests and in the interests of the states with which we cooperate."

The East bloc, Kvitsinsky said, should set the pace by carrying out "socialist integration," including, "setting up of a socialist community parliament."

Instead of Western opposition to the Kvitsinsky proposals, there has been silent acceptance, or even praise. U.S. Commerce Secretary William Verity urged the Soviet Union to proceed to absorb the Eastern European economies.

In the *Houston Chronicle* coverage, Professor Thompson observed that, with "Verity's urging the Soviets to integrate East European economies with their own, Kvitsinsky's 'reconnaissance platoon' has fulfilled its mission. It has found that a representative of the supposedly conservative Reagan administration applauds the taking of further bold steps to make the Soviet ascension to world hegemony irreversible."

Soviets ready AIDS policy shift

by Luba George

Will the Soviet Union, with already the severest anti-AIDS measures in the world, become the first industrial country to institute quarantine for AIDS virus carriers? During June and July the Soviet media mooted the possibility of using panic to stir up popular support for quarantine and other measures, in order "to minimize the extent of the catastrophe."

"The AIDS pandemic," writes *Literaturnaya Gazeta*, a popular weekly, "has created a situation which is unprecedented in the history of mankind. . . . In the year 1991, the number of virus carriers is going to reach millions. We are led to make the unavoidable comparison with the 'Black Death'—the plague which raged in Europe in the 14th century."

Author Valentin Ostrovsky, citing a West German source, presents a horrifying picture of New York City. "Every week there are funerals. . . . Thousands of New Yorkers have already died. Tens of thousands are in their last phase of the disease. 500,000 AIDS carriers live in New York. . . . You can see AIDS everywhere. In many, it's written all over their faces. . . . You can't get it out of your mind. In every family or circle of friends, there is at least one person infected with AIDS, one AIDS carrier, one doomed to die."

The article focuses on the "main risk groups"—homosexuals, prostitutes, drug addicts—linked to what is termed a huge problem of sexual promiscuity inside the East bloc, especially in East Germany. Then, in an interview with a leading East German AIDS expert, a Dr. Brinkmann. *Literaturnaya Gazeta* posed the questions: "Don't you think that the employment of a panic would not be such a bad idea? . . . In your country and in our country, the frequent change of sexual partners has become almost the norm for a large number of the population. . . . Wouldn't panic limit promiscuity to a certain degree?"

"Isn't it humane, for the sake of the healthy population, to isolate AIDS carriers? . . . Take the leper hospitals. They existed and exist today. And no one thinks anything bad of it. . . . So why, in that connection, when mankind is faced with a deadly dangerous disease, should we tolerate liberalism?"

The article concludes on this angry note: "To pretend that things are not what they are is criminal irresponsibility. One has to look facts in the face and not turn one's face or close one's eyes. The sirens are sounding: Misfortune has befallen

mankind. We must still live side by side with AIDS for many years. And, for many, this co-habitation will turn to tragedy. We must do everything we can within our means to minimize the extent of the catastrophe."

AIDS and the 'enemy image'

The No. 28 issue of a second mass-circulation weekly, *Ogonyok*, in a rare admission, reported that risk groups in the Soviet Union are much larger than officially admitted: "Between 2% and 5% of all Soviet males are homosexual." A Russian sociologist and member of the International Academy of Sexological Research, Igor S. Konozh, is quoted: "Let's be frank. . . . The danger of getting AIDS has long broken out of the 'preserves' of the risk groups. . . . This epidemic is spreading fast here. . . . The homosexuals were the first to be hit with the epidemic. But today, we have evidence that shows that heterosexual relations are about to reach the level of homosexuals in terms of the danger of contracting the disease. . . . AIDS has already been registered not only in Moscow and other cities, but even in the hinterland."

Konozh debunks the myth of Soviet "moral integrity and sexual non-promiscuity," saying that "state officials" don't seem to care that "we've reached first place in abortions . . . and that our people are being infected with AIDS and we are faced with a frightening epidemic." Konozh remarks that in Bulgaria last fall, he and other sociologists doing a poll on attitudes about AIDS were shocked that "a high percentage of the answers showed support for isolation of AIDS carriers." Some had even called for measures just "short of extermination" of AIDS carriers. "And this was the voice of the youth!"

"AIDS," he continued, "in a certain way is a test for mankind concerning humanity and healthy thinking." AIDS, for the Soviet people, has taken on an "enemy image." "Although the number of infected is still small, we have already found enemies: the prostitutes, homosexuals, and drug addicts. . . . The hatred that the population feels for these groups . . . brings out horror in me."

Ogonyok reports a case in a small town where a couple discovered to have AIDS were barely rescued from a lynch mob who demanded their "isolation." "They were locked up by doctors in an *isolator* . . . like animals in a cage." The doctors allowed journalists to examine and photograph them behind glass. When word of this reached Moscow, they were transferred to a quarantine station in a Moscow clinic. When it comes to AIDS, there is no such thing as "medical confidentiality" in the U.S.S.R., the article explained.

The official lies

On Oct. 6, 1985, deputy Soviet Health Minister Pyotr Bargasov, interviewed by the trade union paper *Trud* said, "AIDS is a Western problem. . . . It is largely a social one, since it is connected with sexual promiscuity and homosexuality. . . . This, alas, is tolerated in certain circles in the

West, but it is unnatural in our society." At the International Conference on AIDS in London last February, Health Minister Yevgeni Chazov shocked journalists when he said that the Soviet people have "no need to panic," implying strongly that they were *genetically superior* to their Western counterparts.

The same Chazov, writing for the Foreign Ministry publication *International Affairs*, stated, "Luckily, we are far better off than the capitalist states. . . . The virus has hit the population of North America the hardest (over 10,000 AIDS cases have been registered in New York alone), and that of Western Europe . . . an impressive number of victims, and their number is growing not in arithmetical, but in geometrical progression. . . . We have only one person ill with AIDS."

In an Aug. 23, 1987 Soviet TV interview, the son of the president of the Academy of Medical Sciences, Vadim Valentinovich Pokrovsky, who runs the laboratory for prevention and treatment of AIDS, claimed that only four people, three foreigners and one Soviet, had contracted AIDS in the U.S.S.R., while some 100 foreign citizens had tested positive. But on Aug. 27, 1987, only four days later, *Trud* reported that 102 people in the U.S.S.R. have AIDS, 80 of whom are foreigners, i.e., 22 were Soviets.

An Aug. 27, 1987 Soviet TV program, *90 Minutes*, quoted Pokrovsky, "About 130 people are infected with the AIDS virus." Now, official Soviet AIDS statistics for 1988 depicted an increase of 115% over only four months.

AIDS transmission is a crime

On March 24, 1987 the organ of the Moscow Communist Party Youth, *Moskovsky Komsomolets*, reported a growing problem of homosexuality in the Soviet Union, and demanded that homosexuality be treated as a crime. It said that the "increasing frequency" of divorce and single parenthood had "disturbed the process of sexual role identification."

It denounced talk of repealing laws that defined homosexuality as "criminal behavior," because that "would be the same as advertising for it." Law enforcement agencies, it said, should be more diligent in patrolling areas where homosexuals are known to gather.

The Soviet Union has already taken unprecedented measures to stop the spread of the disease. Last autumn, the Supreme Soviet decreed that the transmission of the AIDS disease be made a "criminal offense," retroactive to Aug. 25, 1987. The decree also provided for mandatory testing of everyone living in the U.S.S.R., and mandatory hospitalization of any citizen and expulsion of any foreigner refusing to be tested.

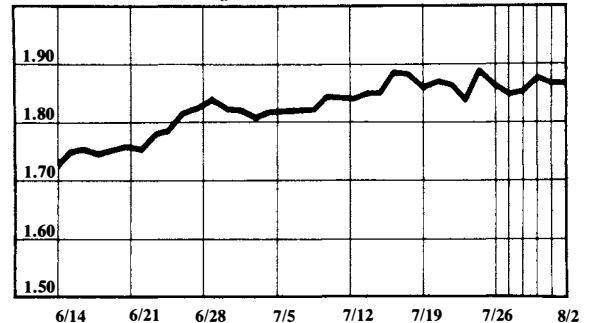
The next step could be quarantine, Soviet-style.

On June 10, Health Ministry official Mikhail Narkevich announced that 380 centers to test for AIDS had been established, and were performing more than 1.5 million tests a month. By the end of 1988, more than 1,000 such centers will have been established, he said.

Currency Rates

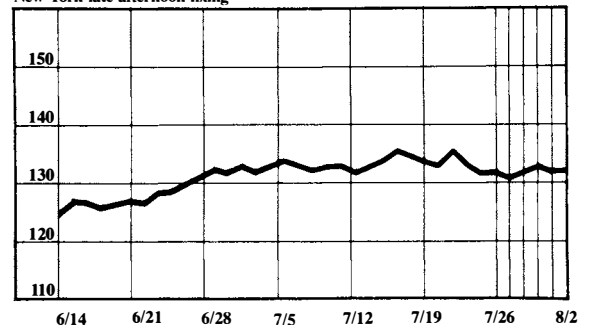
The dollar in deutschmarks

New York late afternoon fixing



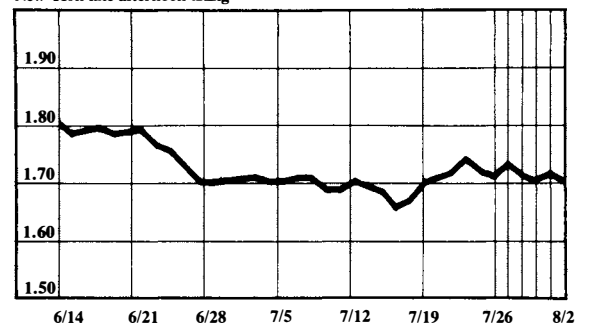
The dollar in yen

New York late afternoon fixing



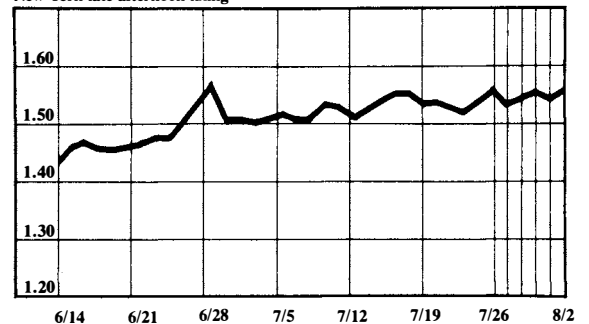
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



U.S.-Canada trade act: The British are coming

by Joseph Brewda

A little-known feature of the U.S.-Canada Free Trade Act, quietly signed by President Reagan and Prime Minister Brian Mulroney in October 1987, is the major threat it poses to the sovereignty of the United States. (Canada has never really had sovereignty.) Barring possible last-minute resistance from the usually ceremonial Canadian Senate or the United States Congress, whose approval is considered certain, the agreement will become law on Jan. 1, 1989.

Under the terms of the act, U.S. finance, farming, and industry will rapidly become easy prey to European financial interests, just in time to take advantage of the largest financial collapse in centuries.

Most public discussion of the bill centers on its provisions eliminating all remaining tariffs between the two nations, and the abolition of barriers to trade in agriculture and energy.

The most important, and least known, feature of the agreement, however, is that under its provisions Canadian banks will have the same rights in the United States as American banks. The expected early repeal of the Glass-Steagall Act, which currently prohibits banks registered in one state from freely operating in another, will consequently not just allow the major New York or Boston banks to seize control of regional banking. It will also open the door to a massive takeover of U.S. financial interests by Canadian banks.

The act is intended to implement the financial side of the redivision of the world that was decided upon at the Memorial Day Reagan-Gorbachov "New Yalta" summit. According to the scheme's euphoric Western proponents, the world will soon be carved up into a North American sphere, a European-North African sphere, a Russian zone, and a Chinese zone. "Europe 1992" is the name for the integration of Europe into one super-state by that year. The U.S.-Canada Free Trade bill is its North American correlate.

Narco-banking

Unlike the situation in the United States, Canadian banking is so highly centralized that five major banks hold almost all of the country's banking assets. As a result, these five banks are as powerful as the largest banks in the United

States. So, for example, the Canadian Imperial Bank of Commerce has the same official assets as Chase Manhattan, \$75 billion (U.S.).

However, this is only part of the story.

Canadian bankers, unlike their U.S. cousins, did not bankrupt themselves through David Rockefeller's Third World debt bubble. More importantly, Canadian banking is far more involved in the international narcotics trade than even New York or Boston financial circles. For such reasons, all the major hot money centers in the Western Hemisphere are based on former British colonies in the Caribbean, colonies now overseen by Canada. The Cayman Islands and the Bahamas are only two of the more notorious dope money centers whose banking laws were written by Canadian bankers.

There are other processes afoot which will increase the relative power of Canadian banking. By 1997, Hong Kong will formally revert to Chinese control. In preparation for that development, many of Hong Kong's powerful, dope-centered banking interests are shifting their bases of international operations. The Canadian cities of Vancouver and Toronto are being built up as two of the new centers of Hong Kong finance.

Canadian bankers and diplomats are already licking their chops over their projected U.S. victims. One Canadian government figure recently gloated that U.S. banking is up for grabs. There is no possibility that any U.S. bank would have the ability to take over even one of Canada's banks, he chuckled.

Dope smuggling

There is a second dangerous feature of the trade act pertaining to narcotics and espionage. Under the terms of the act, any individual who belongs to one of 200 specified occupation categories can move, without any visa or Labor Department or ministry requirement to the other country, indefinitely.

Canada is currently one of the easiest countries in the world to enter. An immigrant to Canada can get citizenship in a mere three years. Emigrés from Eastern Europe, and many other areas, automatically get refugee status, and typically, subsequent citizenship. Thus, the vulnerability of the United States to new narcotics rings, espionage, and terrorism via Canada will soon be dramatically increased.

However, in a surprise development, the Canadian opposition Liberal Party announced on July 20 that it will use its majority in the Canadian Senate to block passage of the agreement. The Canadian Senate, which is an appointed body similar in some respects to the British House of Lords, is primarily restricted to a ceremonial, rubber-stamp role, at least publicly. The Liberal Party action, which is unprecedented, would force the ruling Progressive Conservative Party to call a new election, and throw the entire issue up for grabs.

India's struggling banking system controls credit, Indian-style

by Ramtanu Maitra

To further restrict liquidity in the Indian economy, the Reserve Bank of India (RBI), the central banking authority, raised the cash reserve ratio from 10.5% to 11% on July 30. CRR is the cash reserve that each bank must maintain on hand. Less than a month earlier, the CRR was raised from 10% to 10.5%.

This is the first time in the short history of Indian banking that the CRR has been raised twice within the same month. Within the peculiar geometry of India's nationalized banking system, the unprecedented move is a signal of the government's fear of an inflationary surge.

CRR is only one of the restrictions imposed on the commercial banks to control and channel credit—which altogether keep some 50% of bank funds impounded and about 80% dedicated to specific purposes—but it is the one most generally used to control “excess funds” whose inflationary potential is deemed high. In the Indian banking system, it is CRR and not a boost in interest rates, that is relied on to control liquidity.

What really caused the hiking of CRR by one full point during July has not been made public, but two developments stand out. First, deposits rose substantially in the current financial year to July 15. According to one report, the rise in deposits was of the magnitude of about \$5.6 billion equivalent, compared to slightly more than half that in the corresponding period of 1987-88. So far, no rational explanation for the rise in bank deposits has been forthcoming.

Second, procurement levels for last winter's wheat crop have been generally low. The government of India impounds cash from the commercial banks to purchase foodgrains from the farmers to maintain a buffer stock for emergencies, on the one hand, and to sell foodgrains through fair price shops at a subsidized price, on the other. The food credit, as it is called, is channeled through the Food Corporation of India and the state government agencies of the FCI, at a rate of 14%, to the tune of about \$100 million annually. Although this spring's harvest is estimated to be as high as 47 million tons—a good crop—procurement has remained low. No of-

ficial explanations have been offered, but the reduced expenditure has undoubtedly increased cash liquidity in the banks.

Evidently, the Reserve Bank of India is not willing to see this surplus liquidity get out into the market at this time, for fear of fueling inflation. Because of the 1987 drought, inflation from fiscal year 1987-88 may turn out to be as high as 10.6%. At the same time, with the likelihood of continuing decline in agricultural credit demand until the October planting-time, administrators calculate that borrowers may not miss the blocked funds in the coming months anyway.

Behind the restrictions

The Reserve bank of India's CRR exercise is characteristic of the operations by which credit is controlled and channeled in the national banking system set up in 1969, when the government of India took over the country's 14 largest private banks. The bold move, vilified in the West, was virtually forced on the Indian government by the irresponsibility of the private banks.

Although 75% of the country's population depended on agriculture in 1969, more than 20 years after independence, there was only a trickle of financing going to the farm sector; the private bankers were hooked on the business houses. The farm sector's share of total credit was as low as 1%! Agriculture was in deep misery, and the government had launched the “Green Revolution” program to boost output—but to function, it would require credit.

The small-scale sector, the next-largest employer in the country, fared little better. In 1969, small-scale industries were getting less than 2% of the total credit allotted. Moreover, the government had embarked on an ambitious nation-building effort in basic industry and infrastructure, and, having been looted by the British colonialists for about 200 years, was facing an acute resource shortage.

To try to deal with this, the government established lending priorities in certain sectors, but the private bankers thumbed their noses at the recommendations and clung to

their preferred clientele, many of whom had a firm hold on the banks themselves. It was the bankers' negative response to reasoned policy guidelines and the imperatives of the Green Revolution that gave the government the momentum to nationalize, accounting for a total of 91% of total deposits and 84% of advances of commercial banks.

One objective of the bank nationalizations was to ensure that no viable productive endeavor should be allowed to falter for lack of credit. Though a factor of stability and a potent force for positive direction of economic development, the bank nationalization has foundered on the weakness of the banking infrastructure and the economy as a whole.

One of the objectives of the bank nationalizations was to ensure that no viable productive endeavor should be allowed to falter for lack of credit support, regardless of the lack of political clout of the borrower. Thus, the concept of priority sector lending was developed, with agriculture and small industries at the head.

In March 1980, the banks were told to raise the proportion of priority sector advances from about 33% to 40%. In achieving this overall target, the banks were asked to ensure that their direct advances to agriculture should be at least 15% of net bank credit by March 1985, and 16% by March 1987. A tiered interest rate structure—with some 15 different brackets!—was developed to assure credit availability.

Though a factor of stability and a potent force for positive direction of economic development, the bank nationalization has yet to really realize its promise. It has foundered largely on the weakness of the banking infrastructure and the lack-luster performance of the economy as a whole. Thousands of branches were opened in rural India, but the distribution of credit to needy farmers has remained slipshod and inadequate. Even today, 19 years after the major banks were nationalized, total bank credit provided to the agricultural sector—which accounts for one-third of the nation's income—is only 17%. Medium and large industries, on the other hand, with a share of 20% of the national income, walk away with 36% of the total credit supplies.

From the commercial banks' point of view, their inability to function effectively is the result of multiple constraints. In the first place, there is little "free energy" in the banks' funds. Besides the now 11% CRR, banks are required to keep another 38% of their funds—the so-called statutory liquidity ratio (SLR)—with the Reserve Bank of India as a means of assisting the government in its borrowing programs. The so-called incremental cash reserve ratio, which involves 10% of the incremental deposits accruing after Nov. 11, 1983, completes the banks' reserve requirements—which together lock up more than 50% of the commercial banks' cash liquidity.

Of the remaining liquidity, the banks are required to lend 40% to the priority sectors, including direct and indirect financing to the farm sector, road and water transporters, retail traders and small businessmen, tribals, scheduled caste, and other weaker sections of the society. The commercial banks are also directed to finance more than 1.2 million "sick industries"—a euphemism for bankrupt companies—which eats up some \$4 billion annually. After meeting all these requirements and commitments, the banks are left with about 20% of the total liquidity for lending to various industrial and other borrowers—at rates set by the Reserve Bank of India.

The most prominent casualty in the entire set-up is bank profitability. On a total deposit base of some \$8.5 billion, the nationalized banks earned a profit of \$240 million last year—a return of less than 0.3% on total working capital.

In part this is due to the interest rate structure. First, the savings deposit rate has been kept attractive to savers, assuring them of staying one step ahead of inflation.

Second, interest rates are set for priority sector beneficiaries at less than the prevailing "free market" rate of 16%. For example, loans to agriculture vary from 10% to 14% depending on the size of the loan. This policy is doubly ineffective, since the rates are actually too high to really benefit the small or marginal farmers who are the main beneficiaries, and too low to allow the banks to break even. And this is not to mention the fact that the government itself force-feeds the banks huge quantities of government securities in exchange for cash at the maximum coupon rate of 11.5%!

Moreover, the inadequate banking structure has taken a heavy toll on banks in the rural areas, because, among other things, they are not equipped to properly assess their borrowers. Studies have shown recently that nearly half of the money lent in rural areas is not paid back. The banks also find it difficult to service hundreds of thousands of small accounts economically.

The commercial banks, for their part, have failed to shake off many inefficiencies and redundancies in their mode of operation. Computerization, for instance, is still being resisted by the unions. E. A. G. Moses, secretary of the National Federation of State Bank Officers, pointed out recently that of the 193 regional and rural banks, at least 50% are running at a loss.

Shock program could finish off Argentina

by Cynthia R. Rush

The only thing that Argentine President Raúl Alfonsín has to show for five years of slavish obedience to International Monetary Fund policy, is the wreckage that his nation has become. Annual inflation is running at 600%. Services are collapsing, and state-sector strikes are rampant over wage payments that are one to two months behind, especially in the bankrupt provinces. Even factions within the ruling Radical Civic Union (UCR) are up in arms over the state of the nation's collapse. At this point, a UCR victory in the June 1989 presidential elections is very unlikely.

This reality notwithstanding, on July 31, government spokesmen announced yet another IMF shock program, described as "a declaration of war against inflation." Coming as it does, in the midst of economic chaos and an uncontrollable foreign debt crisis, the new program will heighten an already intense political ferment, perhaps even affecting Alfonsín's ability to remain in office until the end of his term in June 1989.

The program includes a 30% increase in public utility rates, new taxes on agricultural exports, and a probable currency devaluation of at least 10%. Over the past 10 months, the government has imposed utility rate increases of between 10% and 20% on an average of every 15 days. Employment and spending in the state sector will be reduced, and business sectors will impose a two-week price freeze, to be followed by the establishment of a ceiling on future price increases.

In Argentina, employment in the state sector has served as a form of unemployment insurance, as the number of operatives in the industrial sector has decreased due to the decline in productive activity. Reduction of the state sector means simply throwing people out on the streets with no possibility of alternative employment.

The new program is a direct result of late-July negotiations between the IMF and Argentine government officials. Argentine negotiators agreed to impose further adjustment measures in exchange for a \$1.2 billion standby agreement. In addition, the government requires another \$1.5 billion from foreign commercial banks, and also hopes that the IMF will release the two remaining tranches of a 1987 standby loan, totaling \$450 million. The fund canceled these last two disbursements after the government failed to meet established guidelines on curbing inflation and reducing the fiscal deficit.

What lies ahead

Argentina's chaotic internal situation, and its inability to pay its foreign debt, makes its future entirely unpredictable, a fact that has not escaped nervous creditors. After details of the new program became known, leaders of the Peronist opposition, the General Confederation of Labor (CGT), and agricultural and industrial associations announced that they would not accept new austerity measures. José Luis Manzano, president of the Peronist congressional bloc, called for the impeachment of Finance Minister Juan V. Sourrouille.

As the debt crisis heats up all over Ibero-America, and nationalists in Mexico, Venezuela, and Argentina call for repudiation of IMF policy, bankers are especially apprehensive over what path Argentina might follow should the Peronist presidential candidate, La Rioja Gov. Carlos Menem, win next year's elections. Menem's recent selection as the Peronist candidate was due to a mobilization of anti-IMF forces in the country.

The government owes \$5 billion in interest payments this year, which it cannot pay. It is between \$850 and \$900 million in arrears on interest payments to commercial banks, and in the first week of August, several of its interest payments due in May will fall more than 90 days behind, forcing banks to place a portion of their Argentine loans on a non-accrual basis. Creditors are not exactly crawling over each other to lend Argentina new money.

There is some discussion of the United States offering Argentina a \$500 million bridge loan, to help it out of its immediate difficulties. In Aug. 2 meetings with U.S. Secretary of State George Shultz in Buenos Aires, government authorities reportedly also urged the United States to consider something "other than conventional procedures" to deal with the country's problem of servicing its \$54 billion foreign debt. Carlos Menem told Shultz that Argentina must have a period "in which it will not be subjected to the bloodletting that the payment of debt service signifies."

Shultz's only response was to recommend that Argentina continue to apply "sound macroeconomic policies and long-term structural reform"—that is, behave and continue to adhere to IMF policy.

In this regard, there is absolutely no difference between U.S. and Soviet policy on Ibero-America's debt crisis. In an interview published in the July 27 edition of Buenos Aires' *Somos* magazine, Victor Volsky, director of the Soviet Academy of Sciences' Latin America Institute, recently advised against the declaration of moratoria on Ibero-American debt. "Moratoria could result in a boomerang which, by placing the international financial system in danger, would endanger the economies of indebted countries." Echoing the line put out by Undersecretary of State Elliott Abrams or Gen. Vernon Walters, both bona fide members of the U.S. "secret government," Volsky warned the Peronists not to consider adopting any "extreme" positions which might offend the IMF or foreign creditors.

Global interest rate war likely

The clue lies in the fall in Japanese rates, even as U.S. rates began their ascent.

The surge in the U.S. dollar following release of the May U.S. trade figures made an international interest rate war all the more likely. One does not have to believe in the "U.S. economic miracle of 1988" to justify the current strength of the U.S. currency. Shifts in interest rate differentials are sufficient grounds for the dollar's recovery. There has been a significant widening in dollar/yen interest rate differentials since March, from 250 to 350 basis points.

This seems to have been deliberate. The clue lies in the fall in Japanese rates, even as U.S. rates began their ascent. It will be recalled that this was at a time when the Dukakis bandwagon was rolling in the United States: George Bush, though assured of the Republican presidential nomination, was in serious political trouble, to judge by the opinion polls.

The dollar was trading at 1.65 deutschmarks and 124 yen, not so far above the turn-of-the-year "lows," and looking to head down. A decision seems to have been taken, by the United States and Japanese authorities at least, to give the dollar a boost by widening dollar/yen rate differentials. Whether the German authorities were active parties to this policy initiative is difficult to tell from the record. German rates hardly moved in the four months from the beginning of February to early June.

The impact of the wider dollar/yen differential on the U.S. dollar was hardly electric. The best that can be said is that the move helped to prevent

the dollar falling into a chasm. It stabilized at the 125 yen level.

The U.S. authorities' concern to curb domestic inflation expectations, and possibly their desire to see a firmer dollar to reduce import costs and for its own sake, was reflected in a continuous rise in U.S. short-term interest rates through April and May. Again, the U.S. dollar's response must have seemed disappointingly limited for Mr. James Baker and the Federal Reserve.

However, the U.S. dollar/DM differential, which had throughout the year been wider than the differential against the yen, had opened to more than 400 basis points by the end of May, and the deutschemark was beginning to slide.

It was at this point that the West German Bundesbank began to intervene on the foreign exchanges to support its own currency. This may be circumstantial evidence that the Bundesbank was not a party to the U.S.-Japan agreement on currencies at the end of March. The domestic effect of the Bundesbank's currency intervention was to drain funds from the money market, thereby driving interest rates up.

In the past month, the Bundesbank has maintained its opposition to further rises in the U.S. dollar, and even the Bank of Japan seems to have been willing to declare that enough is enough, to judge from the way the latest U.S. interest rate increase has been matched by higher Japanese rates. The point has now been reached where further U.S. aggression on interest

rates could risk destabilizing international currency and money markets.

The U.S. Federal Reserve's judgment, which is probably correct, is that the most serious threat to the stock market and economic confidence ahead of the November elections is a possible collapse in the bond market. Such a collapse might stem from a rise in inflation expectations. This is why the Fed will be tempted to go on turning the screws in the money market.

Even so, it will be difficult for the Fed to persuade the markets that it is doing enough to curb inflation, simply because natural cynicism teaches the markets to suspect the Fed of taking an unduly soft line on inflation in an election year, for the sake of promoting economic growth. This basic misunderstanding of the Fed's objectives provides the motive force to power U.S. interest rates to yet higher levels in the months ahead.

Meanwhile, the Bundesbank's concerns about inflation will not allow it to stand aside as the U.S. dollar pushes up against the deutschemark. Continuous tightening of German monetary policy is a prospect as long as the deutschemark remains under downward pressure.

An end to dollar strength might come if the Bank of Japan were willing to narrow the dollar/yen interest rate differential through a substantial tightening of domestic monetary policy. The Japanese authorities, however, give every appearance of being content with yen/dollar stability around the current level. They do not seek a lower dollar. Furthermore, a substantial tightening of monetary policy runs counter to the domestic objective of sustaining economic growth. Consequently, the Bank of Japan is likely to play a passive part in any U.S.-German interest rate competition and, for that reason, the competition could well be prolonged.

Higher food prices on the way

The drought on U.S. farmlands will fast translate into more costly food, and soon, food shortages.

Warning signs are now appearing in supermarkets and other stores throughout the country that higher food prices are on the way. As this publication has indicated, the effect of the drought now devastating our nation's farmland will shortly be translated into radically higher food prices, and then into actual shortages of staple foods.

This is occurring despite the assurances of the U.S. Department of Agriculture and other government agencies that U.S. food reserves will permit the nation to weather the drought without serious damage. USDA analysts have so far added just one percentage point to the official forecast for increased food prices this year. However, the view from the supermarket looks quite different.

Reports are reaching *EIR* from around the country that increases in food prices are now being prepared at neighborhood supermarkets and mom-and-pop grocery stores. In some cases, they have already been effected.

In mid-July, the *Los Angeles Times* did a spot check comparison with July 1987 of prices for some food items. They found that a national brand of corn chips that cost \$1.29 in July of last year, is now priced at \$1.69. A package of corn tortillas that cost 69¢ a year ago, now costs 79¢. The *Times* survey also found that while cattle and hog prices have fallen sharply due to a glut of livestock on the market resulting from high feedgrain costs, these decreases are not reflected in the retail market. A T-bone steak which cost

\$2.49 a lb. a year ago, is now priced at \$2.79.

A more comprehensive picture of what the consumer can expect is provided by a letter circulated by National Super Markets of St. Louis to its employees on July 11. The letter detailed expected increases in the prices of food staples, and also warned that for certain categories of food, there would be serious shortages:

Flour prices will climb by 19%. Sugar prices will go up 8% or more by September, and beet sugar may be completely unavailable. Salad oils based on soybeans, which are at record high prices, will go up 12-15%. Margarines, also soybean based, will go up 10%. Pet food prices will be higher due to the soybean component.

Cereals based on wheat, corn, or oats are up 8% and will go higher. Canned vegetables will go up 18% and be in short supply. Canned fruits will go up 10% and be in short supply. Cake mixes will go up shortly, with sugar and flour up now. Pasta is up 7%, and will go higher due to increased wheat prices. Mayonnaise is up 7% and will go higher. Paper products are up 9% and will go higher. Dried beans are up 15% and will be in short supply. Plastic bags are up 8%. There will be a shortage of paper plates and cups due to selling of paper to European markets at higher prices.

These warnings and projections are by no means limited to the St. Louis chain. In Stamford, Connecticut, an A&P grocery store is displaying the

following sign in the cereal section: "To our valued customers: Kellogg's is experiencing severe production problems and will be delaying our orders through the end of July. Please bear with us as we may be temporarily out of stock on certain items."

The PX on a nearby military base is also displaying signs warning customers that food prices will be increasing.

Restaurant owners in Pennsylvania are being privately warned by meat wholesalers to expect drastically increased beef prices. At one recent meeting of wholesale beef suppliers, distributors were informed that the price of a rib eye of beef, the most demanded cut, would increase from its current wholesale price of \$3.92 per pound to \$20 per pound by Christmas!

Food industry executives and consultants are predicting that what they are referring to as "sticker shock" will set in around November with the first double-digit percentage increases since the 1970s for many items. Fresh, high-quality produce is expected to be in short supply in many regions. Turkey prices are now rising at a rate that will put them above \$1.20 a pound by Thanksgiving, about double what they were last fall. Wholesalers in Minnesota have already raised their prices 30% on corn and 50% on peas. According to industry spokesman, while a typical "special" last year for canned peas and corn was five cans for \$1, this year's special is more likely to be two cans for 89¢.

California-grown fruits and vegetables are expected to be shipped throughout the country to fill shortages elsewhere, but they will sell at increased prices. Already, California fruits are selling at higher than normal seasonal prices, with prices failing to fall at the rate which they normally do in the summer.

Business Briefs

Food

Panamanian warns of dependency on U.S.

Panamanian President Manuel Solís Palma warned against food dependency on the United States, in an address before a conference of the Regional Agricultural Cooperation Council (CORECA) in Panama City July 22.

Solís Palma said that despite Ibero-America's traditional food self-sufficiency, it is now the case that the region shows a net deficit in "essential foodstuffs such as cereals, dairy products, and animal and vegetable oils, which are basic in the diet of our population."

He said this reality leads to increasing dependence on the United States for food imports, "which could become an effective weapon of intervention and even aggression."

A principal topic of the CORECA meeting, he proposed, "should be the effect of foreign economic aggression on the development of the farming sector." He said that Panamanian agriculture is suffering as a result of U.S. economic aggression.

The example of Panama, "where all sectors of society, especially the most needy, are suffering the effects of that very aggression, should be an example and an inspiration for all Latin American peoples to become aware of the dangers that surround them so that they can act very quickly to secure their food production, which is the basis of their national independence."

Trade

Hammer a 'go-between' for China, Taiwan?

Billionaire Soviet agent Armand Hammer said he had offered his Occidental Oil Company as a "go-between" to initiate trade between the People's Republic of China and the Republic of China (Taiwan), in a commentary published in the *International Her-*

ald Tribune July 30. Hammer said he was happy to be "one of the attendants witnessing the arrival" of a new political and economic order in the Far East, and the striving of all nations there for "prosperous harmony."

Hammer predicted direct trade between Taiwan and China, as well as South and North Korea, in the near future, saying, "Economic necessity always counts for more than ideology."

The Pacific Rim is "fast becoming the economic cockpit of the industrialized world," he continued. On his last trip there, he "detected" evidence that old political and ideological barriers will soon be broken through.

Both South Korea and Taiwan, with all their "incredible productive output," lack exactly the "boundless" mineral reserves of both North Korea and China. Those two nations realize that they must develop "friendly trading relations" with the capitalist nations around them to develop their economies.

Hammer met with all the "major cement manufacturers" of Taiwan to propose a "deal": Instead of importing coal from the United States, Australia, and South Africa, as they now do, Taiwan should buy from the huge coal mine his Occidental Petroleum Company owns in Xianxi Province—with its U.S. subsidiary guaranteeing them supplies if the mainland Chinese government threatens to cut them off.

His offer was greeted with "applause," Hammer says. In Seoul, businessmen demanded he act as an intermediary with North Korea to set up a North-South trade link.

Hammer also said that he knows Deng Xiaoping well, and "no more realistic or pragmatic man is in office anywhere." Kim Il Sung, Hammer admits, is "much less predictable." However, if Kim "restrains his followers" during the Seoul Olympics, "we may believe that North Korea genuinely wants a new climate of good will. We then may be able to look more favorably on President Roh Tae Woo's request that the friends of South Korea try to open new trading relationships with North Korea." The U.S. "hang tough" stance—that U.S. troops will remain in South Korea—gives Roh the confidence to propose negotiations with Pyon-

gyang, Hammer says.

"If trade were to begin between South and North Korea and between Taiwan and China, eventually leading to open trade in the region and around the world, we would take a vital step toward a new order in world politics."

Labor

Mongolians to fill U.S. nursing needs

A "large number" of Mongolian nurses will be sent to work in the United States to make up for the serious shortage of registered nurses in the United States, the *China Daily* reported July 29.

A deal worked out between the Inner Mongolian Labour Corporation and "an American university" will send large numbers of Chinese nurses to work in major U.S. hospitals for two to six years. They will work in the surgery, mental illness, neurology, and obstetrics departments, at the same pay as U.S. registered nurses.

The Chinese nurses will not be allowed to work as private nurses or in infectious diseases departments.

By 1990, the shortage of nurses in the United States will stand at 390,000—due primarily to low wages, the *China Daily* says.

Biological Holocaust

Cholera epidemic rages in Delhi

The cholera epidemic now menacing India's capital is still raging out of control in many parts of the city—not just in the "resettlement colonies" on the other side of the Yamuna River, as authorities have claimed.

Doctors are now warning of a follow-on wave of typhoid and hepatitis.

The official death toll in Delhi is 191, but only those deaths that occur *inside* the

major hospitals are reported. Walking down the by-lane of any one of the city-administered slums ("resettlement colonies"), one encounters bereaved families of unreported victims, mostly young children, who died in their hovels.

The one infectious diseases hospital in the city has been functioning with no electricity for up to 10 hours per day. There are three patients to a single bed in its sweltering wards.

Third World Debt

Record payments only mean more indebtedness

Developing countries increased their outstanding foreign debt by between 10-20% in 1987, despite enormous debt service payments to foreign creditors.

Although the developing countries transferred at least a net \$30 billion to industrialized countries, supranational institutions, governments, and private banks,, during 1987, a newly released study by the Organization for Economic Cooperation and Development (OECD), shows that Third World debt during 1987 increased to \$1.2 trillion.

Infrastructure

More voices raised for NAWAPA-type plan

If Israel can build an 88-mile system to pump water into a desert, and if Alaska can build an 800-mile pipeline to pump oil, shouldn't somebody in the Department of Agriculture be discussing building a water carrier system that can pump water from water-rich Canada and America's Great Lakes into the drought-stricken states that need it? wrote syndicated columnist Chuck Stone.

His comments appeared in the July 30 *Philadelphia Daily News*.

Although he did not mention the North American Water and Power Alliance (NA-

WAPA) proposal by name, that plan, which has existed since the 1960s, to transfer northward-flowing Canadian waters southward to Canada, the Great Plains, and Mexico, corresponds to what Stone seems to have in mind.

"City slickers like me take so much for granted. Milk, cereal, eggs, bacon, and toast on the breakfast table. Lettuce and tomato salads at lunch, corn and beef at dinner," Stone continues. "It just doesn't occur to the average city dweller that our larder won't always be filled. We suffer momentary discomforts with fluctuating high prices and temporary shortages. But rarely any serious economic dislocations. All that has changed with Drought USA 1988. Or are we going to talk about the possibilities of Drought 1988 becoming another Great Drought 1933-38?"

Water Management

Farmers in California report irrigation crisis

Farmers in California report that a crisis situation in irrigation and drinking water exists in large sections of the state.

One of the worst situations is said to be in Northern California, in the Central Valley from San Joaquin south to Kings County. In that area, the city of Fresno has reduced water delivery by 75%, and many growers are being forced to rely on ground water.

In Stanislaus County, one irrigation district covering 56,000 acres has less than 35% of normal stored water. A cattleman in the Visalia area told *EIR* that the level of reservoirs in the area is at about 25% of capacity, and that farmers have been forced to stop using water from the San Joaquin River for irrigation.

In Tulare County, all records for electricity use were broken at the beginning of August, due to use of air conditioners and the increased pumping of ground water by farmers. Sizable cities such as Modesto, Stockton, and Turlock, which have relied on ground water, are now planning to go to surface supplies, which would put them in direct competition with the farmers in the area.

Briefly

● **A BRAZILIAN** government official, speaking at a reception in Brasilia July 28 for Karl-Heinz Narjes, a German member of the European Commission and the Trilateral Commission, attacked the EC for its "ruinous dumping-price attack against agricultural products from the developing sector." Deputy Foreign Minister Paulo Tarso also attacked the computer embargo imposed by the Group of Seven industrialized nations in Toronto recently, saying that should this continue, the developing sector "may seek alternatives to this present system that no one wishes."

● **INSTITUTIONS** treating the retarded and mentally ill are being shut down throughout Minnesota. The State Department of Human Services has announced the closing of seven more such institutions in seven towns: Cambridge, Faribault, St. Peter,ergus Falls, Brainerd, Wimar, and Moose Falls, but other institutions had been closed previously. Patients, including the retarded, the chemically dependent, and the mentally ill are being relocated into community homes.

● **THE SPACE SHUTTLE'S** first post-*Challenger* trip is slated to carry an experiment for growing crystals of reverse transcriptase, the enzyme the AIDS virus uses to infect cell DNA with its own genetic material. Researchers want to grow the crystals in space, to avoid distortion by gravity during formation. This would allow scientists to more easily decipher the enzyme's structure.

● **THE EUROPEAN** Commission in Brussels has announced the sale of another 200,000 tons of beef to Russia—almost for free! The commission justified the decision on the basis of the need to reduce intervention stocks of beef, which rose to 760,000 tons after reduced dairy quotas caused farmers to increase cattle slaughtering. Moscow is paying only about 5% of what a European consumer pays for a kilogram of beef.

How U.S. nuclear capacity was sabotaged

In this second part of a series, Marsha Freeman details the sabotage of nuclear power and the financial attack on utilities, which jeopardizes whole sections of the nation's electricity grid.

Today, the nation's electric utilities have been stretched to the limit in trying to continue to provide reliable electric power to industry and consumers. So far this summer, many companies have had to institute voltage reductions and interrupt service to customers, because of higher-than-forecast peak demand. As most utilities do not expect to reach their peak demand for the year until August, who knows what is still in store for the summer?

In the future, the situation will only get worse, as less new capacity than needed is put into service, and reliability and redundancy suffer.

Since the mid-1970s, the best energy technology available to utilities has been under a full-scale attack by zero-growth "environmentalists," who not only demonstrated to stop the construction of power plants, but also *became* the regulators and politicians, who are now in a position to use the legal system to carry out their agenda for a "post-industrial society." The sabotage of nuclear power in the United States has meant that over 100,000 megawatts (MW) of new capacity that had been planned was not put on line over the past decade.

But the real consequence of the sabotage of nuclear power is that it cut to the quick the largest source of new baseload power capacity, which was to be the bulk of the *growth* potential for the utility industry. It is comparable to cutting off the top leaves of a tree, where the fastest growth takes place, and expecting the tree somehow to grow from its sides.

The sabotage of nuclear

In the 1970s, the amount of electricity produced, by nu-

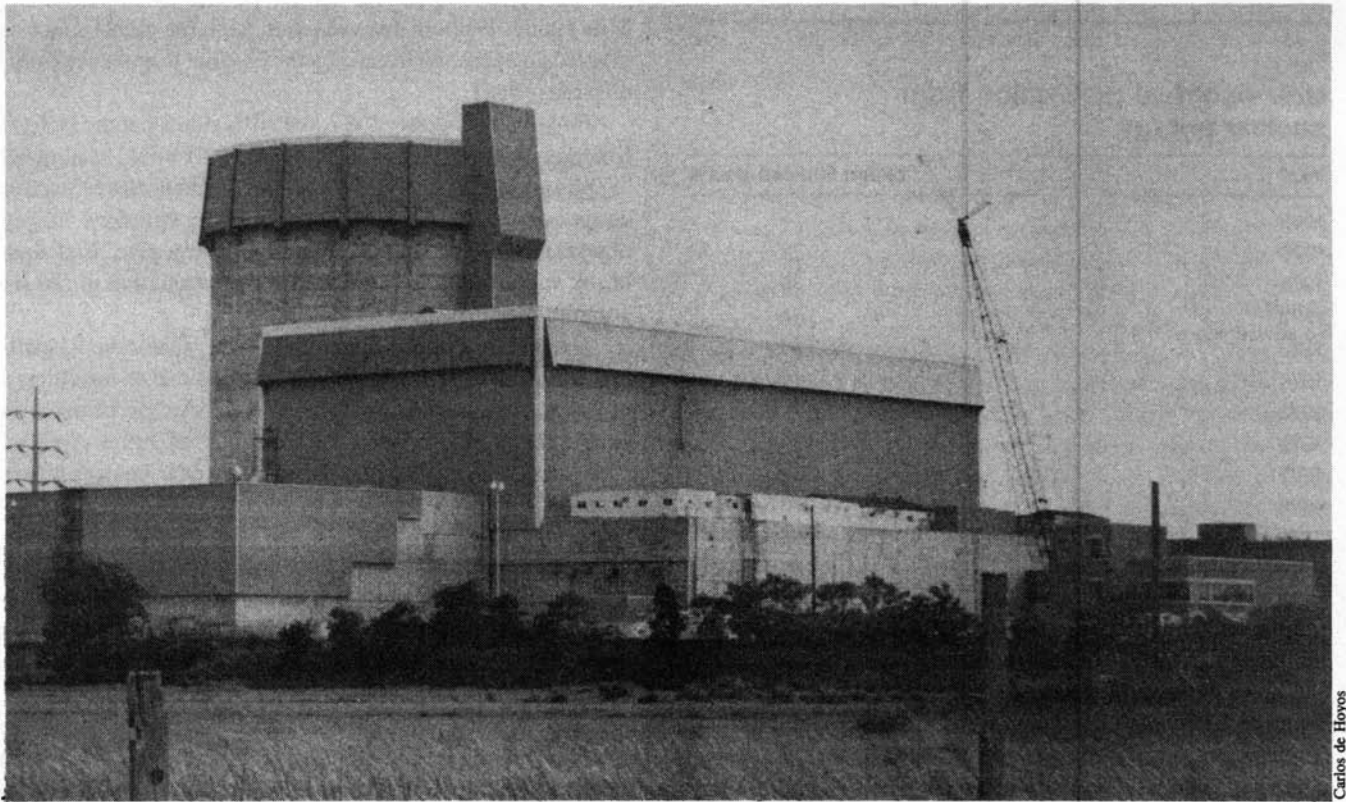
clear plants, in billion kilowatt-hours, doubled approximately *every two year* (see **Table 1**). From 1970 to 1979, electricity produced by burning coal, which had the second highest growth rate, increased by only 35%. But since 1977, the rate of nuclear-produced electricity has not even doubled once, in more than 10 years.

Currently, the United States has 109 operating nuclear power plants. While the bulk of these plants was put on line in the last 15 years, a nearly equal number of nuclear plants was *canceled* by utilities (see **Table 2**).

The attack on nuclear energy did not start as some hysterical response by the American public to the media hype after the accident at the Three Mile Island plant in Pennsylvania in 1979, although rulings by the Nuclear Regulatory Commission after Three Mile Island did cause a shutdown of power plants and a decline in nuclear-produced electric power.

As reflected in **Table 2**, the anti-growth movement was given an opening to gear up its attack on the nuclear industry soon after the 1973 Mideast war and subsequent oil embargo. The entire utility industry was thrown for a loop in 1974, when skyrocketing fuel prices caused a dramatic cutback in American energy consumption. For the first time, electric generation grew less than 1% compared to the previous year.

In 1976, for the first time, propositions were placed on the ballot to stop the construction of nuclear power plants, (see **Table 3**). Though no such proposal has ever been passed by the electorate (not even in Sacramento, where environmentalists have tried 14 times to close an operating plant), the power industry was thrown on the defensive in a battle it



Carlos de Hoyos

The new \$5.2 billion Shoreham nuclear facility on Long Island, New York, never put into operation. If New York Gov. Mario Cuomo has his way, he will be the first political leader since Ayatollah Khomeini to oversee the destruction of a nuclear plant.

is, by and large, still losing.

Fed by the contraction of the overall economy during the Nixon "Phase I-II" period of wage-price controls in 1971, the cutbacks in research and development efforts such as the space program, that are economic drivers, and the general malaise of the period, the neo-Malthusians known as "environmentalists" were created top down by the Council on Foreign Relations (CFR) and other Eastern Establishment policymakers to champion the post-industrial society that they wanted as the future of the nation.

In addition to the small number of "troops" in the streets seen nightly on television, the industry came under attack by the CFR financial interests who believed illegal drug money, real estate speculation, and "service industries" were the more desirable forms of economic activity. None of those "industries" requires very much electrical energy.

Financial Waterloo: the case of Seabrook

For the first time in the history of this nation, the investment of national resources to sustain and develop the infrastructure needed for economic growth has become suspect by regulators and financial interests over the past 10 years.

An excellent, if enraging, example of how the very existence of the electric utilities has been placed into jeopardy is the case of the Public Service Company of New Ham-

phshire, the major investor in the Seabrook nuclear power plant in that state, holding 35.6% of the shares in the project.

In 1976, ground was broken to build the two nuclear units at Seabrook, a blue collar beach area of New Hampshire. The estimated cost of the two 1,150 MW units was less than \$1 billion at that time. However, in 1979, the state legislature of New Hampshire passed a law prohibiting the utility from including the cost of building the plants in its rate base. Because of this law, the rates for the utility have been set as if Public Service had invested only \$600 million in the plant, though its share has equaled more than \$2.9 billion.

Prevented from raising the money from its ratepayers to complete the project, the utility was forced to resort to the Wall Street bond market to raise the funds. As interest rates soared, the projected cost of one power plant (the second unit was canceled) grew to \$5.4 billion. As environmentalist obstruction delayed startup, the cost of keeping the plant at-ready for operation kept growing at a rate of about \$50 million per month. The costs were "swollen by financing charges," reported the *Wall Street Journal*.

Almost four years ago, when Public Service first faced financial problems, construction on the units had been brought to a halt. The company staved off bankruptcy by suspending dividends on stocks and selling junk bonds. In May 1987, Public Service had to go back to the financial markets to

TABLE 1

U.S. electrical generation from nuclear energy

Year	billion kilowatt-hours
1969	14
1970	22
1971	38
1972	54
1973	83
1974	114
1975	173
1976	191
1977	251
1978	276
1979	255
1980	251
1985	384
1987	455

Source: U.S. Department of Energy

borrow another \$150 million to keep it afloat, as it waited for Seabrook to start producing electricity, and revenue.

Only \$100 million of the needed money was raised, at a staggering interest rate 9% over the prime rate, plus one-quarter percent for each month the loan is outstanding. That translated into a rate 13% above prime per year. Even the *New York Times* commented that this was a "rate high even by the standards of credit card companies." One could call it usury.

By the fall of 1987, the *Wall Street Journal* referred to Public Service as "the Brazil of utilities"; it could not meet the interest payments on its debt, and had to keep borrowing to try to do so. On Oct. 15, the utility failed to pay \$37 million in interest it owed the Midlantic National Bank in New Jersey. In December, the New York Stock Exchange suspended trading in Public Service stocks and bonds for a brief period.

Finally, with nowhere else to go, Public Service Company became the first utility since the Depression to file for Chapter 11 protection in January of this year. Holding \$2.7 billion in assets, it was the fourth largest bankruptcy in the history of the United States.

Meanwhile, Massachusetts Gov. Michael Dukakis and friends were trying to make sure the Seabrook plant would *never* operate. After the Chernobyl accident in the Soviet Union in April 1986, just as Seabrook was completed and ready to begin operating, the governor decided to halt all work his staff was doing in preparing an evacuation plan for the six Massachusetts communities that are within the 10-mile "evacuation radius" established as necessary after Three

Mile Island. Without an evacuation plan, the plant cannot be granted an operating license by the Nuclear Regulatory Commission (NRC).

Finally, by October 1987, the NRC ruled that the Federal Emergency Management Agency (FEMA) would be allowed to approve evacuation plans when local authorities refused to cooperate. In March of this year, FEMA withdrew its key objection to New Hampshire's emergency plan, and Seabrook submitted its own plans for the evacuation of the six communities in Massachusetts.

Seabrook will hopefully come into service soon. Regardless, the financial penalty put on the utility and on the citizens of the region, who do not have enough electric power, has been extreme. Looking at the Seabrook experience helped convince other utilities not to start any new nuclear power projects.

Shoreham: a political football

Some people have made political careers out of sabotaging nuclear energy. Some people think that by gaining access to the highest public office in the land, they will be in an even better position to bring about a new Dark Age.

Like would-be President Dukakis, New York Gov. Mario Cuomo has made his mark by stating that the Shoreham nuclear plant on Long Island will never produce power. This spring, Cuomo proposed that Shoreham be sold by the Long Island Lighting Company (Lilco) to some government agency for \$1, and then torn down. It has been estimated that the decommissioning of the plant would cost \$444 million.

To finance this, Lilco would get a 5% rate increase every year for the next decade, plus a \$2.5 million tax credit, pending IRS approval. Some citizens on Long Island are considering suing the government for misuse of funds. In response to this proposal, which would cost taxpayers a fortune, the legislature of the State of New York voted in July to put the plan on hold, not wanting to enrage taxpayers in an election year.

Due to constantly changing regulatory requirements and years of "intervenor" challenges to the plant, it has now taken *twice as long to build Shoreham as it took to build the Panama Canal*. The cost has escalated eighty-fold, and though ready to operate since 1984, the plant has only been at 5% power since 1985.

Shoreham has become a national political football, because crucial constitutional and national security issues are involved, as they are in the Seabrook case. Dukakis, therefore, has chosen to take a stand on Shoreham. During an April campaign swing through New York prior to the June primary, Dukakis promised that he would block FEMA from cooperating with LILCO on developing an evacuation plan for the plant.

One irony of the Shoreham situation, is that in the *1987 Annual Report* of the New York Power Authority, it is reported that the legislature passed a ruling that allows expand-

ed sales of low-cost electricity from the Fitzpatrick nuclear plant near Oswego, New York to other parts of the state. This is expected to create or protect about 15,000 jobs in the state, that would be lost due to otherwise exorbitant electric rates.

On June 28, Dukakis wrote a letter to President Reagan objecting to an executive order Reagan has been considering, to put the responsibility for bringing nuclear plants on line back in the hands of the federal government, where it belongs. Dukakis stated that the authority for protecting the "health and safety" of citizens rests with states' rights, and that he and other elected officials had the right to stop multi-state nuclear projects.

In response to this nonsense, Scientists and Engineers for Secure Energy (SESE) wrote a letter to the President, dated July 12, stating, "The Atomic Energy Act has given *exclusive* authority and responsibility to make safety judgments to the *federal* Nuclear Regulatory Commission, as the U.S. Supreme Court has repeatedly reaffirmed."

The letter also reminds the President that the proposal by a Massachusetts congressman last year to give states a role in making these judgments "was resoundingly defeated (by

TABLE 2
Orders and cancellations of nuclear power plants

Year	New orders placed	Plants cancelled
1966	20	0
1967	31	0
1968	16	0
1969	7	0
1970	14	0
1971	21	0
1972	38	0
1973	41	0
1974	26	4
1975	4	11
1976	3	2
1977	4	9
1978	2	13
1979	0	8
1980	0	16
1981	0	6
1982	0	18
1983	0	6
1984	0	8
1985	0	0
1986	0	3
1987	0	0
		TOTAL 104

Source: U.S. Council on Energy Awareness

TABLE 3
State and local referendums on nuclear plants

Year	Electorate	% favor nuclear	Year	Electorate	% favor nuclear
1976	California	67-33	1980	Maine	60-40
	Arizona	70-30		Missouri	61-39
	Colorado	71-29	1982	Maine	55-45
	Montana	58-42	1984	Missouri	67-33
	Oregon	58-42	1986	Oregon	64-36
	Ohio	68-32	1987	Maine	59-41
	Washington	67-33	1988	Sacramento	52-48

Source: U.S. Council for Energy Awareness

over 100 votes) in August 1987." Signers to the letter included Dr. Edward Teller, and former Washington state governor Dr. Dixy Lee Ray.

On the technical issue of evacuating citizens from the site of either the Shoreham or Seabrook plants, the SESE reports, "The Soviets evacuated 48,000 people over a two-lane road in two hours without a preconceived or practiced plan."

And on the question of how realistic it is that a plan would ever have to be used, the letter states, "The 'risk' of an accident occurring at Seabrook which would cause a single fatality among the public is less than one in a million, and perhaps less than one in a hundred million."

It continued, "If such such levels of risk are unacceptable to the governor, then to be consistent, he should try to ban airplanes, automobiles, and cigarettes; their fatality risks are several orders of magnitude greater."

Moreover, "The event which he appears to postulate at Seabrook, while conceivably possible, is less likely than a full 747 aircraft crashing into [Boston's baseball stadium] Fenway Park during a sold-out baseball game; in that event, the loss of life at Fenway would be immense and, unlike Seabrook, no evacuation would be possible."

Clearly, there is no place in this nation for an energy plan based on irrationality, especially when the consequences are as serious as they are in this case. Yet, that is what Michael Dukakis has promised us, if elected.

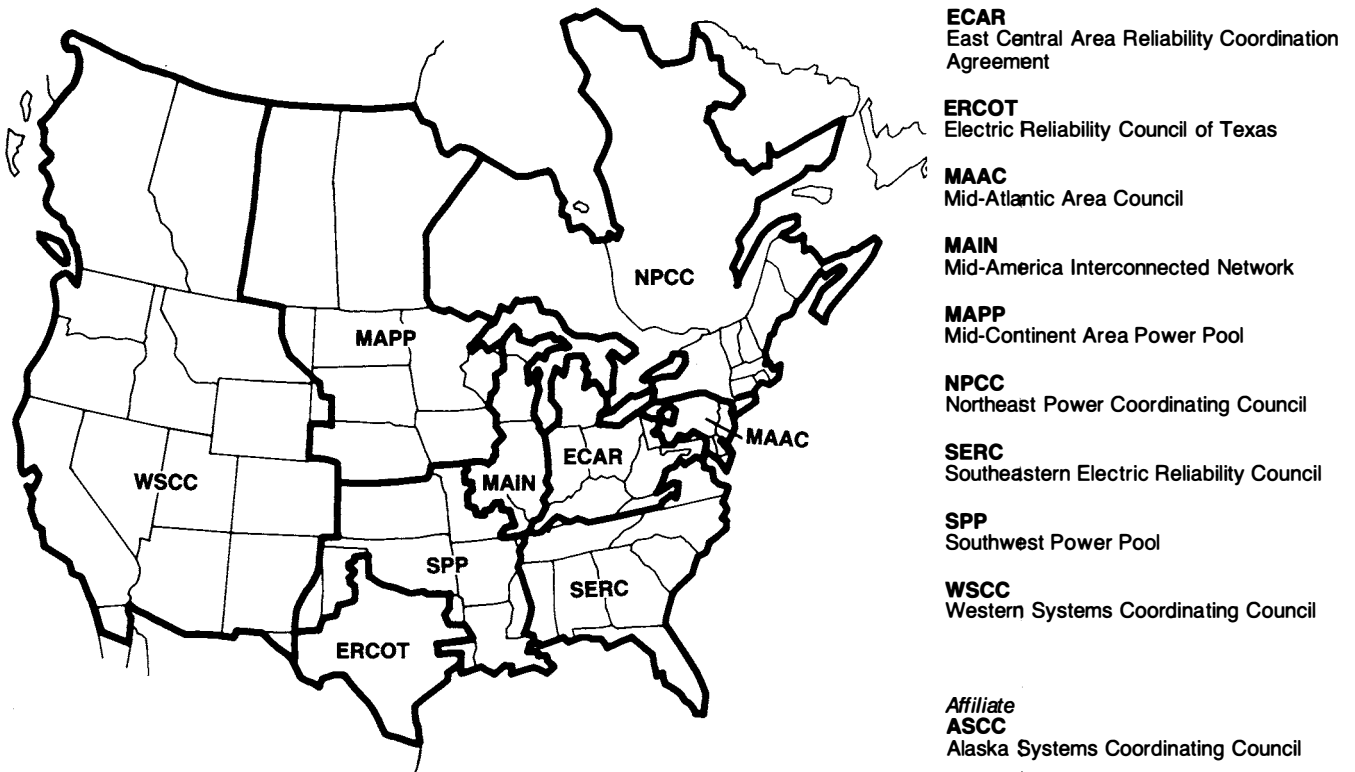
Energy Secretary John Herrington on June 13 described the situation in New York as "shortsighted obstructionism." Without Shoreham, he said, New Yorkers face "a future of continued brownouts and higher electric bills for people who already have the highest bills in the nation."

Chiming in, the *New York Post* stated recently, "There is . . . something almost flaky about junking a newly built \$5.3 billion facility before it has so much as supplied a single volt of electricity to Long Island consumers."

Trying to set a record for new heights of hypocrisy, the *New York Times*, which has campaigned against nuclear en-

FIGURE 1

North American Electric Reliability Council



Source: North American Electric Reliability Council

ergy for years, stated on May 21 that, before new capacity were brought on line, if Shoreham is scrapped, “the island must live with razor-thin capacity margins. At best, that will mean summer ‘brownouts,’ voltage reductions that dim lights and slow appliances. More likely, it will mean brief outages, or even planned rolling blackouts that deny power to individual communities for a few hours each week.”

On May 31, the *Wall Street Journal* published an editorial titled, “Lights Out.” They summarize the situation as follows: “The U.S. can look forward to brownouts and, possibly, retarded industrial development. Maybe Mike Dukakis and Mario Cuomo will be able to explain this all away if the lights start flickering in July or August.” Maybe the citizens of the nation will get fed up with their new Third World living conditions, and boot these fellows out of office.

Regulatory sabotage

The grossest level of regulatory malfeasance in the demise of nuclear energy has certainly been on the federal level, where anti-nuclear ideologues were brought in to the NRC in Washington, to “regulate” the industry out of existence. This

has been done by closing operating power plants for the smallest of regulatory violations, giving license to intervenors to tie up construction in the courts for years, and generally renegeing on its responsibility under the 1954 Atomic Energy Act to carry out a mandate to develop commercial nuclear power in the United States.

State regulatory authorities have also gotten into the act, and created yet another hurdle for the industry—getting their new capacity paid for. As the NRC allowed intervenors and nit-picking regulations to multiply the cost of power plants, the public utility commissions (PUCs), too, went on the rampage.

For years, rate increases (or decreases) were decided on the grounds of what was needed to add new capacity, while providing a return on investment, which is regulated by law. More recently, PUCs have decided to add other “criteria” to their decision-making process. Some PUCs have charged utilities with “mismanagement” as costs escalated. To determine whether or not a utility used “good judgment” in deciding to build a plant at all, and how great a rate increase it “deserves,” the PUCs compare the cost of electricity from

the new plant to other "alternatives."

The problem is that, in some cases, the comparison has been with lower cost alternatives that were *not even available* at the time a commitment was made to the project. Who knew 10 years ago that oil would go down to \$15 a barrel?

PUCs have also disallowed or deferred rate increases based on the regulators' "perception" of current capacity needs. Of course, when the utility made the decision to build the power plant, perhaps a decade ago, the rate of growth in demand could have been more than double what it is today!

One year ago, the Niagara Mohawk Power Corporation in New York State slashed its dividend rate 42% and took a \$755 million write-off on nuclear plant costs, which the utility is not allowed to charge to ratepayers. Before that, it had frozen the salaries of 2,500 employees, and is still shrinking its workforce and reducing construction.

The reason is that a cap was put on how much of the cost for the two 1,080 MW-each Nine Mile Point nuclear plants can be passed on to ratepayers. Before 1987, the utility could have spread the nuclear plant write-off over a 40-year period, but it was forced to take it in one year because of new "accounting rules"!

How NRC rulings can throw local utilities into financial chaos is also seen in the Philadelphia Electric Company case. In March 1987, the utility's Peach Bottom plant was shut down by the NRC due to "serious personnel problems." One plant operator was found asleep at the console!

Since then, the plant has not operated, costing Philadelphia Electric, and other utilities that rely on Peach Bottom, millions of dollars per month to buy replacement power, while they get the plant ready to reopen. On the excuse that the plant is not operating, the Pennsylvania Public Utility Commission ordered the utility to take the cost of the plant out of their rate base, even though the temporary closure of Peach Bottom will not shorten the plant's service life. According to the *Wall Street Journal*, this is the first time a utility has been forced to do this, and has cut the utility's rates by \$37 million, which wiped out its 14.75% annual return on equity investment in the plant.

Since Public Service Gas & Electric (PSE&G) of New Jersey is a part owner of the Peach Bottom plant, the New Jersey Board of Public Utilities has also gotten into the act. They have stated that they may not allow PSE&G to continue recovering from its ratepayers either the utility's investment in the plant or its share of the plant's operating and maintenance costs—a potential \$140-150 million annual loss.

In addition, New Jersey has "performance standards" which penalize a utility that does not keep its units on line an average of 60% of the time. By conveniently ignoring the fact that it was the NRC, and not the operating utility, that shut down the power plant, the regulatory authority's application of this rule has resulted in a loss of \$17 million in rate increases this year.

In response to the financial fallout from regulatory abuse,

Daniel Scotto, utility bond analyst for L.F. Rothschild and Company, has recommended that investors "reduce their positions" in PSE&G. Scott has downgraded the bond rating of another utility affected by the Peach Bottom shutdown—Delmarva—from double A to double A-minus.

In an ironic case, Commonwealth Edison (CE) of Illinois, the most heavily nuclear utility in the country, has been told by state Commerce Commission auditors that it spent "\$400 million too much" on the Byron 2 nuclear plant. The Commission complained that "poor management" at CE led it to recommend that CE reduce its rates by \$343.1 million, instead of being granted the \$1.4 billion increase it had requested.

While being charged with malfeasance and having its rate base undercut and its decisions questioned, Commonwealth Edison went on the offensive. It took out a full-page ad in the *Chicago Tribune* on June 26, to set the record straight on the need for nuclear power. The add stated, "The 16,138,000 kilowatts you weren't supposed to need until 2005, were supplied last Tuesday with the help of two new power plants we weren't supposed to need until 2005." So much for "poor management."

This spring, on the second anniversary of Chernobyl, the Soviets announced that the share of nuclear energy in their energy output would double by the year 2000. Only in the West do the Soviets support "environmentalism."

How long will citizens allow their electric-generating and supply system to be torn apart by irrationalists? If shortages tend to spur people to action, perhaps not long.

The regional picture

Figure 1 is a map of the way the nation is divided by the North American Electric Reliability Council (NERC) into nine geographic regions. The NERC also incorporates the appropriate areas of Canada in its continental reliability analysis.

• Like every region, the **Northeast Power Coordinating Council (NPCC)** is betting that a low growth rate over the next 10 years will allow it to avoid any major problems in the future. But NPCC spokesman John Kurta commented at the end of July, "The summer isn't over yet. Since we still have the dog days of August, we may have some real problems." NPCC covers utilities that service the states of New York, Vermont, New Hampshire, Maine, Massachusetts, Rhode Island, and Connecticut. According to NERC's 1987 reliability report, "In 1987, several areas reached peak demands that were not forecast to occur until the 1990s." There is an "increasing concern regarding future electric supplies in the region," NERC warned.

To make clear how tenuous future supplies look: The only major utility-owned capacity scheduled to come into service in the next 10 years in the region is Seabrook! The 300-MW Niagara expansion project, scheduled for operation in May 1994, has been delayed one year, and the Prattsville

1,000-MW pumped storage facility, long delayed by environmental issues, has been canceled.

The regional reliability council states in their material, that "if demand management programs prove less successful than anticipated, or if non-utility or utility-owned generation does not meet projections, an inadequate balance of capacity resources versus load could quickly develop."

Projections have been that the average annual growth in energy between 1987-96 would be 1.6%. So far, on July 11, the region reached an all-time peak that was between 3-5% over last year. Mr. Kurta stated to this reporter that the forecasts are "ridiculously low."

In April, New Hampshire Gov. John Sununu stated that the utilities have been inclined to be "quickly responsive to suggestions by political figures and regulators that there will be no growth in electric demand in the Northeast." For the past six years, he said, the utilities have predicted a 1% annual growth rate, and it has been between 4-5%. "We in the Northeast have now consumed the growth slack that it was assured would be available well into the year 2000."

As for the capacity the region is counting on from small, non-utility producers, Kurta explained that small, upstate New York hydroelectric projects are risky, considering the weather, and the investors are "taking a gamble." Unfortunately, due to the sabotage of nuclear power plants, New Englanders have taken a gamble with the future of their entire utility system.

- **The East Central Area Reliability (ECAR)** region is comprised of the former industrial heartland of the United States, encompassing Michigan, Indiana, western Pennsylvania, Ohio, Kentucky, West Virginia, and parts of Virginia and Maryland. The region produces more than 80% of its electricity by burning coal.

For the past three years, the region has recorded increases in peak demand in the 3-5% range, well above the forecast rate, which had been *negative*. Over the next 10 years, the capacity margin of the region is projected to fall from 26 to 21%, as little new capacity is planned to come into service.

The major potential disruption in future power delivery in ECAR is acid rain legislation being considered in Congress. It is estimated by the reliability council that more stringent environmental regulations could leave ECAR without 9,600 MW of existing coal capacity, as older plants would be shut rather than modified. Another 2,400 MW would be lost because the pollution control equipment itself uses energy and causes increased unscheduled outages. The region as a whole is not planning to add much new capacity over the next decade.

As one of the oldest industrial regions of the country, ECAR will have 14% of its capacity over the age of 40 by the year 1996, and 27% will be more than 30 years old. Plans are to extend the lifetimes of these old facilities, by pouring money into buying new turbine blades, rewound generators,

etc. Though these units are counted in the available capacity megawattage, like any other plant, ECAR manager John Hand pointed out, these older units will have a higher rate of forced outages, and "will not have the same reliability as 20-year old plants."

What would happen if the region's growth rate continued to outstrip projected rates and capacity growth? Hand stated, and every other regional administrator contacted concurred, that the United States has already lost the ability to manufacture some critical elements for the electrical industry, such as interrupters and high-voltage circuit breakers, and that other equipment such as large steam turbines, are becoming a thing of the past.

- **The Mid-Atlantic Area Council (MAAC)** which includes eastern Pennsylvania, New Jersey, Delaware, and part of Maryland is the area suffering from the Peach Bottom closing. For the fifth consecutive year, the region has experienced record peaks in summer demand, with 1987 registering a 7.9% rise over 1986. As a matter of fact, the peak demand forecasts for 1988 and 1989 turned out to be lower than the *actual* peak demand in 1987!

Over the next decade, the region is expecting fully *half* of its planned new capacity to come from non-utility generation, which is one of the highest rates in the country. According to MAAC manager Robert Woodward, the council is counting this risky capacity in its projections, "because we have to."

MAAC has suffered from the obstructionism rampant in completing new transmission lines, and the 243-mile Baltimore-Washington loop has been delayed for more than 10 years in parts of Maryland.

But the major threat to reliable power in this region which encompasses the nation's capital is higher-than-forecast load growth. So far this summer, MAAC customers have suffered voltage reductions and power interruptions. NERC has stated that MAAC capacity margins may be inadequate by the mid-1990s with even a 1.6% annual peak load growth. The growth projection the utilities are using for planning is only 1.2%.

What could be done if more power were needed quickly? Woodward pointed out that, if the utilities had to start to tool up to build power plants, manufacturing activity itself would put yet more strain on the system, because it would increase the industrial demand for electrical power! The growth rate at that point of industrial gear-up, Woodward explained, becomes exponential.

- A fourth region heading for real trouble is the **South-eastern Electric Reliability Council** area (SERC), which includes part of Virginia, North and South Carolina, Tennessee, Alabama, Georgia, Mississippi, and Florida. Within SERC is the Tennessee Valley Authority (TVA).

This region, which provided the world with a paradigm for rural electrification in the 1930s and has been the showcase for new innovations in energy technology in the nuclear

age, has been facing a situation for the past two years where parts of the region are operating with lower reserves than desired.

During the Carter administration's tenure, TVA head S. David Freeman (no relation to the author) turned the once-proud electric system into a showcase for "appropriate technology" such as wood-burning stoves, made it grovel before irrational "environmentalists" who were worried about insects and small animals, and tried to convince consumers, who had seen their standard of living revolutionized due to electric power, to "conserve." The aggressive TVA nuclear construction program was all but abandoned.

Throughout 1987, *all five* of the TVA's operating nuclear power plants were out of service, due to "modifications" required by the NRC. According to SERC manager Charles Winn, at the Sequoyah 2 unit, the "safety-related" issues that shut the plant down were found to be "more a problem of paperwork than hardware." To meet demand, according to Winn, the TVA has been buying "tremendous amounts of power," running expensive combustion turbines, and using extensive conservation programs to try to reduce demand.

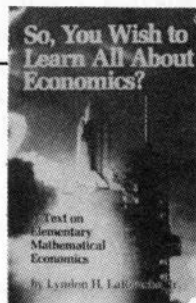
Already this summer, consumers have been left sitting in the heat as their over-taxed utility systems have been trying

to keep up with demand. There is not one region of this country that will be in as "good" shape during the next 10 years as it is now, even if both the low growth forecasts prove accurate and all planned capacity comes on line.

The NERC board, recognizing full well the crisis the country could face, is now considering what will happen if there should be a rapid growth in demand. "There is a widespread feeling," reports Winn, "that the forecasts have been deliberately kept low."

If the utilities are pushed into having to increase capacity quickly, the most expensive alternatives will have to be implemented. U.S. manufacturing capacity for short-term generating units, such as gas combustion turbines, which can be quickly installed, would be quickly overloaded. Old units would be brought out of mothballs and turned on, but they are small and inefficient.

This summer, utilities have had to resort to multiple voltage reductions and interruptions of service in many parts of the country. In many regions, reductions in available capacity are actually projected to decrease for the next couple of years. We are already in trouble. We have little time to keep the coming disruptions in our electric power supply to a minimum.



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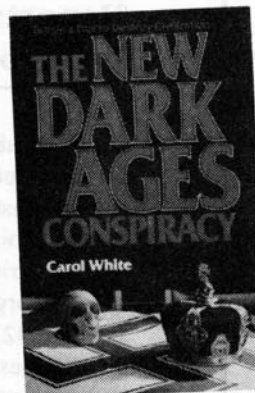
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Revive Verdi's tuning to bring back great music

In September, the Italian Parliament will be called upon to vote on legislation governing the correct tuning for musical performance. This most unusual bill was introduced by Christian Democratic Senators Carlo Boggio and Pietro Mezzapesa. We publish here the full text of the report introducing the legislation, followed by the bill itself. Elsewhere in this package, you will find highlights of the international press controversy over "the war of the tuning forks," and an interview with Lyndon H. LaRouche, Jr., who inspired the research project that led to this initiative.

DRAFT LAW

Report: Standardization of the basic pitch of musical instruments

Honorable Senators: In recent weeks, we have been called upon to find a lasting solution to the continuing uncertainty and variability in the basic pitch of musical instruments, which is revealed as harmful and dangerous not only for singers' voices, but also for our instrumental patrimony, and in particular, for the antique string and keyboard instruments (violins, violas, violoncellos, not to mention organs and fortepianos constructed for a tuning not above a concert A between 427 and 435 cycles per second). The "race to the high pitch" which we have witnessed for decades, justified by some with an erroneous interpretation of the concept of "artistic liberty" which itself threatens such liberty, rendering artistic expression impossible, and which has brought us to distortions such as the stratospheric tuning of some opera houses (Vienna, Berlin, Florence, Dresden), which risks making it impossible to correctly interpret masterpieces such as the symphonies of Mozart, Haydn, and Beethoven, and could, according to the testimony of famous operatic performers and orchestra conductors cited in this report,



Claudio Rossi

A press conference in Rome on July 13 presents the legislation that will be debated by the Italian Parliament. Right to left: Sen. Pietro Mezzapesa, one of the sponsors of the bill; Liliana Celani of the Schiller Institute; baritone Piero Cappuccilli, one of the internationally renowned opera singers who is spearheading the campaign for a scientific tuning.

bring us to a situation in which, within a few years, it will not be possible to stage numerous lyric operas, due to the lack of voices suited to the repertoire.

The cause of this situation, which is extremely troubling in a country which is renowned the world over as the cradle of music and of bel canto, is in the "free fluctuation of the A," which does not take into account the physical, morphological, and moral laws which are the foundation of great music, just as they are for every other expression of human life.

Unable to remain indifferent to the heartfelt appeal that has reached us from the entire musical world, we will therefore analyze in this report the causes of such fluctuations of the A, and we will offer the possible solutions for standardizing the diapason, certain that you will agree on the necessity to enact today a decree such as that which Giuseppe Verdi caused to be enacted by the Italian government in 1884, for the same reasons that we submit today to your attention. In order to facilitate comprehension of the argument even to those not familiar with the subject, we will divide our report into six principal arguments: the history of pitch, the damage to voices and to the instrumental heritage provoked by the raising of the tuning, the alteration of the musical language that derives from it, the physical aspects, and finally, an international panorama of the requests for action coming from the whole music world.

1. The history of tuning pitch

In 1884 the Ministry of War issued a decree for the nor-

malization of the tuning pitch to an A of 432 vibrations, which had been vociferously requested by G. Verdi and by all the Italian musicians meeting at a congress in Milan in 1881. The decree, preserved at Milan's G. Verdi Conservatory, affirms among other things that:

"The Ministry of War has now prescribed that the orchestra instruments and those of military bands all be tuned above a B-flat (index 3) of 456 complete vibrations, derived from a normal A (index 3) of 432 vibrations. It came to this decision taking the opportunity of the formation of 16 musical bands of the new infantry regiments, for instruments would need to be provided: and certainly a better occasion could not present itself for obtaining a higher perfection and uniformity in the standards, and in order to remedy the confusion which until now reigned sovereign in the tuning of the instruments, by taking a decisive step toward a rational solution, supported by scientific reasons, and artistically satisfying.

"It would be superfluous to repeat here the lengthy history of the attempts made to reduce the various tunings to only one, typical and universal. And, as the illustrious Verdi well said, it seems incredible that it has not yet been possible to make everyone understand that it is truly incongruous that in Rome they call A what in Paris is called B-flat, while music is one thing the world over, and musical notes are as eternal and immutable as the physical laws on which they depend!

"Many masterpieces of yesteryear were evidently written under the influence of a very moderate tuning fork. And therefore, with our too high tuning forks they are today no longer reproducible, or are reproducible only at the cost of

spoiling their sonority. Perhaps one is not straying far from the truth to state that the old pitches, which really were judiciously measured against the natural range of the human voice, differed by about a half-tone from the higher pitches of today. And in fact, the scientific concert pitch of 432 vibrations would be almost a half-tone away from today's highest tuning forks. The musical Congress in Milan studied the subject from a more complex and more scientific point of view, as we will show below."

In a letter to the musical commission of the government, reported by the 1884 decree, Giuseppe Verdi wrote:

"Since France has adopted a standard pitch, I advised that the example should also be followed by us; and I formally requested that the orchestras of various cities of Italy, among them that of the Scala [Milan], to lower the tuning fork to conform to the standard French one. If the musical commission instituted by our government believes, for mathematical exigencies, that we should reduce the 435 vibrations of French tuning fork to 432, the difference is so small, almost imperceptible to the ear, that I associate myself most willingly with this.

A short glossary

Agogic: refers to qualification of expression, in particular, accentuation and accent, where this concerns variations of duration rather than dynamic.

Diapason: a standard of musical pitch, or a tuning fork. Because the term is less commonly used in English for these meanings, our translation renders the Italian word "diapason" as standard pitch, tuning pitch, tuning fork, or "concert A," depending on the context.

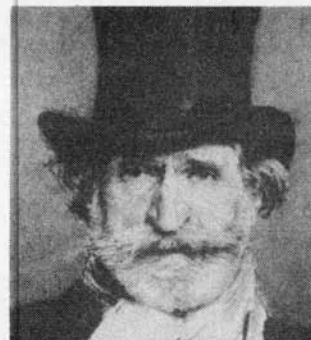
Fortepiano: the wooden-frame keyboard instrument invented by Cristofori in the 1700s and used until around 1850, when it began to be replaced by its modern metal-frame relative, here called "pianoforte" or "piano."

Glissando: a gliding effect produced by executing a series of adjacent notes in rapid succession.

Index: the octave in which a given note occurs, identified by reference to the piano keyboard. In the system used here, the lowest C on the piano begins the octave of index 1; Middle C begins the octave of index 3.

Tessitura: (Italian for "texture"), a vocal term used both to describe the average range of notes most frequently sung by a given voice in a given composition; and by extension, to name that species of voice which sings in a given "tessitura."

"It would be a grave, extremely grave error, to adopt, as proposed from Rome, a standard pitch of [A =]450!!! I also am of the opinion with you that the lowering of the tuning in no way takes away the sonority or liveliness of the execution; but gives on the contrary, something more noble, of greater fullness and majesty than the shrieks a too high tuning fork could give.



Giuseppe Verdi

"For my part, I would like a single tuning to be adopted in the whole musical world. The musical language is universal: Why then would the note which has the name 'A' in Paris or Milan have to become a B-flat in Rome?"

"I have the honor to address myself to you most devotedly,

"Giuseppe Verdi."

The "standard pitch" (A = 435) to which Verdi refers is that preserved at the Museum of the National Conservatory of Paris, while the so-called "scientific pitch" to which the decree refers (A = 432) and which was approved unanimously at the congress of Italian musicians of 1881, is that proposed by the physicists Sauver, Meerens, Savart, and by the Italian scientists Montanelli and Grassi Landi, and calculated on a Middle C (index 3) of 256 cycles per second, as will result from the treatment of the "physical aspects" of the tuning pitch. It is important to underline that the race to the high tuning began, instead, with the unilateral adoption of a high A (440 cycles) by the Russian and Austrian military bands in the time of Wagner, and that such a pitch, although it lacked any scientific justification or basis in the laws of the human voice, was later accepted by a convention in London, in 1939, as the "standard pitch," to which, in any case, no orchestra in the world, or nearly none, adheres.

Until the Italian decree of 1884, the "fluctuation of the pitch" was that shown in **Table 1** (stipulating that, from the reference point of A at 440 hertz, in recent years it has moved enormously to the point of reaching 456-460 hertz). Consequently, it is amazing to discover the pitch levels to which musicians of past centuries were accustomed.

It is evident that the 18th-century musicians far away from each other in terms of culture, tradition, experience, aspirations, and investigations, were nevertheless close to each other, under the banner of a reigning coherency, in "defending" in practice a tuning pitch which was "sensible and respectful of convention." The mean value which comes out of these, 432.9 Hz, is proof of this.

If we ascertain that, between today's average values, rotating around 445 Hz, and the Mozartian 422 Hz, the difference is about a semitone, it is easy to understand how, on

TABLE 1

Year	City	Person	Concert A
1751	London	Personal tuning pitch of Handel	423 Hz
1752	Berlin	(Opera) according to Marpurg	422 Hz
1754	Lille	Tuning pitch of Francois	423 Hz
1780	Vienna	Stein pianoforte for Mozart	422 Hz
1780	Dresden	Tuning pitch of Kirsten	422 Hz
1780	Padua	Tuning pitch of Colbacchini	423 Hz
1780	Verona	Tuning pitch of Cavedini	422 Hz
1800	Lille	Tuning pitch of Cohen	429 Hz
1800	Dresden	Tuning pitch of Kummer	429 Hz

the one hand, voices and instruments are straining to reach a tuning not foreseen by the composer in the outer tessituras, while on the other, the compositions we hear have nothing to do, in their tonal aspect, with the actual "color" of the keys perceived by the author.

Around the 1830s, the "status" begins to undergo modifications imputable to that combination of peculiarities which

distinguishes the romantic repertoire, be it vocal, and/or instrumental (Table 2).

The epoch of the 1800s is a swarm of ups and downs of pitch in which inconsistency predominates to demonstrate the arbitrariness and insensitivity of the professionals, almost estranged and disinformed about the artistic incongruity created by the lack of respect for the pitches intended by the composers in the writing of the compositions (it should not be forgotten that the use of the outermost tessituras, high or low, was calibrated in such a way as not to allow deviation, except at the risk of getting voices and instruments into real trouble).

And the contradictions become even more upsetting if one reflects upon the appeals, quite often falling on deaf ears, of composers invoking respect for the tuning pitch (Verdi, Ponchielli, Pedrotti, Bazzini, Boito, Faccio, Marchetti, Lauro Rossi) (Tables 2-3).

Starting in the 1880s, there appeared the first official attempts to impose a reference point on the chaos unleashed in musical performance. But neither the International Congress of Vienna of 1885 (which was linked to the work of the Commission of Paris of 1858, for the standardization of pitch to 435 Hz, which was followed by the establishing decree of

TABLE 2

Concert A in various European cities

1833-1834		1858		1859*	
City	Concert A	City	Concert A	City	Concert A
Weimar	Hz 424	Toulouse	437 Hz	Paris	435 Hz
Stuttgart	Hz 440	Bordeaux	443 Hz	Toulouse	437 Hz
Berlin	Hz 437	Marseilles	448 Hz	Toulouse	442 Hz
Berlin	Hz 442	Lille	452 Hz	Lyons	448 Hz
Vienna	Hz 434	Paris	444 Hz	Bordeaux	444 Hz
Vienna	Hz 439	Paris	448 Hz	Lille	452 Hz
Vienna	Hz 439	Paris (proposed by the Conference)	435 Hz	Marseilles	447 Hz
Vienna	Hz 445	London	455 Hz	Munich	448 Hz
Paris	Hz 430	London	443 Hz	Weimar	445 Hz
Paris	Hz 435	Brussels	445 Hz	Braunschweig	443 Hz
Paris	Hz 443	Budapest	446 Hz	Karlsruhe	435 Hz
		Madrid	444 Hz	Stuttgart	446 Hz
		St. Petersburg	436 Hz	Dresden	441 Hz
		St. Petersburg	451 Hz	Wurtemberg	445 Hz
		Naples	445 Hz	Berlin	452 Hz
				Holland	446 Hz
				Prague	450 Hz
				Brussels	442 Hz
				Budapest	446 Hz
				Liege	448 Hz
				Turin	445 Hz

*Year of the imperial French decree which imposed a standard pitch at A = 435 Hz

Oct. 17, 1858, the imperial decree of Feb. 16, 1859, and the decree of enactment of the law of May 31, 1859), which in Italy led to the Oct. 30, 1887 decree and the decree of the Ministry of Public Instruction of May 30, 1888 fixing the pitch at 435 Hz, nor the recent provisions (decree law of the Kingdom of Italy of Dec. 17, 1936 = diapason 435 Hz) or informational initiatives (International Conference "International Standard Organization" London 1938/9 + floating diapason 442/443 Hz, Convocation of the European Council, 1968 Salzburg; 1969 Florence; 1970 Toledo with the status of the pitch between 437 and 450 Hz; Italy, 30 June 1971, resolution on the standardization of the tuning frequencies 440 Hz), have brought peace into the universe of sound. **Table 4** gives the puzzling picture of this.

2. The damage to voices

At the international conference on "Verdi and the Scientific Diapason" held at the Casa Verdi in Milan on April 9, 1988, at the initiative of the Schiller Institute, speakers Renata Tebaldi, Piero Cappuccilli, and Prof. Bruno Barosi of the

TABLE 3
Essential data for the decade 1875-1885

Date	City	Concert A
1874-76	London	454 Hz
1877	London	455 Hz Wagner Festival
1877-80	London	449 Hz Covent Garden Harmonium 1
1877-80	London	447 Hz Covent Garden Harmonium 2
1877-80	London	441 Hz Covent Garden Organ
1877-80	London	446 Hz Covent Garden Organ
1877-80	London	450 Hz Covent Garden Orchestra in education course
1880	London	455 Hz tuning pitch of Erard
1880	London	455 Hz tuning pitch of Steinway in England
1880	London	435 Hz tuning fork used in Covent Garden to tune the orchestra
1878	Vienna	447 Hz Opera House, according to Ulmann
1876	Brussels	432 Hz proposed by Meerens for concerts
1878	Dresden	439 Hz according to Jemlich
1880	Boston	448 Hz according to Nichol; tuning fork in use for an orchestra made up almost entirely of Germans
1880	Cincinnati	456 Hz tuning pitch used in Thoma's Orchestra
1880	New York	457 Hz tuning pitch of Steinway
1879	Hamburg	448 Hz Opera House

International Institute of String Instrument Building of Cremona presented exhaustive reports on the damage caused by the high tuning to voices and instruments. Their arguments were confirmed by hundreds of singers and instrumentalists all over the world, and by orchestra and chorus directors such as Maestros Gavazzeni, Chailly, Sacchetti, Allorto, Rigacci, and Sanzogno. Baritone Piero Cappuccilli gave, at the Casa Verdi, concrete examples of the problems provoked by the high tuning for the interpretation of the works of Verdi, by singing two famous arias from the operas "Ernani" and "Il Trovatore" accompanied by Maestro Baracchi, first on a piano tuned for the occasion to Verdi's A (432 cycles) and immediately afterward on a concert grand tuned to the high A of today. The performance clearly demonstrated to all the 300 singers and musicians present how with the high tuning, not only the registral passages of the voice, which are crucial for Italian bel canto school, are arbitrarily changed, but also the "very color of the voice," which takes on tenor qualities (in the case of the baritone) against the will of the composer. "If in the epoch of Verdi the pitch was [A] 432 vibrations," Cappuccilli said, "and he wrote his operas for this tuning, Verdi was an intelligent person who understood voices and wrote for voices. Taking the pitch up to the present level, the strain on the vocal cords is too accentuated. This is why many singers after four, five, or six years of their careers, encounter great difficulties. Because they are straining the vocal cords in an unnatural way."

Renata Tebaldi reminded the Milan conference that singers construct with great care the proper vocal registers, and that when they find themselves thrown off from the original key in which the opera they are singing was written (which is respected only by respecting the pitch at which the opera was written) to an incorrect key, they realize it immediately, because of the fact that each note in the vocal scale has its "place," in the placement given by bel canto technique, and when the singer looks for that place and cannot find it, it feels as if one shot a billiard ball that did not go into the pocket. The obvious consequences are: shouty sounds, a constant straining of the throat, breaks in the voice, and in the long run, real throat problems which have cut short otherwise promising careers. "I cannot believe that Italy, which gave to the world the most beautiful voices, and has carried our bel canto and our marvelous Italian language everywhere, can no longer produce great dramatic-soprano voices, and true mezzosopranos, with the color of mezzosopranos, and true deep basses," said Renata Tebaldi. "If we went back to the correct tuning, I am sure that we could return the Italian opera to its Golden Age."



Renata Tebaldi

TABLE 4

Year	Place	Concert A	Year	Place	Concert A
1885	Conference of Vienna for the standardization of the pitch	Hz 435	1955	Resolution of the International Standard Organization	Hz 440
1885	Cappella Giulia, St. Peter's (Rome)	Hz 384 ¹	1963	Radio Eireann, Dublin	Hz 442
1887	Legal Italian diapason	Hz 435	1967	Orchestra della Radiotelevisione Italiana, Turin	Hz 441-443 ¹⁰
1892	Association of Manufacturers of Pianoforte	Hz 435 ²	1967	Orchestra della Radiotelevisione, Milan	Hz 442-443 ¹⁰
1936	Legal Italian diapason	Hz 435	1967	Orchestra della Radiotelevisione, Rome	Hz 445-447 ¹⁰
1939	Deutschland Schuder Phys-Tech. Reich	Hz 440	1967	Orchestra della Radiotelevisione "A. Scarlatti," Naples	Hz 444-445 ¹⁰
1939	WWW (U.S.A.) Bureau of Standards	Hz 440	1968	Orchestra della Radiotelevisione Italiana, Turin	Hz 442 ¹⁰
1939	Various Italian measurements (EIAR included)	Hz 435-448 ³	1968	Proposal of the Working Group of the Council of Europe	Hz 440 ¹¹
1939	United Kingdom (average measurement)	Hz 438.5	1968	Federal Republic of Germany	Hz 440-442 ¹²
1939	Low Countries (average measurement)	Hz 439.5 ⁴	1968	Russia	Hz 437.5-442 ¹²
1939	France (average measurement)	Hz 440.5 ⁴	1968	Denmark	Hz 439-442.5 ¹²
1939	Paris	Hz 448 ⁵	1968	France	Hz 440-445 ¹²
1939	Germany (average measurement)	Hz 441.5 ⁴	1968	Great Britain	Hz 440 ¹²
1939	Berlin	Hz 452 ⁵	1968	Ireland	Hz 440-442 ¹²
1939	Belgium (average measurement)	Hz 442 ⁶	1968	Italy	Hz 435-445 ¹²
1939	Germany	Hz 442 ⁶	1968	Yugoslavia	Hz 440 ¹²
1939	France	Hz 442 ⁶	1968	Austria	Hz 443.5-445 ¹²
1939	Holland	Hz 440 ⁶	1968	Poland	Hz 440 ¹²
1939	Italy	Hz 442 ⁶	1968	Switzerland	Hz 440-442 ¹²
1939	England (average measurement)	Hz 443 ⁶	1968	Spain	Hz 435 ¹²
1939	Portugal	Hz 451 ⁵	1968	Brussels, Théâtre Royal de la Monnaie	Hz 442-450 ^{**13}
1939	United States (average measurement)	Hz 440 ⁶	1968	Radio-Télévision Belge	Hz 437-444 ^{**13}
1940	Teatro Carlo Felice of Genoa	Hz 442-443 ⁷	1968	Orchestre Philharmonique de l'ORTF	Hz 444-452 ^{**13}
1940	Teatro Verdi, Parma	Hz 437.3-438.3 ⁷	1968	Paris, Orchestre Nationale	Hz 441-449 ^{**13}
1940	Teatro dell'Opera, Rome	Hz 440.3-443 ⁷	1968	Paris, Orchestre Lyrique	Hz 441-450 ^{**13}
1940	Teatro alla Scala, Milan	Hz 441.5 ⁷	1968	Ireland	Hz 442-443 ^{**13}
1940	Teatro San Carlo, Naples	Hz 440 ⁷	1968	Teatro alla Scala, Milan	Hz 437-450 ^{**13}
1941	United States (average measurement)	Hz 434-448 ⁸	1968	BBC, London	Hz 440-447 ^{**13}
1951	Istituto Elettrotecnico "G. Ferraris" Turin	Hz 440	1968	Hessischer Rundfunk Frankfurt	Hz 442*
1953	Europe: pianofortes and organs (average measurement)	Hz 437-444.5 ⁹	1968	RIAS, Berlin	Hz 448*
1953	String orchestras (average measurement)	Hz 439-448.5 ⁹	1968	Westdeutscher Rundfunk, Cologne	Hz 442
1953	Symphony orchestras (average measurement)	Hz 437-449.5 ⁹	1968	Radio-Télévision Belge: organ	Hz 448*
1953	Tonhalle of Zurich	Hz 440	1968	Radio-Télévision Belge: pianoforte	Hz 443*
1953	London: International Conference for the standardization of the musical tuning frequency	Hz 440	1968	Radio-Télévision Belge: orchestra	Hz 444*
			1968	ORTF, Paris: pianoforte	Hz 442*
			1968	Radiotelevisione Italiana: orchestra	Hz 440*
			1968	Radiotelevisione Italiana: pianoforte	Hz 442*
			1968	BBC-London	Hz 440*
			1969	Florence	Hz 444 ^{10,11}

*Data furnished by the organization as the official frequency at the beginning of the performance.

**Maximum and minimum measurements taken from the examination of recordings.

Sources: (1) Grassi-Landi, (2) Koenig, (3) Madella, (4) Van der Pol, (5) Pasqualini, (6) Lottermoser, (7) Barone-Tiby, (8) Murphy, (9) Kosters, (10) Righini, (11) Leone, (12) FIM, (13) Sackur.

In an interview with the major German newspaper *Die Welt*, tenor and orchestra director Placido Domingo, who sent a message of support to the Schiller Institute's conference, declared in this regard: "We singers today have to deal with the highest tuning that has existed in the history of music. The 'concert A' keeps going up. Even though there are some who say it is not true, that is the way it is. We must combat this trend. Some orchestras are not only tuned high, but even higher than the others. Once, it was exceptional for the singer to be able to use his head voice, but today we are in a situation which no longer allows us to use the chest voice. It is high time to find a solution to this problem."

Like Cappuccilli and Tebaldi, and the other famous singers interviewed on this subject, Domingo, too, is referring to the fact that in the bel canto school there exist three principal registers, that of the chest, the center of the voice, and the head register, which are distorted at the point when the key, and the tessitura, is changed because of the arbitrary whim of an orchestra director who de facto transposes the work he is performing a half-tone upward, simply in order to obtain a "brilliant" sound with his orchestra. It is, above all, in the passage-notes from one register to the next that singers realize the difference, and the damage done to the voice, and to the interpretation. Carlo Bergonzi and Luciano Pavarotti confirm, for example, that grave problems arise in the opera "L'Elisir d'amore" by Gaetano Donizetti when the tenor must attack the aria "Una furtiva lacrima" on F-natural, and finds himself forced to perform that note in the wrong vocal register because the tonality is too high. In an interview granted to *Il Machiavellico*, Carlo Bergonzi states that many singers, singing in Vienna or Florence, "feel that the acute and so-called brilliant sound of those orchestras, is not natural." "How is it," the tenor wonders, "that there are not as many singers as once there were? And yet there are voices, and how! However, when they arrive at the passage-zone, with the piano tuned high, they feel there is a physical strain. When one feels the physical strain in the high notes or at the passage, then that means that the tuning-pitch is not natural." According to Bergonzi, if one adopted today Verdi's tuning of A = 432, "in five years, one could return to the old days."

Mario del Monaco refused, by contract, to sing "Celeste Aida" with a tuning that was too high, for the same reason: the F-natural which precedes the registral passage from the center to the high register in the tenor's voice. All the singers agree that the problem is not so much in the high notes, which become higher when the tuning is turned up, but in the passage notes, which are the basis for reaching the high notes. Thus, as Bergonzi and Cappuccilli report, the aria "Ah si, bel mio coll'essere," which precedes "Di quella pira" in Verdi's "Trovatore," is often transposed a half-step downward because it relies so much on the registral passage, and no tenor can execute this aria and "Di quella pira," with its final high C, without winding up in the hospital at the end of the performance, unless he goes back to the original key (half a tone lower).

Mirella Freni says, in her interview with *Il Machiavellico*, that a decree like Verdi's would be crucial not only for the new generations of singers, but also for today's singers. "A voice sounds much sweeter if it is not stretched," states the famous soprano. "When one goes from a very high orchestra to another one which is lower, like for example some of the American orchestras, and even a few of others, one feels right away that one is making less effort, it almost feels like not singing."



Mirella Freni

The same goes for the low voices (mezzosopranos, baritones, and basses), as is confirmed by basses Ruggero Raimondi and Nikolai Ghiaurov, and the mezzosoprano Fedora Barbieri, insofar as the tension created on the vocal cords by the unnatural sharpness of the orchestra makes difficult even the low notes, which require a great looseness in the vocal cords themselves. Ruggero Raimondi and Fedora Barbieri indicate, in the interviews they granted to *Il Machiavellico*, another vocal problem, that of the vocal identity of the singer, who will never know if he or she is a bass or baritone, a mezzosoprano or a soprano, a light soprano or a lyric, a light tenor or a lyric tenor, unless he or she sings and studies singing in the right tuning.

"I maintain that it is very important to return the tuning pitch to that which Verdi wanted," declared Ruggero Raimondi. "If Verdi composed a given piece of music, he composed it thinking about certain pitches of sound, which do not correspond to what happens today, with this orchestra pushed to the maximum. This may also be the explanation of many careers which do not go beyond five, six, seven years—even with very beautiful voices. Obviously because of this continual exasperation of a higher sound, they do not succeed in finding the right placement which allows them to sing without straining."

Also Bidu Sayao, the famous Brazilian soprano who was one of the first to sing at the Metropolitan and who signed the popular petition of the Schiller Institute last May, states that "because of the too high tuning pitch, we no longer have dramatic voices, like that of Zinka Milanov. There are no more dramatic tenors, baritones, basses, or sopranos."

All the singers who were questioned by the Schiller Institute, among them Tebaldi, Cappuccilli, Bergonzi and Raimondi, also took note of the fact that during the performance of an opera, the tuning tends to rise as the instruments warm up, above all the wind instruments. "After one act," Cappuccilli stated at the Milan conference, "the orchestra tuning grows even more, and the wind instruments tend to have a louder sound than the voices. Sometimes, when the brasses are playing, even if three Titta Ruffos or three Carusos were singing, you could not hear their voices. By lowering the

tuning pitch, the sound of the orchestra would also become mellower, the winds, but also the violins and 'cellos."

3. Damage to the instrumental patrimony

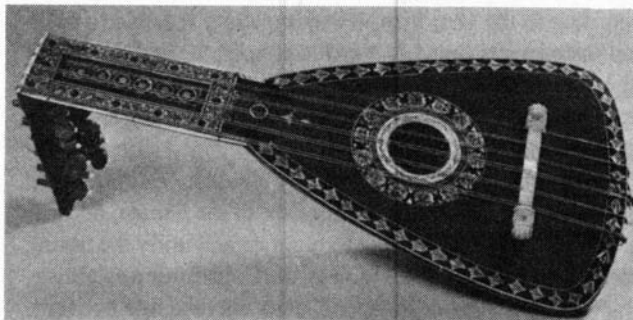
For the stringed instruments and keyboard instruments, similar problems arise to those observed by the singers, and it should not awaken astonishment if one considers that the instruments were built to imitate the human voice, the most perfect instrument, in that it is a living instrument. The experiments conducted in the Acoustical Physics Laboratory of the International Institute of Stringed Instrument Building (Istituto Internazionale di Liuteria) of Cremona, which were presented at the Schiller Institute conference by Prof. Bruno Barosi of that Institute, have had particular international resonance, and have been taken up in alarmed articles appearing throughout the international press (suffice it to mention *Corriere della Sera*, *Le Figaro*, *Le Quotidien de Paris*, *Nordrheinische Zeitung* of Germany, and the Swiss daily *La Suisse*.) Professor Barosi reports that "the increase in frequency involves for the violin serious and not easily solvable problems. The increase in tension on the strings provoked by a higher tuning involves, in fact, an increase in the forces acting on the structure of the case. The increase in single stresses is such as to reduce the average life of the instrument, insofar as the effect of an overload depends both on its quantity, and its time duration. The increase in the components which tend to flatten the bottom and curve the top, intervenes also to modify the timbre."

As Professor Righini states in his book *Il diapason*, "the increase of 5 hertz is the equivalent of a proportional increase in the tension to which it corresponds, for the A string alone, an increase in pressure of about 900 grams. And since there are four strings on the violin, all of differing thicknesses and density, the overall increase in pressure can be estimated at 4 kilograms or a bit more." It turns out, moreover, that the oldest Cremona instruments were constructed for a tuning no higher than a middle C of 256 cycles (corresponding to the Verdi A), which is indicated by many as the "scientific diapason." The cited text of Righini states in this connection, citing the experiment carried out by the French physicist and taken up again by the Fronticelli-Baldelli stringed instrument makers: "The volume of air contained in the best Cremona violins (Stradivari and Guarneri) always had a frequency of 256 hertz (for C index 3, or Middle C). Savart's experiment was recent repeated on the famous Stradivari violin 'Il Cremonese' of 1715, kept at the City Hall in Cremona, and it fully confirms the hypothesis that this was the ideal tuning for stringed instruments: If one sings a series of notes in glissando into the violin's case, the greatest resonance is attained precisely at a middle C of 256 vibrations."

Additionally, the pianoforte, reports Professor Righini's book, suffers serious harm with the increase in tuning pitch: "Let us again consider an increase of 5 hertz above the normal tuning," writes Righini. "The increase in pressure owing to this increase is enormous, in the order of tens of kilograms.



These wonderful old instruments were built to approximate the qualities of the human voice. Above is a Guarneri violin, built at Cremona in 1708. Below is a soprano lute of the 16th century.



Milan, Castello Sforzesco

What the consequences of this are, can be said by piano builders. We cite in this connection the opinion of European, the association of almost all the European builders: It is absolutely negative, since, relatively recently, the technicians of one of the biggest factories in the world expressed their disappointment about the "ill effect which three concert grand pianos received as a consequence of the demands of a very well known orchestra director to have them tune to $A = 445$ Hz." Needless to say that the fortepianos, which do not even have the metal framework of a pianoforte, are not only damaged, but they cannot support a tuning higher than 432 cycles, as reported by fortepiano experts at the Deutsche Museum in Munich in Bavaria, in which many antique instruments are kept, among them Italian ones.

Also many antique organs, according to the testimony of numerous organists and organ restorers, do not hold up to arbitrary increases in tuning, insofar as many antique organs, particularly in Italy, were built for a tuning no higher than $A = 435$. Thus Prof. Egidio Circelli, organ instructor at the Pontifical Institute of Sacred Music, complains of grave problems in the performance of works for organ and orchestra, when the orchestra is tuned too high. The old organ cannot cut its pipes to adapt.

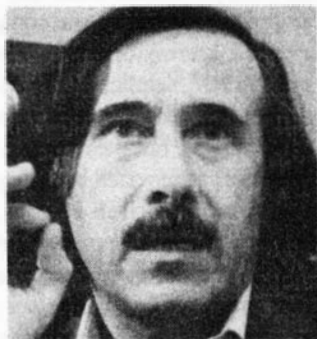
The only instruments which do not appear to suffer immediate harm are the winds. Many wind instruments underwent changes at the end of the 19th century, when the race

toward high tuning began at the initiative of the Russian and Austrian military bands and of Richard Wagner, who personally went to many wind instrument builders to obtain higher instruments, with the idea that the sound of the winds should prevail over the other instruments and the voices. It is no accident that one spoke of the decree of Verdi and the Italian musicians as the "war of the uvulas against the brasses." Even so, the Orsi Company of Milan, to which the War Ministry in 1884 entrusted the job of changing all the wind instruments in the Italian military bands to the new tuning (A = 432), complains in a letter sent to the Schiller Institute immediately after the April 9, 1988 conference, that the modern tendency to order wind instruments which are tuned higher and higher, makes it impossible to hold even the A = 440 tuning established by convention and respected by no one, perhaps because of the very fact that it is only a conventional measure. According to the Orsi firm, it is completely feasible to build wind instruments tuned to Verdi's concert A, and the molds still exist; what counts, for winds as well as for the other instruments and the voice, is to establish one tuning and stick to it.

The argument raised in 1983 by Senator Valitutti, then chairman of the Education Committee of the Senate, according to which it is not possible to regulate and unify the tuning of orchestras because Article 33 of the Constitution establishes that "art and science are free," does not take into account, therefore, that the increase in the tuning pitch denies the freedom to faithfully render the compositions, and infringes upon another article of the Constitution, Article 9, according to which the Republic "safeguards the landscape and the historic and artistic patrimony of the Nation."

4. The alteration of the musical language

As Maestro Arturo Sacchetti was correct to note in his speech to the conference of April 9, from the standpoint of the orchestral conductor, the major damage caused by the high tuning is that suffered by the composition itself, whose key becomes distorted. The alteration of the musical language which derives from this is an indication of



Arturo Sacchetti

a musical immorality which it is time to remedy. All the greatest composers selected, in fact, the keys of their works by taking account of the difference of color between one key and another, and they speak expressly of this in their letters and their writings. The moment one starts from an A which is a half-tone higher than that desired by the composer, one has arbitrarily transposed the entire composition by a half-tone. The best orchestra conductors develop an ear for the

right natural key, and realize if it is not respected. In his report to the Milan conference, Maestro Sacchetti traced some personal deductions, stemming from his experience as orchestra and choral director, which will be useful to report on this occasion:

a) Why the pitch has gone crazy

1) Search for a greater brilliance of sound by raising the tuning;

2) Harshening of the dynamics;

3) Change of the agogic;

4) Lack of professional ethics and of artistic conscience.

To quote from the administrative director of one of the most famous European orchestras: "Man aspires to the heights, and each wants to surpass his neighbor."

5) Deplorable slovenliness of the standards of musical "hygiene";

6) Overheated concert halls.

b) The consequences

1) Irreversible and incurable damage to the historical instrumental patrimony which cannot endure the raising of the pitch;

2) Accentuation of the strain on singers and consequent physical damage to the vocal mechanism, as well as the human body;

3) Tensions and harsh sounds which deform the perceptions of the ear and damage the hearing organ itself;

4) Total impossibility of respecting the creative intentions of the composer expressing a historical tuning;

5) Inability to realize a blending of voices and/or instruments;

6) Relation of unacceptable intonation in the matching of orchestra instruments to instruments with fixed tuning (organ, pianoforte, harpsichord);

7) Reciprocal infection between voices and instruments fraying from the anti-musical shrieks, brutal sonorities, heaviness, coarseness, and vulgarity;

8) Unstoppable acceleration of tempi owing to the sound being augmented by the raised pitch. It is natural to speed up the tempo in "forte";

9) Empirical transpositions of sections of compositions, involving above all the solo voices, which find themselves in opposition to the general coherence of tonal structure;

10) Anomalous strains for vocalists faced with orchestras which are stretched up to frequencies impractical for the vocal organ;

11) Progressive impracticality of performing some compositions due to the presence of extreme tessituras which the voices cannot reach.

c) The responsibility

1) The professionals, lacking artistic morality (orchestra directors, professors, artistic directors, etc.);

2) Leaders of agencies and institutions;

3) Ministry of Tourism and Entertainment (does not enforce the provisions contained in the Dec. 17, 1936 law, no. 2440, art. 3: "Every authorization and every subsidy granted by the State to a public corporation for management of opera and concert performances, and for the formation of choral, band, and orchestral groups is conditioned also by the observation of the preceding regulations, a tuning fork of 435 Hz at the temperature of 15° Centigrade);

4) Minister of Public Instruction (non-observance of the Oct. 30, 1887 law, no. 5095, tuning pitch of 435 Hz at a temperature of 20° Centigrade).

In the book *Tullio Serafin: il patriarca del melodramma* (*Tullio Serafin: The Patriarch of Opera*), the great orchestra director takes up the theme of the tuning pitch, declaring among other things: "For many years the tuning of Italian orchestras has been for me a source of anxiety. I ascertained, in fact, that there was a tendency to keep the pitch high, and that a fashion had been established among the various orchestras, a real race to the heights. My anxiety derived from the awareness of the damage that would be done to the voices. I do not refer to single high notes, in isolation, which a good singer is always able to launch; I refer to the continuity of certain semi-high and high tessituras, which under conditions of a high tuning pitch put the performer in difficulty, with grave damage to his vocal apparatus. I was told that with the high pitch, the orchestra sounds more brilliant. I reply that the brilliant sound is desirable, as long as we don't exaggerate, otherwise it becomes shrill and takes on detestable colorations. . . . In 1885, the concert A was established at 435 vibrations; but I would like to remind everyone that according to Verdi's opinion it should have been lowered to 432 vibrations."

Today, Maestro Gianandrea Gavazzeni is of the same opinion; he states that "the high tuning of today makes the correct interpretation of the entire repertory of the 1800s, written for a much lower tuning, impossible, and causes serious damage not just to soloists' voices, but also to the entire choral framework."



Gianandrea Gavazzeni

5. Physical aspects

It has been said several times in this report that by "scientific standard pitch," is meant a standard pitch corresponding to a Middle C of 256 cycles per second (and equivalent to an A between 430 and 432 cycles, depending on whether one uses the Keplerian or the Pythagorean scale to calculate the correspondence between Middle C and A, index 3). The

Italian scientists who proposed this "scientific tuning pitch" to the Congress of Musicians held in Milan in 1881, and leading into the decree of 1884, justified their choice in this way, as the "Acts of the Congress of Milan" kept at the G. Verdi Conservatory document:

"The greatest physicists always proposed its adoption; and from 1700 on, Sauveur proposed the C of 256 vibrations as the immutable normal type of tonality in musical sounds. Chladni in his *Treatise on Acoustics*, and Prony in his *Elementary Instruction on the Mode of Calculating the Musical Intervals*, approve those theories. Rudolph Koenig, celebrated builder of physical apparatus, warns all those who 'wish to honor him with their orders, that he has taken as his point of departure, in the construction of the acoustical instruments brought together in his catalogue, the standard pitch of C = 256 vibrations, first proposed by Chladni, as producing for every C, numbers which are powers of 2, which makes it very convenient to use."

"According to Meerens," reported the scientist Archimede Montanelli to the 1881 congress, "the only scientific tuning fork is the one that starts from the simplest numerical ratio of 2, 4, 8, 16, up to 256 (C index 3) [Middle C], a number which, according to this reckoning: $27/16 \times 256$, gives the A (index 3) [concert A] to the above-cited 432 vibrations per second."

To the physical observations of the Italian, French, and Belgian scientists who officially proposed C = 256 vibrations as the scientific tuning pitch, today are added the new astronomical discoveries carried out by studying Kepler by the American scientist Jonathan Tennenbaum, who presented them as follows to the Schiller Institute conference:

"C = 256 has a uniquely defined astronomical value, as a Keplerian interval in the solar system. The period of one cycle of C = 256 (1/256 of a second) can be constructed as follows. Take the period of one rotation of the Earth. Divide this period by 24 (= $2 \times 3 \times 4$) to get one hour. Divide this by 60 (= $3 \times 4 \times 5$) to get a minute and again by 60 to obtain one second. Now divide that second by 256 (= $2 \times 2 \times 2 \times 2 \times 2 \times 2 \times 2 \times 2$). These divisions are all Keplerian divisions derived by circular action alone. It is easy to verify, by following through the indicated series of divisions, that the rotation of the Earth is a 'G,' 24 octaves lower than C = 256! Similarly, C = 256 has a determinate value in terms of the complete system of planetary motions."

The coherence between the planetary order and the correct tuning for the human voice is dictated in the first place by the fact that "the human voice is a living process. Leonardo da Vinci and Luca Pacioli demonstrated that all living processes are characterized by a very specific internal geometry, whose most direct visible manifestation is given by the morphological proportion of the Golden Section, which is also reflected in the fundamental intervals of the well-tempered scale."

For this reason, and on this the scientists and the musi-

cians of the 1700s, the 1800s, and the 1900s concur, the choice of the tuning must be based on the laws of the human voice.

6. An international panorama

Hundreds of singers, instrumentalists, orchestra directors, and opera lovers have signed the petition circulated internationally by the Schiller Institute for Italy and the entire world to return to the scientific tuning fork of Verdi (C = 256 vibrations, corresponding to an A of 432 vibrations).



Giuseppe di Stefano

Among the most famous signers we recall on this occasion Renata Tebaldi, Piero Cappuccilli, Mirella Freni, Ruggero Raimondi, Fedora Barbieri, Giuseppe di Stefano, Gianandrea Gavazzeni, Luciano Chailly, the famous Swedish soprano Birgit Nilsson, together with tens of singers from the Stockholm, Oslo, and Copenhagen opera houses, among them the daughter of the famous Swedish tenor Jussi Björling, tens of singers and instrumentalists of the Metropolitan Opera of New York, including soprano Bidu Sayao and the first violoncellist of the Metropolitan Jascha Silberstein, the famous German tenor Peter Schreier, who highlighted particularly the problems created by high tuning for the interpretation of German *lieder*. But also hundreds of singers, teachers of singing and musical instruments, and opera devotees have joined their appeal throughout the world. Even in Brazil, last year a commission was formed to study a change in the tuning.

The press has also concerned itself with this topic. The *New York Times* wrote, some months back, that "it is very common today to listen to an instrument composition of Mozart in the original tuning, but at the opera, no one thinks of giving the singers the same advantage. Perhaps it is time that the musicologists and antique instrument experts embrace the cause of the oldest and most authentic instrument: the human voice. Adelina Patti (who fought at Covent Garden to return to the low tuning) would thank them." As the Italian and French newspapers wrote on April 26, therefore "the war of the tuning forks has been born, while the Italian government has been requested to pass a law fixing the A at 432 full cycles. The experts hope that this rule will be adopted in the whole world."

The bill which follows has been taken in large measure, excepting the pitch set at 432 vibrations, from Bill No. 296 of the IX Legislature [in 1983], sponsored by Senators Mascagni, Ulianich, Boggio, Panigazzi, Ferrara Salute, and Parrino. Special thanks go to Prof. Pietro Righini for the contribution made in the course of many years of study of the question of tuning pitch.

The Bill

Article 1

The sound of reference for the basic tuning of musical instruments is the note A (index 3), whose pitch must correspond to the frequent of 432 hertz (Hz), measured at a room temperature of 20° Centigrade.

Article 2

It is obligatory for institutes of musical instruction, for institutions and organizations in any way subsidized by the State or by public agencies, which run or use orchestras or other musical ensembles, and to the concessionary agency of public radio and television service, to consistently adopt as the reference sound for intonation, the note A (index 3) as in the previous article. Exemptions may be granted for exigencies of artistic research, except for passages of vocal music or opera performances.

Article 3

To comply with what is disposed by the foregoing articles it is obligatory to use practical reference instruments for intonation (tuning forks, metal rulers, plates, electronic generators, etc.) which are calibrated to the frequency of 432 hertz and endowed with the relevant mark of guarantee, indicating the prescribed frequency. A tolerance above or below this of 0.5 hertz is allowed.

Article 4

Contributions by the States and by public entities are also conditioned by the proven observances of the standards contained in the present law.

Article 5

The utilization of instruments of reference not conforming to the standard of the above Article 3 is punished with the confiscation of the non-standard object and with a fine for each specimen of between 100,000 and 1,000,000 liras [approximately \$73-730—ed.].

Article 6

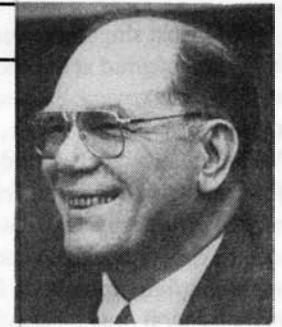
The specialized institutes authorized to supply the sample frequency for calibrating the reference instruments and to exercise control functions, will be indicated by a decree of the Ministry of Public Instruction.

Article 7

The Ministry of Public Instruction, in concert with the Ministry of Tourism and Entertainment, shall take measures the term of one year to issue the code of enactment of the present law.

Article 8

All preexisting laws on this matter are abrogated.



On scientific tuning and the beauty of musical composition

Below are excerpts from an interview published in the July 1988 issue of the Italian cultural review Il Machiavellico. It was conducted by Liliana Celani.

IlMachiavellico: Mr. LaRouche, I would like to put to you, as the initiator of the project to lower tuning internationally to C-256, a question I was asked by many singers during the Milan conference: How did you get such a bright idea?

LaRouche: My original contributions to Leibniz's science of physical economy were first developed during the interval 1948-52, as a study of the possibility of measuring the causal relationship between fundamental scientific progress and the increase of the potential productive powers of labor of farmers and industrial operatives. The solution of this problem demanded that I be able to show, that the creative mental processes responsible for valid fundamental discoveries in physical science were susceptible of intelligible representation from the vantage-point of such as Bernhard Riemann.

As a necessary complement to this, I was obliged to supply a crucial demonstration that the form of creativity so found in physical science employed the same individual creative potentialities responsible for the composition of classical forms of polyphony.

For reasons which I think obvious, I argued that the classical song-form is a distilled expression of the lawful development of polyphony out of classical poetry, to such effect that the development of polyphony from J.S. Bach through Beethoven, provided a basis for treating the classical song-form, especially the Italian and German classical forms, as what I described back in 1952 as the "Rosetta Stone" for comprehension of the common language of classical poetry and polyphony. In this setting, I showed in a preliminary way, that the creative-mental processes developed by the leading classical composers were the same processes by which great, valid fundamental discoveries in physical science are accomplished.

By comparing the false assertions of modern "information theory" (e.g., Wiener and von Neumann) with the kindred fallacies respecting creativity by Immanuel Kant, I was able to show that the creative processes of the individual mind are

an intelligible process which has the same space-time curvature as we meet in a Gauss-Riemann correction of Kepler's physics, and as Pacioli and Leonardo da Vinci, as well as Kepler, show to be the characteristic curvative of living processes, and of classical aesthetical constructions. So, in classical polyphony, the essential thing is not a pairwise, mechanistic relationship between discrete tones, but movement through those harmonic intervals which are characteristic of the creative-mental processes' natural movements through the musical domain.

The "Rosetta Stone" argument was premised upon the observation that if a spoken language is unleashed from grunting, growling, and shouting in the throat, it has a natural music.

This is what is employed by classical prosody, and what is plainly employed by the composer in building a classical song-composition around a piece of poetry. It is obvious enough that the elementary structure of classical polyphonic composition is prosodic throughout, and that instrumental compositions are instrumental abstractions from the principles of vocal polyphony: I.e., the well-tempered vocal polyphony, so situated, is the essence of music.

It was my correlated view, that the destruction of the principles of classical poetry, including the modernist decadence in the utterance of spoken language, away from the classical, has impaired the ability of many performers and audiences to grasp the interpretation of classical poetry and music alike.

This is demonstrated most readily by comparing the way classical song is often sung, with the reading of the language shown very clearly by such classical composers as Mozart, Beethoven, and Schubert. If the habitual prosody of utterance emphasizes the nouns, rather than the verbs, there is a shift of emphasis in ironic meaning of the spoken line, and the utterance of classical poetry. The classical composer's song reads the poetry with emphasis upon the verb, rather than the noun. Emphasizing the noun suggests an erotic interpretation of the poetry or music, rather than the emotions of "agapē/caritas," which are the natural emotions of the creative mood of concentration.

The most singular experience which put me on this track in music occurred at the end of the war, while I was in India, awaiting the voyage back to the United States and demobilization. Starved for music, I found an HMV recording of Wilhelm Furtwängler conducting a Tchaikovsky symphony; for the first time, I heard Tchaikovsky performed as if it were music! It was my first encounter with Furtwängler; it was electrifying. I became obsessed with the desire to discover an intelligible explanation for the difference I had heard, in a more general way. The view of the classical song as the "Rosetta Stone" of music supplied that intelligible explanation.

The nature of the problem can not be defined rigorously unless we approach matters of instrumental composition from the standpoint of classical vocal polyphony. From that standpoint, the elementary principles involved become clear. It is elementary to hear the differences in the poetical reading of classical song, when the song is performed with an elevated pitch, rather than that employed by Bach, Mozart, Beethoven, and so forth.

The execution of song and vocal polyphony demands a voice so well trained, that the effect is that the singer is "only singing naturally," and the poetic values seem to be naturally communicated in this way.

My thesis on this subject was more or less completed a quarter-century later. By 1979, I was exploding with dissatisfaction over my friends' musical investigations, and insisted that we must shift emphasis away from study of the matter in an instrumental context, and ground all investigations in the principles of the human voice. It became increasingly obvious to me, through fresh investigations of the implications of a beloved old friend of my youth, Mozart's K. 475, that the principles of a $C=256$ (circa $A=430$) well-tempered tuning, were used in the songs of Mozart and Beethoven as a characteristic voice-register passing, for a poetic purpose. The same principle is evident in their instrumental compositions. Unless we lower the tuning to the level at which the soprano naturally passes on this value, we compel the singers to misinterpret the works (as to ruin their voices by shouting), and achieving similar sorts of undesired effects.

The additional factors were two. First, on many grounds, I know that there was never a "Romantic period" universal to musical composition. Chopin is classical, not Romantic, and classical composers such as Brahms and Verdi were at their high points while the Romantics were. Modernism had begun to supersede Richard Wagner et al. at a time Brahms was composing his last classical compositions. The attempt to divide music into Hegelian sorts of "periods," is a folly. Throughout the history of music, from the 15th century to the present, various opposing factions existed as contemporaries, as the artficial controversy between Bach and Rameau prefigures the controversies between the faction of Wagner and that of Brahms and Verdi during the course of the 19th

century. It is the same in physical science, where the constructive-geometric heritage of Cusa, Leonardo da Vinci, and Kepler, continues through Leibniz, Gauss, and Riemann, against the opposing reductionist faction of Descartes, Newton, LaPlace, and Helmholtz, down to the present day.

Finally, since classical Athens, through the harmonic principles of St. Augustine, the Golden Renaissance, and the classical period in European poetry, drama, and music, there are certain intelligible principles of harmonics which, contrary to Immanuel Kant and the Romantics, for example, define rigorously the principles of aesthetical beauty.

Just as in the simple example of the way in which civilized cuisine lifts the family and circles of friends out of the state of eating like pigs at a trough, so it is indispensable for the moral development of populations, that as much as possible of their experience of life be saturated with true beauty. Nothing is more central to daily experience of thinking and speaking in language. Let languages be rendered beautiful by emphasis upon the musical principles of a literate language filled with classical prosody. Let us sing, and be joyful.

The well-tempered system, set such that the soprano voice's absolutely natural register-passage coincides with the geometrical mean, conforms precisely to a Gauss-Riemann determination of the well-tempered intervals. Let children learn this from the earliest age, and find the joy of polyphony by the ages of five or six. Let them have a single perfect pitch, and thus a natural placement of their voices, and beautiful singing will be natural to them. The result will be a renaissance in the capacity for composing and performing music, and in the hearing of it. The result will be more beauty, and thus a moral uplifting of the populations. . . .

Il Machiavellico: In your autobiography, and on many occasions, you emphasize the role classical music had to making you a creative politician, as opposed to what we are forced to watch in the political panorama. How did your interest for classical music start, and how did it influence your accomplishments?

LaRouche: My intense creative work of the 1948-52 period was a constant struggle against those influences which tended to abort my abilities to sustain intense concentration-spans over long periods of many successive days or more. I recognized that frustrations of this sort were caused immediately by induced internal emotional states; I also recognized that by immersing myself for several hours in certain choices of music, I was purged of unwanted emotional states, and infused with the state of mind in which prolonged creative concentration came easily.

Immediately, this established the basis for my musicological judgment on compositions and their performances. Some qualities of compositions and performances fostered the desired effect; others had a contrary effect, or merely an indifferent one.

I examined myself, to the purpose of recognizing more

Some of the signers

Below are some of the musicians who have signed the Schiller Institute's proposed bill to standardize the tuning pitch at A = 432 cycles per second. (Affiliations for identification purposes only.)

Renata Tebaldi, soprano; Piero Cappuccilli, baritone; Mirella Freni, soprano; Ruggero Raimondi, bass; Giuseppe di Stefano, tenor; Nicola Martinucci, tenor; Fiorenza Cossotto, mezzosoprano; Maria Chiara, soprano; Marcella de Osma, soprano; Gianandrea Gavazzeni, conductor; Luciano Chailly, conductor; Bruno Rigacci, conductor; Gian M. Sanzogno, conductor; Gianni Lazzari, chorus master, Teatro dell'Opera of Rome; Oslavio di Credico, singer and teacher of singing at Genoa Conservatory; Edgardo Egaldi, chorus master, Teatro Regio, Parma; Marco Balderi, master of RAI Symphonic Chorus, Milan. Ettore Campogalliani, teacher of singing, Mantua; Luisa Gorini Magenta, teacher of singing, Milan Conservatory; Vittoria Mastropaolo, teacher of singing, Milan Conservatory; Carmen Vilalta, soprano, teacher of

singing at N. Paganini Conservatory, Genoa; Ornella Bazzini, teacher, Milan Conservatory; Wilma Colla, teacher of singing, Parma Conservatory; Carlo Perucci, artistic director, Arena di Verona; Birgit Nilsson, soprano; Christa Ludwig, mezzosoprano; Peter Schreier, tenor; Prof. Heinz Marten, former teacher of singing at Cologne Conservatory; Emily Hastings, mezzosoprano, Dusseldorf; Josef Hochmann, first violin, Philharmonia Hungarica orchestra. Kerstin Meyer, mezzosoprano, headmistress, Stockholm Music Academy for Opera; Ann-Charlotte Björling, soprano; Thorbjörn Lindhjörn, baritone, teacher, Oslo Opera; Lone Koppel, soprano, Opera Theater of Copenhagen; Ib Hansen, bass, Opera Theater of Copenhagen; Gardar Cortes, tenor, director, Opera Theater of Reykjavik, Iceland; Styrbjörn Lindedal, director, Gothenburg Opera Theater; Bidu Sayao, soprano, Metropolitan Opera, New York; Gilda Cruz-Romo, soprano, Metropolitan Opera; Jascha Silberstein, first 'cello, Metropolitan Opera Orchestra; Dianne Kesling, mezzosoprano, Metropolitan Opera; Norman Shetler, pianist; Alberta Masiello, assistant conductor, Metropolitan Opera orchestra; Anthony Amato, conductor, director, Amato Opera theater; Ellen Repp, teacher of singing, Metropolitan Opera and Manhattan School of Music; Nico Castel, teacher of diction, Metropolitan Opera; Peter Volpe, bass, New Jersey State Opera; Jodi Laski-Mihova, founder, Lubo Opera, New Jersey; Nedda Casei, mezzosoprano, Metropolitan Opera.

exactly the distinction between those emotional states which foster extended creative concentration-span, and those of a contrary or indifferent effect. So, I recognized that the emotional correlative of creative concentration is a "fundamental emotion" contrary in nature to the erotic emotions of lust, anxiety, fear, hatreds, and rages. This "fundamental emotion" is the same identified by the original Greek New Testament as *agapē*, the emotion associated with love of God, love of mankind, love of truth, and love of beauty as classical aesthetical principles define "beauty."

Once this distinction had been made, I was able to use my recognition of precisely defined emotional states in myself to guide me in isolating those aspects of musical compositions which coincided with the strongest resonance of these emotional states. For example, I can not hear the two opening sections of Mozart's "Requiem" well performed without experiencing tears of joy. I came thus to understand that the spark of creative genius in a great composer, as distinct from mastery of music as a language, is the composer's acquired confidence in such *agapic* emotions.

It is possible, by aid of the proper understanding of the synthetic-geometrical principles underlying a Riemann Surface, to show exactly how Mozart and Beethoven, for example, exhibit such infallible genius in choosing the feature of development of a composition which makes it a unified creative experience in the same sense as a valid fundamental discovery in physical science. Yet, neither Bach, Mozart, nor Beethoven were masters of such features of physical science; how did they work through the process of composition to such remarkable results, seemingly so guided by nothing but an infallible instinct respecting the potentialities of

their native language of music?

Similarly, in the distinctions among performances of these compositions, in which none of the better or worse interpreters are masters of Riemannian physics, do some performers constantly improve their performances with advancing maturity, and others fail entirely to capture what musicians may more easily recognize as the true voice of a Bach's, Mozart's, or Beethoven's singing? Or, how does a performer's "bad mood" impair a performance relative to his or her usual standard of musical conscience?

It became obvious to me that *agapē* is not merely an "emotional state," as "emotion" is usually defined. The emotion we associate with *agapē* is a form of intelligence, and is, indeed, an integral, inseparable aspect of the quality of Reason. It guides us along the upward paths of discovery and related decisions, and so appears to the composer or performer habituated to its joys as a more or less infallible "musical instinct."

The faculty so exhibited in superior compositions and performances, is precisely that associated with the ironical features of the composition and presentation of classical poetry.

Once I had discovered this, I was content. The restless uncertainties vanished. All that remained was the pleasure of discovering new things in familiar compositions, by means of this viewpoint.

Il Machiavellico: What would you do as President of the United States in 1988 to lower tuning and defend singing and music more generally?

LaRouche: We are unfortunately accustomed to think of

Presidents and parliaments as making new laws and similar sorts of enterprises. So, we have accreted in all nations a monstrous excess of laws. As President, my included concern would be to establish a period of massive de-legislation, which I propose should be the principal quantity of exertions of the Congress. The law must be simplified, and that in conformity with natural law, to such effect that the law as a whole is brought into congruity with reason and the good conscience of the citizen, rather than the largely arbitrary, and unintelligible mess it has become.

The proper, essential function of a President is that of leadership. The foremost function of leadership, is to recognize the great missions of work to be accomplished during a period of a nation's and civilization's life, and to lead the nation to the successful accomplishment of such great works. The correlative of this aspect of leadership, is a moral role, to infuse the nation with joy in such great undertakings, and to infuse with joy the development of young children and youth into adults more fully developed in their individual moral and other potentials of personal character.

On this account, the Executive Mansion of the United States must become a center of radiation of the highest standards of science and classical art. It were prudent that the professions of sociology and psychology were to be greatly diminished, and more scientists and classical artists employed instead. The presidency must act to establish the achieving scientists and artists as heroes of the popular consensus. If he succeeds, we shall see science and classical art as we might never have imagined possible, and a better, happier people, too.

I have discovered that the best circumstance in which to achieve a Socratic dialogue on issue of policy and science, is at a dinner assembled in the style of a large family. Let the masters of cuisine make the meal beautiful, and set an enriched standard for the family's mealtime life together. The dialogue develops naturally, and with a freedom not customarily achieved in an auditorium or formal seminar. The proper preparation of such a mealtime is the performance of classical art. Eat lightly before the performance, to keep distracting appetites quieted, and feast together as a happy family should afterward. . . .

A presidency which establishes and sustains its direct links with the population through such events, sets the tone for the nation. This is aided by dispatches of the Executive Mansion which make available to a broader population the relevant transactions of the Executive Mansion itself. In the course of this, if the President of the United States sponsors a public dialogue on the subject of musical excellence, he will evoke a general curiosity about such matters, and so, a movement will be sparked throughout much of the population, and that movement will grow.

Since this behavior is already my established disposition, to the degree my present circumstances permit, I shall certainly do no differently in the Executive Mansion.

Fight for classical tuning takes world press by storm

Italy

La Stampa, July 10, page 1, "Carabinieri at the Opera: 'Maestro, Down with the Pitch!'" "

Probably the first reaction of whoever reads the news [of the bill presented by Italian Senators Mezzapesa and Boggio] will be: "Look at that! With all the problems, the crises, the annoyances and catastrophes that are hitting us, just look at what our parliamentarians are occupying themselves with!" . . . But no, this is not the case. The bill presented by the senators . . . does not point to an unknown situation, but rather faces most opportunely a persistent abuse which exploits general indifference in order to infiltrate the nerve centers of music life again and again.

. . . The so-called "ear" is an unplumbed mystery. But what can the state do to make sure the officially recognized tuning fork is respected? Perhaps send into concert halls and opera houses squads of carabinieri or police with "perfect pitch," so that when the orchestra conductor begins the Fifth Symphony with E, E, E, C-sharp, instead of E-flat, C, they stop him and say: "Maestro, take it a little bit lower!"

Corriere della Sera, July 10, "For the Tuning Fork, the Senate's 'A'."

In Verdi's time, convention established the tuning fork in correspondence with the natural value—as was thought—of the human voice. . . . It was modified in 1939 to 440. . . . For some, this meant going through the roof, subjecting opera voices to danger and damage. . . . It is necessary therefore to say "stop" to this tendency. . . . What is wanted is that classical works be performed with the correct tuning, as the composer intended, and to defend voices subjected to tensions which will wear them out. . . . The human voice—and here all the singers agree, from Pavarotti to Tebaldi, from Freni to Raimondi—stays where it was, because it is not an industrial product. . . .

A cry of alarm was raised recently by the Cremona stringed instrument builders . . . worried about the damage a wild tuning pitch does to 17th-18th century instruments.

What is needed now, is to find an equilibrium, with obvious variations, which saves brilliance of orchestral sound, and safeguards the voices. . . .

Italian National Radio Ora della Musica program 8 p.m., July 3.

"Now the battle of the musicians who are moral versus the immoral musicians has begun." With these words, Laura Padellaro, the moderator of the primetime music hour on Italian national radio, "Ora della musica," introduced a lengthy interview with M. Arturo Sacchetti, the orchestra and chorus director, and director of the classical music programs for Vatican Radio, who was among the participants in the Schiller Institute April 9 Milan conference on tuning. He demonstrated different examples of musical pieces, performed with the high diapason used today, comparing that with older recordings of the same works performed with lower tuning.

"There are entire operas which simply cannot be performed with the high tuning," said Sacchetti. Sacchetti also called for the relevant government ministries to take up the question and guarantee that in the conservatories and in the public performances the appropriate diapason be used.

Italian National Radio, July 11. Lyndon LaRouche interview quoted by Laura Padellaro, moderator of the "Ora della Musica" music hour.

. . . Let's hear first of all what Lyndon LaRouche, U.S. presidential candidate and initiator of the fight to lower tuning internationally, has to say on this issue. He was interviewed for *Il Machiavellico* by Liliana Celani, whom we will have today as our guest, and was asked about Italy. He answers, and I am quoting literally, "I weep for Italy, but I do see two main ways out of this situation for the Italian nation: One is the *bel canto* tradition expressed by Giuseppe Verdi, and the other one is the scientific tradition of Leonardo da Vinci, Betti, and Beltrami. Around these two focal points, the *bel canto* school and the heritage of Leonardo da Vinci, Italy can be awakened and encouraged to rebuild itself.' "

Corriere della Sera, July 15, "From Italy, to the Rest of Europe, A Crusade to Reduce Vibrations in the Tuning Fork: The Cry Goes Up: 'Viva Verdi.' "

. . . On the Italian model, the international music world is moving for the same cause. In the next few days, press conferences are to be held in Germany, Sweden, France, and the United States to inform public opinion, and over the last two days, the promoters of the initiative met with the press in Rome and Milan. The legislative bill emerged from a conference on tuning organized by the "Schiller" Institute in Milan in April, which gave birth to a petition to Parliament, to adopt A = 432 vibrations. . . .

Giuseppe Verdi, in fact, was the first spokesman in the war of the tuning fork. He conducted a battle personally, writing to all the opera houses and to the Italian government to push them to adopt, by decree, a tuning based on A = 432. More recently, Giacomo Lauri Volpi and Mario Del Monaco entered the battle.

The violin builders, on the other hand, joined the "cause" only later. Sergio Renzi, president of the International Insti-

tute of Stringed Instrument Building of Cremona, says that "modern tuning has already created irreversible damage to violins. It will be almost impossible to try to remedy this. Greater brilliance and power have been obtained at the expense of timbre, which is no longer distinguishable in its nuances. . . ."

North and South America

St. Louis Post-Dispatch, *early July, "Lyndon LaRouche and Followers Seeking Music Reform According to Natural Law" by James Wierzbicki, music critic.*

[LaRouche's] conclusions are far-fetched, and, I think, more than a little scary. But some of the theoretical material cited by LaRouche in his lengthy foreword to the Schiller Institute [music] manual, although it seems beside the point, is rooted in mathematical fact.

For example, he's right about the "Golden Mean" playing a significant role in architecture from the Classical Greek period and in music from the so-called Classical era. . . .

You can see it plainly in the design of the Parthenon in Athens if, for example, you compare the distance between pillars to the heights of those same pillars, or in landscape paintings by the 16th-century painter Raphael if you compare the location of the main figures to the width of the entire canvas. Persons who can measure time while they listen can hear it in the placement of climaxes in the opening movements of some symphonies and sonatas from the second half of the 18th century. The Golden Mean can also be found in nature, in the shapes of certain trees and leaves or in certain seashells.

LaRouche is stretching a point when he claims that evidence of the Golden Mean constitutes "absolute, scientific proof" that an artistic composition "is consistent with the quality of beauty." Still, the Golden Mean does exist, and musicians have known about it for a long, long time. . . .

El País, of Cali, Colombia, July 14, "Nora Hamerman Proposes a Return to Classical Aesthetics."

North American soprano Nora Hamerman was on a visit to Cali to discuss the Renaissance. . . . [We asked,] "Is it possible to apply the same bases of the Renaissance, when we are living in an era of technological and social change?" . . . "Renaissance principles . . . are based on the concept of coherence between the universal laws of the natural world of physics . . . and the principles that govern man's creative processes." The work on tuning and musical performance has to be done, and in Italy it has begun. Opera singers such as Renata Tebaldi, Piero Cappuccilli, . . . Placido Domingo, and Luciano Pavarotti have joined to ask the Italian parliament to pay attention to the voice. "The high tuning ruins voices. At present, the primacy of the singing voice has been lost, and the human is what is important. Many orchestra directors wanted a brilliant sound and do not care how this affects singers."

France and Spain

Quotidien de Paris, July 19, half-page article, "Placido Domingo and Others: 'Halt to the Too High 'A' ."

The war of the "A" has been declared, in Italy. Under the impetus of a large number of international stars in the musical world who joined in unison to denounce the mad race toward high pitch, two Italian senators have just decided to introduce a bill aimed at fighting against this tendency to increase the pitch, which is a threat to old instruments and the voices of opera singers.

Le Monde, July 27 "An Italian Bill About the High Tuning: For a Few Hertz Less," by Anne Rey.

"The greatest works from Bach to Verdi were all written for a diapason with a 256 hertz C, which is approximately equivalent to A at 430.5 hertz. To play those works at higher tuning, sometimes reaching 448-450 hertz in certain opera houses, for example Florence and Vienna, is tantamount to a conspiracy to kill the voice, which is unable to resist an effort that goes against the laws of nature, of the instruments, of music itself," writes Liliana Celani, author of a report on "Giuseppe Verdi and the Scientific Diapason," which has not gone unnoticed, at least, not in Italy. . . . Great names of *bel canto*, from Placido Domingo to Renata Tebaldi, including Bruson, Cappuccilli, Pavarotti, have endorsed the proposal. Some, but not all, violin-makers have followed suit. Conferences and debates have taken place, whose conclusions are amply reported in the Italian press. . . .

El País July 15, "Verdi Lives!"

Alfredo Kraus, Placido Domingo, Montserrat Caballé and Piero Cappuccilli have endorsed a draft bill presented Wednesday in the Italian Parliament, whose aim is to set the pitch at A = 432. "An A above 432 vibrations is absolutely inhuman," says Cappuccilli. The present trend in the large orchestras is to put the A up to 456 vibrations. "This frequency demolishes the voice in less than three years," says Cappuccilli. . . . Placido Domingo has called upon all singers to take up the initiative for the Italian draft bill in favor of A = 432, "even if that means going on strike."

Denmark

Det Fri Aktuelt, July 18 "In High Tones."

A Danish opera singer is interviewed, and states, "The official concert pitch is A at 440 hertz—that is 440 cycles per second. But sometimes, this is raised all the way up to 445 hertz. Alone in the last hundred years, since, for example, Verdi's time, it has risen by 10 hertz. Even more since Mozart. And all this should be seen in the light of the fact that a rise of just a couple hertz hurts a singer, when he has to take, for example, the high C."

Danish National Television, July 22; Danish Royal Opera

tenor Stig Fogh Anderson interviewed by Peter and Pia Borgwardt on "Open House in Aarhus."

Andersen: One says that a meter is so and so long. That is decided. One does the same with the concert pitch. One says that there are so and so many cycles per second for the note "A."

Borgwardt: And this has changed.

Andersen: This has changed, and is still changing, so that the concert pitch through the century has in fact risen and risen. I have an old encyclopedia from 1950 which says that the concert pitch is 435 hertz. The normal pitch today is 440 hertz. . . .

Borgwardt: But the opposition is against bringing the concert pitch down to where the opera composers thought of it, because of the whole orchestra and the orchestral sound.

Andersen: Yes, there are some in the orchestra, and some conductors, not all. One also finds violinists, for example, who are anxious about their old Cremona violins, Stradivarius, etc., because just 10 cycles per second in the range we are talking about increases the pressure on the violins to such a great extent that there is, in fact, a danger of whether the violin can handle this for long. But many orchestras want a little stronger, little more aggressive, insistent, glossy sound, and have set the concert pitch higher and higher.

Borgwardt: To conclude, we should wish good luck to this initiative that is being taken by opera singers across the world in order to lower the concert pitch. And then maybe the old instruments can also be protected.

Andersen: One can say that. As Domingo said, that we could consider saying that either we sing it the way the composer wrote it, or we don't sing it at all.

Borgwardt: It is not only the old instruments we should protect, but the tenors should also be protected.

Jyllands-Posten, July 26, interview with Liliana Celani by Elisabeth Saugmann, "Domingo and Co.: Give Us the Concert Pitch."

"Jyllands-Posten has been the leading newspaper in the international debate around the far too high pitch which is destroying singers all over the world," says Liliana Celani from the Schiller Institute in Rome.

"Last week, at our press conferences in Rome and New York, we cited the *Jyllands-Posten* interview with tenor Placido Domingo. And now, the *Wall Street Journal*, as well as the large TV stations in New York, have brought the case up. . . . Our main purpose is, of course, to influence the rest of the world, because, behind the hysterical level of 446-447 cycles per second, there are a whole set of things that are wrong.' "

. . . Liliana Celani will be busy in her office in Rome. If the Schiller Institute can get "Verdi's own concert pitch" adopted by law in the Italian Parliament in September, this will be more than even Verdi dreamed about, when he worked to get the system homogeneous all over Europe.

West Germany

Kölner Rundschau, July 27 "Through Law to Good Tone."

"Often, a good sound is lacking. This old knowledge was made conscious to the Italians in one stroke, after a new law has been introduced into the Roman Senate. Two angry senators now want a state prescription about the exact value of the tuning pitch, this precondition for tuning of the instruments and correct interpretation: exactly 432 should be the vibration of the A.

Carlo Boggio and Pietro Mezzapesa thus follow a historic initiative taken by Giuseppe Verdi in 1884. . . . The music-loving representatives now want to return to the beginnings; because, according to Senator Boggio, 432 Hz is "scientifically, naturally, and historically" the measure of all being.

Anything exceeding this is putting too much stress on vocal cords and instruments. Mockers already foresee police officials with absolute pitch listening backstage, to watch obedience to the law. However, the politicians want to avoid such a sound-police: The musicians themselves must see to it that the law is respected. We wonder what has been whispered into the senators' sensitive ears?

Sweden

Svenska Dagbladet, July 24, where "tango expert" C.G. Ahlén struck the sourest note in the coverage with his absurd article, "Opera Stars Have been Exposed to a Coup."

. . . These respectable artists have acted in good faith and for a good cause. Whether the aim is also good can, however, be placed in question and on good grounds, as one takes the merits of the organization that organized the conference under consideration. By any judgment, we are dealing with a wolf in sheep's clothing and an almost genial coup. Musicians and singers have an unbeatable capability for closing their eyes to certain political connections. But were they really aware of what the forces are that are pushing the question of orchestra tuning?

The conference was organized in Milan by the so-called Schiller Institute, which is led by Helga Zepp-LaRouche. She is the wife of the American founder of the European Labor Party, EAP, the computer millionaire [sic] Lyndon H. LaRouche, Jr. . . .

Characteristic of these publications is not any interest in spreading culture—for that, their knowledge is too fragmented and superstitious—but in cooking up scare images and presenting hate objects. The EAP is interested in music, but not any music. The fight against jazz, rock, and folk music is placed on an equal footing with the fight against drugs, while Bach, Mozart, Beethoven, and now recently Verdi, are elevated not only to artistic models, but also to moral cult figures. . . . [L]isteners should have become suspicious during the conference. Here a document by Verdi from 1884 was conjured up, genuine or not genuine, which declares that middle C should be 256. . . . Another collab-

orator of the EAP tried to develop the proof that the register shift, which usually lies at F-sharp or G, corresponds to the asteroid belt between Mars and Jupiter. If the planetary system were "wrongly tuned," it would explode in pieces, this pseudo-scientist asserted; he claimed that 256 Hz for middle C, corresponding to 432 for A, brings the human voice into harmony with the laws of astrophysics. . . .

Last year, the EAP experienced a forceful rebuff, when the federal police started to get interested in the affairs of Lyndon LaRouche. The EAP seems to have preferred to keep a low profile for some time and improve its bad image. In this perspective, the conference in Milan is an ingenious move. High orchestral tuning is an international problem, and it is easy to recruit naive but respected supporters for such a seemingly urgent cause. But who can guarantee that a vote for the Schiller Institute manifesto will not at the same time become a vote for the EAP? What happens with the names on the manifesto, what fate is awaiting the signatures as they enter the computer base of the EAP?

Güteborgs-Posten, July 29, "A in Milan Becomes B-flat in Rome" by Maarten Castenfors.

When Luciano Pavarotti, one of the world's most beloved tenors, soon comes to Gothenburg and the Scandinavium Hall to spellbind an opera-loving audience with his divine voice, one ought to call attention to the bitter dark side of being a singer.

Orchestra tuning is too high! The singer is simply forced up in high "hybrid tones"—A = 440—which seriously threatens to cut the life expectancy of their voices. To cure this bad condition, a conference arranged by the Schiller Institute was held in the opera city Milan. The result of this meeting was that a call was unanimously endorsed to lower orchestral tuning by a half-step.

The thought in itself is not new. Even in 1884, Giuseppe Verdi got the Italian war ministry to issue a decree stating that "the official scientific tuning in Italy" was A = 432. Accordingly, "a noble and majestic sound" was aimed at, and not "the screaming of too high tuning" (A = 440), which is common today. Furthermore, in a letter, Verdi precisely underlines the absurd situation that "the tone which in Paris and Milan is called A, should be a B-flat in Rome." . . .

From a Swedish perspective, we hope that the Italian ministries for cultural questions will take the responsibility to accept the proposed bill. And we, together with 300 nationally and internationally famous singers, musicians, and conductors, are furthermore hoping that A = 432 becomes the norm for orchestra tuning in all opera houses and music institutions of the world.

Because, if the voices of our beautifully singing friends are silenced, a whole part of our culture is threatened. Or, with Schiller's words from his poem "The Artists": "Mankind's dignity has been given into your hand; Protect it! It sinks with you! With you it shall rise up!"

Thatcher endorses de Gaulle against fascist 'Europe 1992'

by Mark Burdman

The supranationalists in Brussels and Strasbourg behind the push for the fascist restructuring of Western Europe under the code-name "Europe 1992," are seething with anger at British Prime Minister Margaret Thatcher. Their mood is such, that they have made some most unsubtle threats against the prime minister herself.

The extreme reaction came to comments by Mrs. Thatcher during a July 27 interview on British Broadcasting Corporation's Radio-2. She was asked by interviewer Jimmy Young what she thought of European Commission President Jacques Delors' statement earlier in July that Western Europe now required an "embryonic European government" that would make 80% of all important decisions. She replied that this idea was "quite absurd. . . . I think he was wrong. I think he went over the top. I don't think he should have said it." The substance of Delors' proposals she called "airy-fairy," and expressed the hope that Delors' vision of a unified European government would "never come in my lifetime, and, I hope, never at all."

Under the European Commission's "Single Europe 1992" act, all national border restrictions governing the movement of goods and people are to be eliminated, and schemes are afoot to create a European Central Bank to administer the unified economy that results.

But Mrs. Thatcher derided as "very superficial" those who compared this proposed "United States of Europe" with the United States of America, since, in Europe, there are fundamental differences in history, culture, and language. "It is not possible to have a United States of Europe," she said. "What is possible, is for the 12 countries of Europe to work more closely together on things we would do better together, so that we can trade better together."

Mrs. Thatcher then dropped a political bombshell, insist-

ing that her concept of Europe "was really very much with de Gaulle," the late nationalist President of France, "that is, a Europe of separate countries working together." Among supranationalist fanatics in Europe, there are bitter memories of the general's sometimes violent opposition to schemes for destroying the sovereign nation-state, and his insistence on a "Europe of the fatherlands," of sovereign nations cooperating on the basis of a community of recognized principles.

Mrs. Thatcher also stated pointedly, "Europe has only been single under tyranny . . . not under liberty."

Mrs. Thatcher proved that she meant what she said by dismissing Britain's Euro-commissioner, Lord Cockfield, one of the chief authors of the "Europe 1992" scheme, from his post. This was interpreted by friends of Delors on the continent as a "demonstrative sanction" against the pro-1992 faction within Britain itself.

Before she spoke out, a mood of terror and blackmail had been established in Western Europe, as the combination of financiers, corporatist economic planners, and one-world federalists ("globalists") for whom Delors speaks, had been constantly escalating their propaganda on behalf of the "1992" reorganization. Hardly a word of dissent had been heard.

But on Aug. 2, Michel Debré, former French prime minister and Gaullist influential, in an interview with France's *Le Figaro*, expressed his solidarity with Mrs. Thatcher. He warned, "There is a threat of enslavement of France. . . . The projects of the Brussels commission are dangerous, because they advocate supranationality. That's why Mrs. Thatcher has been reacting, and that's why I want to give a warning: The European Commission was not created to destroy the fatherlands, notably the French motherland. . . . There are two possibilities for European community: Europe based on the states, for which I have worked, and the unreal-

istic Europe of supranationality. . . . I believe that under the cover of an economic design, there is a political goal which aims at destroying nation-states. Many of the projects worked out of Brussels are dangerous. . . . There is a danger that French citizens will be enslaved.”

Also on Aug. 2, West German Interior Minister Friedrich Zimmermann stated the fear of many in Europe, that all the talk of a “single European market *without borders*,” would provide fantastic advantages to organized crime. Would “Europe 1992” actually translate into the “Europe of the gangster syndicates?” Zimmermann asked. Noting that there had been increasing “trends toward cross-border operations” in the workings of organized crime, Zimmermann said that, unless accompanied by very strict controls against terrorism, “Europe 1992” would mean “a Europe with far less security for its citizens.”

‘Mrs. Thatcher is not eternal’

The oligarchical interests behind the “Europe 1992” reorganization seem more interested in *deploying* terrorists against their opponents, than controlling terrorists.

Soon after the British prime minister’s BBC-2 interview, the French daily *Le Monde* cautioned supranationalists in Europe not to overreact to Mrs. Thatcher, because that would only play into her hands, as an earlier overreaction had played into the hands of de Gaulle. Said *Le Monde*, “Mrs. Thatcher is not, in spite of everything, eternal.”

Coincidence or not, in the early morning hours of Aug. 1, the Irish Republican Army carried out its first bombing attack inside Greater London in years, hitting the British Army military barracks geographically closest to Mrs. Thatcher’s election district in Finchley, North London. At that moment, Mrs. Thatcher was thousands of miles away, in Australia, but the message was clear. The IRA terrorism escalated throughout the week.

It should be recalled that the great de Gaulle himself was repeatedly the target of assassination attempts. The infrastructure for such attempts was, in part, provided by financier and intelligence-community friends of Jean Monnet, de Gaulle’s bitter opponent and the widely heralded “father of European integration.”

From those in the influential Hamburg financial community who would regard themselves as co-thinkers of the late Monnet, there came some most unpleasant words for Mrs. Thatcher. The week of July 25, *Die Zeit*, weekly of the Hamburg liberals, supranationalists, and Trilateral Commission elite, denounced Mrs. Thatcher as a “dictator,” who “uses her strong institutional position and her considerable personal authority to apply the brakes to all initiatives which lead beyond the ‘Europe of ringing tills’ which she values.”

The real dictators

The irony in *Die Zeit*’s venomous attack is that the inner design of “Europe 1992” is to apply to all of Europe the



Britain’s Margaret Thatcher. She’s down on the “airy-fairy” supranationalists.

policies that Adolf Hitler’s economics minister, Hjalmar Schacht, applied to Germany. The “enforcers” are to be “neo-corporatist” structures, composed of representatives of industry, government, trade unions, and community organizations, who will implement ferocious austerity, under a supranational dictatorship based out of the Brussels headquarters of the European Community bureaucracy, and the Strasbourg headquarters of the Council of Europe.

For the inner planners, “Europe 1992” is a code-word for bringing about a corporatist restructuring *before* the year 1992, under emergency conditions of financial crisis. One close collaborator of the late Monnet said in private discussion that a very large financial crisis is expected to erupt, at the latest, during the early months of the term of the next American President. Under those conditions, he stressed, people would be much more willing than they are now to accept corporatist “planning mechanisms” and emergency austerity measures.

This same individual, a senior figure in the Trilateral Commission, perceives “Europe 1992” as one key prong in a *global* fascist restructuring, overseen by a supranational one-world government, and with the “controlled disintegration” of the world into various regional blocs. For instance, the new U.S.-Canada free trade arrangements would be seen as a “North American” complement to the “Europe 1992” plan. In essence, this is an implementation of the conception of Hitler’s favorite geopolitician, Karl Haushofer, for the creation of what Haushofer called “large-scale economic spaces” in various regions.

To accomplish such transformations, the “Europe 1992”

architects intend to promote cultural ideas radically opposed to the ideas of freedom and republicanism associated with the American Revolution and the German classical period. Ideas of writers like Russia's Fyodor Dostoevsky and Switzerland's Friedrich Nietzsche are more and more being brought onto the center stage.

Mrs. Thatcher may have a more limited understanding of the full implications of "Europe 1992," and her BBC interview is narrower in scope, but she has hit the raw nerve: the question of the sovereign nation-state. By eliminating that, as Delors et al. intend to do, they are eliminating the activity of democratic representative government, the institution that has mediated the values of Western Judeo-Christian civilization for populations over recent centuries.

The Russian question

But Mrs. Thatcher's counterposition of "tyranny" to "liberty" also touched upon another issue: Whether Western Europe will live under Soviet domination.

Italy's *Corriere della Sera* chose the period of mid-July to publish the last political will and testament of dictator Benito Mussolini's foreign minister, Dino Grandi, who stated just before his death earlier this year that he and his circle in the Grand Council of Fascism believed that, for Europe, "the unifying potential is Russian."

Today's most outspoken "Europe 1992" advocates—former Philips company chairman Wisse Dekker, former Montedison head Mario Schimberni, Turin-Venice financier Carlo de Benedetti, West German Foreign Minister Hans-Dietrich Genscher, former French Foreign Minister Jean François-Poncet—are also the most outspoken advocates of a "Marshall Plan for the East," and of Gorbachov's "common European home."

According to one senior London financial source, the matter of orientation to the East leads to another central question that pits Mrs. Thatcher against the "Europe 1992" crowd: Where will Western Europe obtain its vital raw materials supplies in the future?

Delors, Genscher, et al. are firmly convinced that southern Africa will explode in bloody confrontations during the next years, and that Europe cannot, and should not, rely on this region to supply what it needs in key strategic minerals, this source asserts. They believe that a comprehensive arrangement should be reached with the U.S.S.R., for agreements of stable energy and minerals supplies, in exchange for a large-scale Western European commitment to transfer technology to the Soviets and to develop the U.S.S.R.'s Siberian region.

Mrs. Thatcher is completely opposed to such a deal, and wants, instead, to find ways to stabilize southern Africa, and to maintain traditional European-southern African relations. Complementing this, Britain will tap traditional, mineral-rich Commonwealth sources of supply, such as Australia and Canada.

Burma's turmoil has economic roots

by Sophie Tanapura

On July 25, following five months of rioting and bloodshed, during which more than 200 people were reortedly killed, the Burma Socialist Program Party (BSPP) accepted Gen. Ne Win's resignation as chairman. He had dominated decision-making in the country for 26 years. Burmese President San Yu also resigned. Since then, the BSPP Congress has voted in Brig. Gen. Sein Lwin as party chairman. He has also taken over as President of Burma.

According to informed sources, Gen. Ne Win, 78, was not exactly booted out of his post; rather, he voluntarily moved aside in what is suspected of being an arrangement with his successor. Close bonds between the two date back to the early 1940s when Sein Lwin joined Ne Win's outfit, the Fourth Burma Rifles, as a private. Later on, Sein Lwin served Ne Win as a personal aide and then as commander. In fact, when Ne Win came to power through a military coup in 1962, it was Sein Lwin who commanded the troops that quashed student protests at the time. Although out, it is expected that Ne Win will still continue to play a behind-the-scenes role in Burmese politics as an elder statesman.

That Sein Lwin is a hardliner who will not stop short of brutal measures to suppress unrest should be a surprise to no one. It is generally known that Sein Lwin was widely implicated in the suppression of anti-government riots that took place in March and June of this year, which resulted in the deaths of over 100 persons. Diplomatic sources even quote a figure of more than 200 killed in rioting and clashes with police in cities across the country since March.

Economic roots

The tension building up over time beneath the surface of the Burmese nation has its roots in the worsening of the economic condition of the country since independence. Generally, media news coverage of Burma recalls that the country was once one of the richest nations of Asia. It is true that, while still a British colony, rice production was developed along the fertile banks of the Salaween River, making Burma one of the most important rice-exporting countries in the world at one point. However, no one seems interested in

pointing out that, though a top rice-producing country at the time, the Burmese people themselves were not allowed to partake in the fruits of their own labor.

After the 1962 military takeover by Gen. Ne Win, Burma had closed its economy off from the rest of the world in what came to be known as the "Burmese style of socialism." With living standards already abysmally low, the decaying economic situation which continued from that time on was bound to reach a saturation point in this country of 38 million people. Last March, Burma sought "least developed country" status at the United Nations in order to write off much of its \$4 billion foreign debt.

No attempt was made to control spiraling prices of rice, cooking oil, meat, and fish after serious riots broke out in March, after 41 detainees suffocated to death when they were squeezed into a prison van. As a result, further demonstrations erupted in June. In addition, all layers of society were up in arms against Ne Win when he announced an 80% devaluation of the Burmese Kyat in an attempt to hit back at black marketeers. Unfortunately, the measure also wiped out everybody else's precious savings.

Broad economic reforms

According to reports, pressure from Burma's principal aid donors, notably West Germany and Japan, was apparently instrumental in bringing Ne Win around to accepting the necessity of reform in his bankrupt country. The BSPP special congress held at the end of July approved economic reforms that would open up the rigid, socialist economy to more private foreign investment. Although it is still perhaps too early to comment on the viability of the broad economic reforms that were announced at the party congress, certain things are clear.

There are certain oddities in the reforms. The state is reserving exclusive rights in the exploration, production, and export of pearls, jade, and gems, which is usually relegated to the private business sector, whereas public, cooperative, and private sectors are to be permitted to invest in the generation of electric power from water, machinery, and other sources, a very basic infrastructure capability which should remain in the hands of the state. More often than not, it is the cost of electricity per unit which will determine the competitiveness of manufactured goods. Modernization of the agricultural sector will also depend on the cost of electricity production.

The coming months only spell more trouble for Burma. According to reliable sources, student leaders over the recent period have sent out scouting teams to contact minority groups and fellow student movements abroad in order to learn from the experience of others. The same sources report that one Burmese student activist came to Thailand through Chiang Mai. Another group of 41 student activists apparently contacted drug overlord Khun Sa, who then put them in touch with the Chiangmai University student leaders who, in turn,

referred them to Bangkok. Still another group of some 30 Burmese students were found to be in contact with the Karen, tribes near the Thai-Burma border. It is suspected that Burmese student movements also sent out similar scouting teams to India, where the organized political movements during the fight for independence have been the model for others in developing countries.

Martial law declared

One week after the takeover of Sein Lwin as President, martial law has been declared in Rangoon. According to a reliable source, the firm show of military muscle will succeed in keeping the riots in check. In addition, according to the same source, Burmese troops have been sent close to the area controlled by the Burmese Communist Party, bordering Thailand, in an attempt to prevent them from linking up with the students.

Although there are still no firm reports on direct Soviet or Chinese involvement in the internal strife in Burma, such foreign interference is not to be ruled out entirely, as both have long been present in the country.

One of the key figures of dissent has been Aung Gyi, a former comrade of Ne Win from pre-independence days, who broke with the general in 1962. Ne Win's resignation followed a series of open letters from Aung Gyi to Ne Win, protesting the human rights abuses and demanding drastic reforms in the economy. In his last open letter, dated July 19, Aung Gyi, who is known to have close ties to China, said that Ne Win and Sein Lwin were turning Burma into an "animal kingdom" with their repression of protests since March. Soon after Sein Lwin became President, Aung Gyi was incarcerated along with other leading dissidents.

Burma has also come under harsh attack from the London-based Amnesty International. Burma is a former British colony. Clearly, there is a profit for various banking operations, not the least of which might be the British Hongkong and Shanghai Bank, if Burma were to be opened up economically, given the lucrative black-market trade in the country from teak, jade, and opium.

The situation is further complicated by religious and ethnic divisions, a legacy which the British bequeathed from the colonial years. The authorities have historically fought to reduce the role of non-Burmese—particularly Indians and Chinese—in the economy. The Burmese government has been fighting a continuous war with ethnic entities in the southern part of the country, who carry out their own trade and are in close touch with outside agencies. The worsening economic condition in the country has also exacerbated tension along religious lines, pitting Muslim Indians against Buddhists. Although the state Sangha Maha Nayaka Buddhist monks, the supreme committee of Buddhist monks, appealed for restraint, it remains to be seen if the iron hand of Sein Lwin and the new economic reforms will be able to take Burma through these hard times.

Mussolini aide: 'I follow the Russians'

by Umberto Pascali

"I am a follower of the pro-Russian policy. We are in Europe, and here, the unifying potential is Russian. Charlemagne did not succeed; Charles V, Louis XIV, the Kaiser, and Hitler did not succeed. There is no doubt that those closest to achieving the unity of Europe are the Russians!"

This statement does not come from a Communist or a Socialist. It is part of the "political testament" of Dino Grandi, at various times Mussolini's foreign minister, justice minister, and ambassador in London. Grandi is especially known for the "Ordine del Giorno," the motion he presented to the Grand Council of Fascism in 1943 requesting that Mussolini be gradually put aside in order to save Fascism.

His call for the Russification of Europe was published in the leading Italian daily, *Corriere della Sera*, on July 19, a few months after his death.

Grandi did not become pro-Russian only after the war. As he explained, his pro-Russian feelings and his adherence to Fascism are one and the same thing. The end of the official Fascist regime in Italy did not bring an end to Grandi's political activities. Over the past 20 years, he became the symbol and the guru of the theory known as "Universal Fascism," i.e., the convergence of the "revolutionary experiences of the East and the West" and the establishment of one-world Nazi-communism.

His interview's publication must be seen as an alarm bell, as another proof of what is behind the strategy to abandon Western Europe to Russian domination.

Who created Grandi, and who kept him in power in a position from which, as he himself reveals, he was able to manipulate and "bring to the right point of cooking that cretin, vanity-obsessed Mussolini"? It was, in the most direct way, the old Venetian oligarchy, in the person of Salvatore Contarini, of the Sicilian branch of probably the most important family of Venice. Contarini, the director of the foreign ministry from 1912 to 1924, "suggested my name, and so the diplomats of the ministry went to Mussolini to say they needed a new undersecretary," says Grandi. Mussolini accepted immediately.

Grandi was protected by the Venetian families, he was a friend of the Russians, but he was also connected to the most powerful British oligarchs and very close to the U.S.-based Mellon and Morgan banking families. Dino Grandi, in short, is a striking example of a high-level agent of the "Anglo-Soviet Trust."

After surviving the last period of the war under the protection of the British secret services, and spending many years in South America, Grandi became a cult figure for that group of "neo-conservative" intellectuals who have been engaged in "re-evaluating" Fascism and Nazism. Among the most outspoken "groupies" of Grandi there are: the little *duce* of the U.S. Project Democracy group and the Irangate scandal, Michael Ledeen; Ledeen's sponsor and a scholar on Nazism, Prof. George Mosse; and the author of an enormous history of Fascism, Prof. Renzo De Felice.

Biographies, articles, and statements of support for Grandi, have been produced in large number by this crowd recently. And now, their champion, before dying, has left his testament to announce that a second phase of East-West convergence is on.

"I was the first to have introduced the Russians in Italy [after the 1917 revolution]. And I was the first to have taken [Soviet Foreign Minister] Litvinov to Milan," brags Grandi. "I was considered the extreme right, the Bolshevik of Fascism."

"In reality, I have never been pro-Soviet. I simply refused to consider the Russian Revolution according to the cliché of the Western bourgeoisie; there was something big underneath. The century in which we live is socialist. Whoever wants to be in politics today must start by recognizing that we are in a socialist century. Of course, socialism has several faces, Marxism, Proudhon, Blanqui, the Fabian Society, etc. . . . But the new reality in which the world operates is socialism. So, for me, Fascism has been the extreme attempt to reconcile the Liberal and the Socialist centuries. And, I do not believe in the breaks of continuity in history."

Hammering on his attitude toward the Russian Revolution, Grandi reports the following exchange he had with Mussolini in 1924, after the old Contarini left the Foreign Ministry: "I told Mussolini I was tired. I wanted to leave my position as undersecretary and get an embassy. I told him I wanted to go to Moscow. 'And why Moscow?' he asked. 'Because I want to see clearly the Russian Revolution, and I do not accept the cliché built by the Western bourgeoisie. In my opinion, the revolution is nothing but the Bhrysalis, the originator of a great nationalistic revolt in Asia!' At that time, this seemed particularly strange." But not to Mussolini, who made him foreign minister on the spot.

Though not reported in the interview, *EIR* has learned that, during the war, Grandi devised a plan for a "separate peace" with the Russians, saying, "Russia cannot be defeated." It is not known what became of this plan, but in 1942, a party led by the chief of the Fascist organizations abroad, Piero Parini, was sent by Mussolini to contact representatives of the Red Army in Romania. Parini, a close friend of Grandi, was accompanied by a young, fanatical fascist, Licio Gelli, the future Grand Master of the now-outlawed P-2 Freemasonic lodge, and very close to the "Universal Fascism" scholar, Michael Ledeen.

Palestinians face peril and opportunity

by Scott Thompson

Sources close to King Hussein of Jordan report that the king's decision on July 31 to abdicate Jordanian sovereignty over the West Bank had been agreed upon at the emergency Arab Summit meeting held in May in Algiers. The Palestinian uprising on the West Bank accelerated the timetable for this decision by the king. On Aug. 4, Jordan announced that it would stop paying the salaries of virtually all its employees on the West Bank, thus cutting off the cash flow into the Israeli-occupied territory.

By thus severing Jordan's administrative and financial connections to the occupied territory, King Hussein, with the backing of other moderate Arab regimes, has created an opportunity for the Palestinians to assert their own efforts for self-rule. With statesmanship on all sides now, a viable solution could perhaps be found; but if radical factions among the Palestinians and Israelis carry the day, then the region will once again be plunged into a maelstrom of violence and chaos.

Hussein's cutoff of funds to the West Bank throws the ball into Israel's court, on the eve of Israeli elections. With West Bank administration in the hands of the Palestinians, will Prime Minister Yitzhak Shamir allow funds to continue to flow into the territory?

One of the crucial questions is how the Palestine Liberation Organization will act to fill the void left by Jordan, and there is already talk within the Palestine National Congress of forming a government-in-exile, which might lead to a splintering of the PLO. It is reported that PLO chairman Yasser Arafat may not only boycott the PNC meeting to be held in Baghdad in mid-August, but that he would not be chosen the titular head of a government-in-exile. While King Hussein consulted with the United States at least two weeks in advance of his move, his step reportedly took the PLO by surprise.

King Hussein's decision was based upon a number of factors. First, he has become increasingly disgruntled with the U.S. inability to conduct a foreign policy independently of Israel. Any number of joint U.S.-Arab projects, such as a Rapid Deployment Force for the Gulf with bases in Jordan, have been scrapped. Hussein therefore pulled the rug out from under Secretary of State George Shultz's "peace initiative," by renouncing sovereignty over the occupied territories. Shultz's "Jordan option" would have created a political and economic burden for King Hussein, without any real commitment on the part of the United States.

There are other strategic factors shaping the situation, including the roles of Britain and the Soviet Union. Sources report that King Hussein was advised in his move by Britain, which originally created the Hashemite Kingdom of Transjordan. A British faction associated with the Bank of England and the Royal Household is interested in reasserting British hegemony in the Middle East, for the purpose of gaining greater control over Gulf oil supplies. The Soviet Union has encouraged this British ploy, from the standpoint of welcoming any development that supplants U.S. influence in the region.

Another factor that influenced the King was the fact that the uprising in the occupied territories had taken on a decidedly anti-Jordan, pro-PLO bias. Since the 1974 Algiers Summit, the other Arab states have supported the role of the PLO as the sole, legitimate representative of the Palestinians in the occupied territories. The Arab heads of state never approved the claims of King Hussein's grandfather Abdula over the West Bank, a claim made in 1949 without consent of the Palestinians. However, King Hussein has already once before renounced his claims to the West Bank (at the 1974 Algiers Summit) and some believe that he may only be making a tactical move.

There is a serious question as to how far King Hussein will take his decision. Over the last 20 years of Israeli occupation, the economy of the occupied territories has become fully integrated with Jordan, which received special grants from the other Arab states for this purpose. Among the linkages are: 1) all outside trade of the West Bank passes over open bridges to Jordan; 2) most commercial banking for the West Bank takes place in Jordan; 3) Jordan maintains on its payroll 17-20,000 civil servants in the occupied territories, who have acted by-and-large as a buffer against chaos; and, 4) Jordan maintains sizable pension and retirement funds for West Bank residents. If the King decides to cut any or all of these ties—including the Jordanian passports he has issued West Bank residents—then it will be a "bittersweet victory" for the uprising, according to one source, who adds that the Gross National Product of the West Bank has already fallen 20% since the start of the uprising.

Decisions for Israel

King Hussein's move also creates a crisis for Israel, as it has overturned the "Jordan option" pursued by Israeli Prime Minister Shimon Peres, who was willing to turn the West Bank over to Jordan in a "land-for-peace" exchange. Already the radical Tehiya Party has demanded that Israel annex the territories, and the faction behind Israeli strongman Ariel Sharon continues to mobilize for mass expulsions of the Palestinians from the territories. Israel is overextended with the occupation, and King Hussein's decision may make that worse. The Israeli Defense Forces have had to curtail training exercises and the procurement of new weapons systems, because of their role in the occupation.

Colombian Church denounces 'triangle' of drugs, subversion, injustice

On July 14, the Colombian Bishops' Conference issued a major document describing the threat of narco-terrorism and calling upon all sectors of society to fight it. The document is notable for its unequivocal description of the relation between drug trafficking and terrorism; for its denunciation of narcotics as the world's biggest business, a point first made in EIR's best-selling English and Spanish language book Dope, Inc.; and for attacking the "sinister window" for laundering drug dollars without asking questions through the banking system, an institution which had been outlawed, and was revived by Colombia's current President, Virgilio Barco. The document also makes clear that the Church's only purpose in participating in a "dialogue" with subversives, is to try to convert them to Christianity—not to accept them as a viable political force, as many are proposing. In that regard, the document roundly condemns accepting contributions from subversives.

Excerpts follow, from an unofficial English translation:

1) . . . In 1984 our pronouncement was an alarm bell; today it is the appeal for decisive life-saving. Narcotics traffic, subversion, and social injustice make up the triangle of misfortunes which destabilize the national situation and make it almost desperate, which abuses and confuses everybody.

2) The data and information given us by specialized agencies are hair-raising and bring us close to facts that define today's society as dangerously sick and in need of radical treatment. The drug-trafficking phenomenon is concretized today in a process of production, trade, and consumption of narcotics.

3) The money produced by the international drug trade surpasses world petroleum sales; drug trafficking is one of the biggest multinational companies. . . .

5) Total narcotics consumption in Colombia has reached alarming figures: Besides being a producer country, we have become a consumer country.

6) Causes of narcotics traffic. Unbalanced and unjust social structure in which unemployment, lack of housing, hunger, and marginality are found; high demand by consumers abroad; the opportunity for easy and rapid enrichment; enormous economic advantages derived from this business; reversal of values in a humanity which evades every norm and every law.

14) Human life is sacred, as it is God's gift, and man is called upon to realize His image and likeness. The human person's dignity is glorified when the Word of God is made flesh and assumes a living body.

15) Man is not the absolute owner of his life, and on receiving it acquires the duty of fully developing it, and giving growing quality to it, since all life is the vocation to development, to progress, as Paul VI taught in his *Populorum Progressio*.

16) To poison the body or the mind with drugs is a grave moral disorder: It is the sin of the addicts and of those who experiment with [drugs], who, by ruining their physical, psychological, and moral life, end up as social parasites.

17) The drug traffickers, for their part, sin against life, by destroying it and ruining whole generations. They are truly responsible for disguised and slow genocide. Pope John Paul II called them "traffickers in death."

18) The sin of drug trafficking does not end there. To protect their infamous trade, they believe themselves owners of life. They set up schools of crime, of soulless assassins. They sacrifice distinguished authorities, valuable representatives of society, and humble people made into the tools of evil. Retaliations and vendettas among people and groups are a bloodbath which cries to Heaven, as did Cain's fratricide. . . .

21) Assault on social economy. This is not the end of the dark culpability of all those who devote their lives to "the death business" of drug trafficking. The poverty in which many of our communities live, which often includes dramatic scenes of absolute misery, in the face of excessive resources being concentrated in the hands of the few, is aggravated by the opulence and scandalous overabundance of the possessors of the so-called "cartels" of Medellín, Cali, and apparently other [places].

22) The national economy is caused grave social harm by the so-called "sinister window," concentration of lands in drug traffickers' hands, artificial real estate price increases, inflation which hits the poorest the hardest, "dollar laundering," and takeovers of previously prosperous, unencumbered, and socially beneficial businesses. Even sports clubs, which should be the oxygen and health for the nation, have been contaminated.

23) Normal and progressive agricultural production of

legitimate consumer goods is being disrupted, with grave social damage, by cultivation of plants which generate the false marijuana and coke bonanzas, which end up ruining persons and the crops needed for the community's development and prosperity.

24) These problems created for the economy of an abused and poor society are not minor sins. Morality has justly revised its criteria and principles to teach that social types of sin are very grave inasmuch as they cause irreparable social imbalances and cause growing misery to the most needy, as John Paul II has indicated in his latest encyclical [*Sollicitudo Rei Socialis*]. . . .

25) Sin of complicity. The sin of complicity is a new oppression against the nation and against social well-being. The association called "narco-guerrilla," and arms trafficking, self-defense groups, financed by drug traffic itself, make up a pernicious conspiracy of enemies of the peace and public morals, with a horrendous accumulation of crimes, which identify them as a total disgrace and a total threat to the public well-being.

26) The sin of complicity takes on extreme gravity and brings with it social corruption when it reaches the public authority layers, without whose concurrence the drug trade could not prosper so amply and impudently. When he who exercises public power, who should be crime's enemy, becomes its accomplice, he is socially more criminal and more dangerous than the professional criminals.

27) Another crime of complicity is suppression of individual's or community's freedom by imposing or buying their forced silence to hide the string of crimes which narcotics trafficking entails. However, persons and entities cannot consider themselves exempt from responsibility because of threats, because culpable silences or omissions stimulate the spiral of crime.

28) Authorized moral denunciations. Denunciations of the evil of narcotics traffic are not improvised judgments, but invitations, with prophetic vigor, to the conversion of the guilty.

29) During his visit to Colombia, Pope John Paul II correctly warned, "Today, as in the 17th century . . . the ambition for money takes possession of many people's hearts and turns them, by means of drug traffic, into traffickers in the freedom of their brothers, whom they enslave with a slavery often more terrible than that of the black slaves. The slave traders prevented their victims from exercising liberty. The narcotics traffickers lead theirs to the very destruction of their own personalities. . . ."

30) The Holy Pontiff himself tells us: "Drug use and the abominable crime of narcotics trafficking is preventing this people from bringing forth its greatest reserves of faith and of humanity. . . ."

31) We also have rendered our verdict when we affirm: "The drug traffickers, which enrich other people with their

physical and spiritual ruin, commit an abominable crime which bears the characteristics of genocide."

III. Actions

32) Faced with a social problem of such magnitude, which threatens our people's fundamental values, the national community, its leaders in particular, must make the decision and have the effective political will to solve it.

33) Nobody can keep himself out of it, because everybody is affected. One cannot be simplistic nor unilateral. In the face of the complexity of the problem, each should make maximum commitment of his competence and potential. . . .

On the international level:

35) Inasmuch as the phenomenon overflows the national scene, the solution has to be through international agreements, in which the criteria of the powerful do not prevail, but those of equity and justice among nations. . . .

On the national level: civil authorities' responsibility.

36) Law 30 of 1986 and annexed norms seem to be an adequate statute to control drugs, but they require political will by the Executive to arrange firm, constant, and responsible action, to suppress complicity, and to overcome bureaucratic inertia which renders the best laws nugatory. There is no room for vacillation, nor for false fears; total commitment to the health of the nation is required.

37) The present conjuncture demands from the Judiciary more valor to put an end to unchecked crime. The cases of accommodating decisions rendered out of fear or venality which lead to impunity must be overcome. It is up to the Republic's other authorities and all the community to surround judges with the necessary assistance for them to carry out action which today requires a bigger budget and more security. . . .

The Church's responsibility.

45) The only possible Church dialogue with the drug traffickers is on leading to their conversion and salvation, in the deepest realm of conscience and perdition. As the prophet Isaiah recalls: "Seek ye the Lord while He may be found, call ye upon Him while he is near. Let the wicked forsake his way, and let the unrighteous man his thoughts: and let him return unto the Lord, and to our God, for he will abundantly pardon." (Isaiah 55: 6-7). . . .

47) The State's action and obligation in law enforcement and in the analysis of formulas leading to handling extreme economic, political and social situations is different.

Pastoral call.

65) So long as narcotics traffic persists, no work of charity or piety would decontaminate its life and actions. Its donations and alms would never be morally acceptable in such a situation, and the sentence of the Apostle will inexorably weigh upon them: "Perish your money and you with it." (Acts 8: 20).

'Danger in Colombia is a guerrilla coup'

General Landazábal, who was formerly defense minister under President Belisario Betancur, granted the following interview to Nora Hamerman on July 5, in Bogotá, Colombia.

EIR: How is the military situation, in Colombia and elsewhere on the continent, seen by the Soviets as an opportunity?

Landazábal: Necessarily, the global strategy from Russia's psychological standpoint with respect to the Third World countries and concretely Latin America, is to attack the armed forces and say that costs have to be cut and that they have to be confined to their quarters, and that the armed forces cannot combat armed subversion or guerrillas because they commit crimes against human rights. So anything that happens in the nation, including common crime, immediately is blamed on the armed forces. With this, they seek to discredit the armed institution by presenting it to public opinion as an undesirable organization. Why? Because in these countries, the military is the most powerful enemy that communism has. All the militaries of Latin America, I would say without exception, have a clear concept of what communism and Marxism-Leninism is, they oppose this doctrine, and since they are forces that support democratic rule, they have to be broken in order to win the revolution. This is the problem we are seeing. This is why they charge "arms race." You can't put a helicopter into the air, because you are accused of violating human rights, of assassinating people, of having paramilitary groups, and all this is a pile of gibberish which is pushed through the mass media, which frequently, especially in Latin American and in Colombia, have served as useful idiots to aggrandize the Marxist theory of the state.

EIR: Would you care to name specific cases here in Colombia of media which have been tools of Soviet propaganda?

Landazábal: I remember, for example, that in the years when the invasion came through Nariño and El Choco in 1981, the [terrorist group] M-19 went to Cuba, they entered and returned through Nariño and El Choco. All the newspa-

pers—*El Tiempo, El Siglo, El Espectador, La República*—brought out two or three editions every day showing the image of the guerrillas and telling their life stories and gave them a tremendous level of coverage. They did not write about a single military chief; they covered the guerrillas, but they did not write about the ones who were winning the war. So here, any person who became a guerrilla, all he had to do was send a letter to the press saying he was going into guerrilla warfare because he disagreed with the government, and that very day it got published on page one of the newspaper. This week, I see that the newspapers are doing an act of contrition, because they realize that they are acting as useful idiots. I don't know to what extent this is already too late.

EIR: This would be in the case of the kidnaping of former presidential candidate Alvaro Gómez Hurtado, where the press announced they would not publish any more of the terrorists' propaganda.

Landazábal: In fact, there are now 200 kidnapings. Every time the guerrillas do something, they get magnified hugely in the spoken and print media and on television. The journalists here go all the way to La Uribe [jungle stronghold of the FARC guerrillas] to talk to the guerrilla chiefs, but not once do they talk to a general, because that is something you cannot do, that is rejected. . . . For this reason the guerrillas have been gaining ground. And this, in turn, has had repercussions in an increase in forces. On the other hand, everything that has to do with the armed forces is supposed to be reined in, and our armed forces practically have no voice in public opinion, because it's not allowed.

EIR: There is a tendency to legitimize the guerrillas as interlocutors in a political dialogue in the country, and the big political parties support this. Can you comment?

Landazábal: Starting with the Belisario Betancur government, they carried out peace programs and I am going to say that the big error of the peace process with the guerrillas was established with what we could call the ideology of peace, based on sophistry and prejudices that overturned the whole conceptual tradition of our internal sovereignty. These prejudices were, that they accepted as causes of subversion the inequalities which do exist in the social arena in all the countries of the world; the false premise was accepted as true, that we had to negotiate to make concessions, because otherwise there would be a war and the war could not be won. The departure point was that everything that happens in the country is the result of internal problems, and consequently is not part of the international revolutionary strategy. The traditional currents of the traditional political parties were told to go into ideological retreat, as the price that had to be paid, in the face of blackmail, to obtain peace among the people. . . . It was accepted and made into an axiom, that the Communist Party and the guerrillas were separate and independent. In reality, they are the same thing, one is the political arm and

other is the military arm. But the military command was separated from the conceptual, analytical, as much tragic as strategic, aspect of subversion, and it was established that this sort of analysis constituted "political deliberation." So, the armed forces shut up. . . .

The command of the military forces was taken over by the civil authority, and a halt was called to the fulfillment of the constitutional mission of the military institution in the tactical arena. Thus, in the Justice Palace [its occupation and firebombing by armed terrorists in November 1985—ed.] the President gave the orders, not the military. . . . The entire process of pacification became locked into the unmodifiable framework of the dialogue imposed in Colombia by the subversives; and through it, they will continue to jerk the state around by blackmailing it. In my opinion, a shift is long overdue. This, in broad outline, is the big error in the peace process we have in Colombia.

EIR: What do you think of the policy of the United States with regard to the question of the destruction of the armed forces in Latin America? For example, the case of Panama, the U.S. effort against this region's armed forces.

Landazábal: In my view, the United States would fall into a historical contradiction and strategic blindness if it tried to destroy the armed forces of the Latin American countries. When the U.S. supports the Contras in Nicaragua, this proves that different armed forces are needed than the ones that are representing communism. But, if the military forces of this continent are being permanently harassed by communism, and they are also going to get harassment from the United States, then they will have to tell us where the world is going and what do they want in the world, because this would be chaos. The armed forces are what supports democracy in Latin America, and if you destroy them, well. . . .

EIR: As we have seen in the United States, the same process has now begun against the military industrial complex with "Pentagate."

Landazábal: In my opinion, it is following precisely Russia's policy, since it is not just the Latin American armies, but now they are trying to denigrate the U.S. Army, in order to present it as an army just like all the others of the Third World, and thus to destroy military power. . . . It is a big global psychological action program they are seeking. It is not that the U.S. military is making illicit contracts—the regulations in the United States don't give an individual room for such things. Besides, the U.S. military institutions are truly to be respected—they won the Second World War. No one can accuse them of stealing watches. This shows that it is malicious propaganda to denigrate the military institution throughout the Americas.

EIR: The historical role of the armed forces can be positive in the field of economic infrastructure, as for example, in the

United States, it was the Army Corps of Engineers that built a lot of the cities, canals, and other great projects that private interests could not have built.

Landazábal: We have tried, and we have the best intention to participate in Colombian development. For example, the engineers were building the Ataco-Palmira-Leguizamo highway, the military engineers managed railways, the troops did great civic action among the civilian population helping them to build aqueducts, sanitation facilities, schools, a great deal of development. In the major zones here the politicians won't allow this because that would give prestige to the armed forces, and in Colombia the politicians don't want the armed forces to get prestige. . . .

When I was defense minister, I organized development commandos which were brigade-type units organized with their base in a battalion of engineers with representatives in the Health Ministry, the Ministry of Public Works, the Agrarian Fund, and the Ministry of Agriculture. Everything was perfectly organized to be able to carry out development of the national territories and the zones affected by violence. The only thing that worked was the military engineers, and I organized battalions in the first year of the government. But when they asked for doctors, there weren't any; when they asked for teachers, there weren't any; we had to take soldiers with high school diplomas and put them to work as teachers in the schools of these regions. So, the Army has had a tremendous will to help the country and to contribute to national development, but the politicians don't allow it, because it loses votes. The politician wants to make the school himself, to gain votes himself, but since he does not do it, he always comes with the promise of what he will do and gets the votes. The Army does not need this. . . .

EIR: Given the gravity of the situation in the country, what are the options?

Landazábal: Here in Colombia, there are many options. The first is that the country has to pull together into a different configuration. Here, people imagine that there could be a military coup. There is not going to be a coup here, the Army is not the coup-making type. What could happen here is an extreme-left coup, when the guerrillas and the Communist Party already have all the peasants in Colombia organized to invade Bogotá, Bucaramanga, Barranquilla, Cali, and Medellín and behind them come the guerrillas, the country is going to be paralyzed and there will be an extreme-left coup. . . . Today, the whole world, and especially the Europeans, receive any left-wing coup with great jubilation, but not from the right because that would be a crime, but the extreme-left coup, yes, let it happen.

That's the direction we're going in. The triumph of Castro in Cuba is received here with great glee. You see that when someone is kidnaped, the first thing the government does is to go talk to Castro so that he can give the order to let him go.

Sweden's secret gov't under attack

Public parliamentary hearings poke at the tip of the iceberg of the Ebbe Carlsson Social Democratic spy scandal.

Had a foreign secret service wanted to hurt the Swedish security police badly, it could not have succeeded better than Ebbe Carlsson did." Thus the "private" Palme murder investigation conducted by Social Democrat Ebbe Carlsson was summarized by P.G. Näss, former chief of operations of the Swedish Security Police (SÄPO), at the July 28 hearings of the parliamentary Constitutional Committee.

Swedish Prime Minister Olof Palme was assassinated in 1986, and the murder remains unsolved.

Beginning July 27, and continuing through the first week of August, the live-broadcast hearings had been forced upon unwilling committee chairman Olle Svensson (Social Democrat). Svensson had tried his best to have the investigation of the government's role in sponsoring illegal intelligence operations postponed until after the Sept. 18 national elections, hoping that the June 7 resignation of Justice Minister Anna-Greta Leijon would suffice to contain the scandal.

Leijon had issued a letter of introduction to Ebbe Carlsson, for use with the British intelligence service in his attempt to collect information discrediting to SÄPO. Although merely a private publisher, Carlsson has been functioning as the arm of his buddy, former Stockholm Police Chief Hans Holmér, after the latter was forced to resign in the spring of 1987, over his handling of the Palme investigation.

Backed by Leijon, the arrogant, power-crazy Carlsson, an avowed homosexual, proceeded to push around

and dictate policies to several top law enforcement officials—particularly newly appointed National Police Chief Nils Erik Åhmansson, now targeted as the most likely victim of the next voluntary resignation. As part of their activities, it was revealed that illegal bugging equipment and firearms, including those mounted, à la James Bond, for firing from inside an innocent-looking briefcase, had been smuggled into Sweden by Holmér and Carlsson's personal bodyguards!

Nominally a case of over-ambitious Social Democratic efforts to "help" the police in their unsuccessful two-and-a-half-year hunt for Palme's killer, the Ebbe Carlsson affair is turning into a head-on attack by the illegal Social Democratic intelligence organization, known as SAPO, against the country's official secret service, SÄPO. (See *EIR*, June 17, 1988.)

Under the pretext of pursuing a version of the "PKK track"—that Palme was killed by the terrorist Kurdish Workers' Party (PKK)—Carlsson in reality was investigating leading SÄPO officials, blaming them for either the Palme murder directly, or for a lack of interest in tracking the killer. Carlsson went so far as to imply that the SÄPO's P.G. Näss might be a KGB agent.

At the July 28 hearing, Näss added that Carlsson's activity "has destroyed something of great importance, that is, our relations to the security services of other countries. . . . It has hurt us to the marrow, and I strongly feel that in certain quarters of the world, they are extraordinarily pleased

with these developments."

Näss explained that when he came to SÄPO in the late 1970s—after Holmér's tenure as SÄPO chief—the organization was paralyzed by over a decade of internal strife, and Swedish counterespionage had ground to a halt. But since 1982, after the house was put back in order, 21 intelligence officers have been expelled from Sweden: 11 Russians and 10 other East bloc agents. During the same years, 30 Russian intelligence officers were denied entry visas to Sweden—all thanks to SÄPO's recommendations to the government.

Although Näss didn't say so, this regular "interference" by SÄPO into the Swedish government's official appeasement diplomacy toward the Soviets has long been a thorn in the flesh to the Social Democratic regime. Foreign Minister Sten Andersson has only been the most prominent official to publicly pronounce his distrust for SÄPO and call for repeated "investigations" (read: political purges) of its organization. One such investigation is now chaired by Sweden's ambassador to France, Carl Lidbom, a former cabinet minister, and another of Ebbe Carlsson's SAPO intimates.

Carlsson's personal role as a nodal point in this SAPO ring of intimate "friends," and no other qualifications, has catapulted him into the center of attention in Swedish politics. A fair estimate of Carlsson's qualities was given by another Swedish ambassador, Leif Leifland in London, upset over being uninformed of Carlsson's private mission to the British secret intelligence services. In a recently published interview, Ambassador Leifland said, "Now, I of course happen to know Ebbe Carlsson personally—and to have him take care of sensitive or secret missions, I think, is like appointing Nero the chief of the fire-brigade!"

Citibank pushes Dr. Schacht's program

Former Planning Minister Mário Simonsen is promoting Hitler's economics minister's anti-hyperinflation program.

Citibank international vice president and former Planning Minister Mário Henrique Simonsen wrote in *Jornal do Brasil* on July 31 that the only cure for Brazil's 1,000% inflation rate is to repeat what Hitler's economics minister, Hjalmar Schacht, did. His success, according to Dr. Simonsen, "was the end of German inflation in November 1923, when the Rentenmark replaced a trillion old marks, the central bank became independent, and the exchange rate was fixed at 4.2 new marks to the dollar. . . . The weapon Dr. Schacht used to defeat speculators was star wars with interest rates, which reached 10% per day."

Simonsen's Schachtian program is being mercilessly enacted by Brazil's finance and planning ministers. The central bank began by sharply increasing interest rates in late July to above 30% per month. High interest rates will be followed by drastic budget and investment cuts, advancing tax due dates, massive layoffs of public employees, liquidating state entities, and further reducing all real wages.

"It is important to note," Simonsen wrote, "that in the above program the reducer [chisling on wages and prices] is merely anesthesia. The surgery lies in fiscal and monetary policy. And, it is obvious that, without the surgery, anesthesia is absolutely useless."

But, "the Sarney government's lack of legitimacy" makes the shock therapy which Simonsen dictates for the international banks hard to implement. Finance Minister Mailson da Nóbrega himself admitted this to *Fol-*

ha de São Paulo daily July 25. That is why Simonsen has repeatedly refused to take da Nóbrega's place and has preferred to act through his favorite disciple, the obscure Planning Minister João Batista de Abreu.

It is revealing that Dr. Simonsen avoided telling the rest of the Schacht story, how Schacht got rid of the "political obstacles" to his brutal program. Schacht was key to the implementation of the Versailles Treaty, whose war reparations caused the Weimar Republic's hyperinflation. He was imposed by the Reparations Commission in 1923 as the head of the Reichsbank to guarantee reparations payments through shameless looting of the German economy.

In 1930, he helped create the Bank for International Settlements, as a supranational body of central banks independent of their respective governments. The BIS dictatorially controlled the world economy. Before returning to Germany to promote Hitler's rise to power, he left organized in Switzerland the channels which later would be used by the Nazis to get their fortunes out of Germany. The argument Schacht used to convince German oligarchs to support Hitler—already backed by the bankers—was that he was crazy. Only a madman like Hitler would be willing to impose draconian austerity on the demoralized German masses. As Hitler's economics minister from 1933 to 1938, Schacht initiated *primitive Bauarbeit*—slave labor to build the war economy's infrastructure—which led straight to the concentration camps.

The only political group which

supports José Sarney's government is the ultra-liberal group commanded by Communications Minister Antônio Carlos Magalhães, which likes Schachtian policies. This group came together politically in 1967-74, during the Costa e Silva and Garrastazú Medici regimes. On the geopolitical thesis of increasing economic *Lebensraum*, these governments implemented, with help from Henry Kissinger and Vernon Walters, a slave labor system to build uneconomical and export-oriented projects.

In 1984, this group, supported by the international banks, tried to impose Col. Mário Andreazza as President. He promised to enact a shock plan designed by then-Planning Minister Delfim Netto, similar to that outlined today by Simonsen. Their defeat did not keep them out of the future coalition government, which today they totally dominate.

This same Antônio Carlos Magalhães group has been joined by Brasília state governor José Aparecido to work to bring ex-President Jânio Quadros to the presidency in next year's election. *Jornal do Brasil* analyst Fernando Pedreira wrote May 29, "Why not return Jânio Quadros to the presidency? Sana Khan, the famous São Paulo astrologer, who some years back was the favored adviser of our top politicians and businessmen, prophesied Jânio would be elected a second time. . . . [Soon after being sworn in as President in 1961, Quadros resigned, leaving political chaos.] The country today needs a President less than it needs a purgative . . . which unblocks and disinfects the guts of that inflated and rotten political machinery. . . . Jânio Quadros could be that purgative. . . . He is a purgative, nasty to swallow and even more disagreeable in the effects it causes. But there are times when such a remedy is necessary to treat the patient."

Peru hits terrorism's advocates

García demands tough laws against terrorism, as Shining Path asserts it is now the "alternative" government.

The number-one issue facing our country is terrorism, President Alan García told Peruvians in his July 28 state of the union address. "I am sure that there are other issues that worry us: injustice, inflation, wages, foreign currency, and so forth. However, we could deal much better with all these problems if we were free of the daily anxiety generated by destruction and death. . . . More than 15,000 people have died as a consequence of terrorism."

Indeed, before García spoke, Peru's largest terrorist army, the Shining Path, opened celebrations of national independence day by blowing up 30 transmission towers which supply electricity to the capital, Lima. By Aug. 2, power had still not been restored to all of Lima, and rationing was imposed to ensure service to factories and hospitals.

The time is past for in-depth studies of the causes of terrorism, García told the nation. Desperate poverty, "stark injustice," racial prejudice feed terrorist ranks, but there is one fact which the country must face: "the existence of armed gangs . . . agents of annihilation which constitute today the armed branch of totalitarianism and drug trafficking in Peru.

"Totalitarian criminals who join forces with drug traffickers can claim no ethical motivations, and it is wrong—and tantamount to complicity—to seek explanations in social causes. Crime requires only one thing: action."

The President announced that the executive has prepared three anti-terrorist bills which it now expects Con-

gress to approve promptly. "I request that Congress postpone other issues and start debates on these bills immediately," passing them within as little as 15 days, if possible, he specified.

The bills, published in *El Comercio* on Aug. 2, close loopholes in Peruvian law which have allowed an estimated 95% of the terrorists captured to walk scot-free. If passed, the laws will make it a crime not only to be a member of a terrorist group, but also to give "apologias for terrorism."

Jail terms of 5 to 10 years, for example, will be required for "whoever publicly, by means of social communication, incites to commit the crime of terrorism, as also [to] those who publicly exhalt or praise an act of terrorism, or its authors or participants, or events which are related to terrorists or terrorist acts."

Two Shining Path legal victories prove the urgency of such laws. First was the July 21 decision of Lima's Second Corrections Court, acquitting Shining Path's reputed military chief, Osmán Morote Best, of all charges of terrorism.

When Morote was arrested, he had on him a Shining Path hit-list, listing people murdered and towns taken by their squads. The prosecutor presented evidence that Morote had taken part in specific terrorist acts during 1984-85, including participating in a meeting of Shining Path leaders in June 1984, where the takeover of a small town was planned.

Six people were massacred by Shining Path commandos in that takeover, yet the judges of the Second Court ruled that since Morote had been

at the meeting in his capacity as Shining Path's regional chief, it could not be proven that he had approved the takeover or the massacres!

The court, in effect, ruled that Morote's lawyers were right when they argued that it is not a crime either to be a leader of the Shining Path group, or the "intellectual" author of its terrorist crimes.

Morote has not been freed yet, as he faces other terrorist charges in several courts. The decision was, however, a crucial step for Shining Path's strategy to be recognized as an "legal" belligerents.

The terrorists immediately escalated. On July 24, *El Diario*, Shining Path's newspaper, which can be bought on any newsstand in the country, published a 48-page interview with their founder and chief, Abimael Guzmán.

Billed as a world-first, *El Diario* bragged that Guzmán (respectfully referred to by his *nom de guerre*, "President Gonzalo") granted their chief editor, Luis Arce, a 12-hour exclusive interview from his mountain hiding place, because Shining Path had decided that the time had come for "the President himself" to speak to the nation.

"We begin with the principle established by Mao Zedong: Violence is a universal law, without exception," the former professor of Kant turned "people's warrior," told *El Diario*. He explained how his group of killers planned to stop the 1990 general elections from ever taking place, and delivered a diatribe against Pope John Paul II's "new evangelism" efforts.

Three days later, the troops of this would-be Pol Pot of Peru were blowing up electricity lines, while their newspaper *El Diario* kept right on publishing, without even being called in for questioning!

Cárdenas holds the political cards

The Financial Times admits that the opposition leader has Mexico's ruling elite, and its bankers, over a barrel.

On Aug. 2, the City of London's *Financial Times* began to tell the truth about the current upheaval in Mexico, in an article entitled, "Mexico's 'loser' holds all the political cards."

The ruling Institutional Revolutionary Party (PRI) has "at least temporarily . . . lost the initiative to the Cárdenistas," the paper reports. "Barely one in five Mexicans support the PRI." It warns that chances are "remote" that President Miguel de la Madrid will bend under pressure from Cuauhtémoc Cárdenas and call for new elections, but that "cannot be discounted."

Cárdenas is impugning the official results of the July 6 presidential elections, which fraudulently gave victory to the candidate of the PRI, Carlos Salinas de Gortari. Cárdenas has drawn 750,000 backers into the streets, in the first 9 of the 15 states he plans to visit "in defense of the ballot" before Aug. 15.

"We voted against the International Monetary Fund!" "Respect the vote!" blared the slogans on an enormous banner held by the Mexican Labor Party (PLM), at a Cárdenas rally in the town of Gómez Palacio, in Durango state, on July 31.

More than 50,000 peasants came out to meet Cárdenas at his four stops in the La Laguna dairy region. Many of their fathers had taken up the rifles given them by Cárdenas's father, Gen. Lázaro Cárdenas, President from 1934-40, to defend the lands given them from their landlords, in Cárden-

as's spectacular land reform.

Journalists witnessing the balloting in this region reported 1,000-1 support for Cárdenas, but the official count gave a majority to the PRI's Salinas. The peasants demanded that the great nationalist's son not retreat in defending Mexico's sovereignty from the foreign creditors who have starved Mexico's urban population and bankrupted farmers. "You are our only hope, be like your father, don't betray us!" they shouted.

The government has spent a fortune paying journalists to put out the story that Cárdenas's popular mobilization is "becoming diluted," and to invent "desertions" from the Cárdenas coalition. These rumors point to an imminent "deal," in which Cárdenas would accept a PRI victory in return for a few democratic "reforms." Such fantasies poorly disguise the terror shaking the PRI and the financial and landowner oligarchies. They can see Cárdenas's support growing daily.

The quality of this mass ferment was raised by what Cárdenas found in La Laguna. At every stop in this part of his national journey, Cárdenas was faced with hostility to banker usury and to the "Economic Solidarity Pact," the Nazi shock program which Salinas designed and de la Madrid imposed during the past eight months. Cárdenas won the elections because Mexicans are no longer hiding their anger against this program, on top of the 40% reduction in income of the previous five years.

The walls of Gómez Palacio were painted with slogans that read, "Cárdenas yes! IMF no!" At the rally in the town of Francisco I. Madero, local Cárdenas chief Juan Collazos called for a moratorium on the foreign debt, big water projects to achieve food self-sufficiency, oil for development, and full steam ahead with nuclear energy. These are the programs which the PLM has been teaching to the region's peasants for the past eight years. After the elections, the PLM had inundated the area with "A Program for National Economic Reconstruction."

President de la Madrid is desperately seeking a way out. After almost six years of submission to the bankers, he now reportedly is threatening them with a debt moratorium if they do not cut in half the \$8.1 billion interest and \$4.7 billion principal Mexico paid on its foreign debt last year. Since the PRI's electoral rout July 6, Wall Street circles have been muttering that they would have to give some concessions to the PRI regime, if they wanted to help it survive in power.

On Aug. 3, Cárdenas and the leaders of the coalition of parties supporting him announced that they did not want any deal which implies recognizing Salinas as President-elect in return for their being part of "a coalition government" with him or "a package of measures which assure a supposedly democratic transition." Salinas's top political adviser, Manuel Camacho Solís, hinted at such a "package" on being sworn in as the new PRI general secretary that day.

The Cárdenas coalition warned that if Salinas were imposed on Mexico, the government's "blindness" could "throw the country into a crisis of unpredictable consequences."

The *Financial Times* is right: Cárdenas "holds the political cards," and he knows it.

International Intelligence

Cocaine kings threaten judge

The cocaine kings of Colombia's Medellín Cartel have threatened a judge that they will kill every member of her family if she finds drug overlord Pablo Escobar Gaviria guilty of the December 1986 murder of *El Espectador* newspaper director Guillermo Cano.

Signing the letter "The Extraditables," in reference to U.S. requests for the drug traffickers' extradition, the cocaine chiefs wrote, "We have decided to write you again to declare the following: We are friends of Mr. Pablo Escobar Gaviria and therefore ready for anything. We have learned that you propose to call him to trial in the Cano case. . . . We have also heard rumors according to which, after his trial, you will be given the benefit of a diplomatic post abroad.

"But we want to remind you that . . . you are committing a serious error that could stain your life and will leave you ill-fated until the end of your days. You know perfectly well that we are capable of executing you anywhere on this planet. You should also know that meanwhile, you will see all the members of your family fall one by one. We advise you to rethink, now, since later you will have no time to lament.

"Be absolutely assured that if you call Mr. Escobar to trial, you will remain without ancestors or offspring on your family tree. . . . If this letter doesn't tell you anything, we ask that you take the example of the cases of Tulio Manuel Castro, Hernando Baquero, Gustavo Zuluaga Serna, Alvaro Medina, Carmencita Londoño, Lara Bonilla, Colonel Ramírez, Parejo Gonzáles, etc., etc., etc. We advise you not to mess with Mr. Pablo Escobar Gaviria." All the people named in the list were shot by the drug mafia, and only Parejo Gonzáles survived.

Meanwhile, another Colombian judge, perhaps in receipt of the same threatening letter, has dropped charges against Escobar for the murder of Attorney General Mauro Hoyos. The Colombian Army submitted massive documentation, including voice tapes of Pablo Escobar, firmly linking him to Mauro's murder last January, but the judge

handling the case ruled the evidence inadmissible on a technicality.

Gen. Jaime Ruiz Barrera, IV Brigade commander, has called on the Attorney General to appeal the decision.

Kirkpatrick warns against Khmer Rouge

Former U.S. Ambassador to the United Nations Jeane Kirkpatrick backs Kampuchean resistance leader Prince Sihanouk's conclusions that "another holocaust is becoming inevitable" as a Vietnamese withdrawal from that country paves the way for a return of Pol Pot's Khmer Rouge.

The Khmer Rouge under Pol Pot's rule, 1973-78, murdered as many as 3 million of the country's 7 million population.

In a commentary appearing in major U.S. newspapers Aug. 2, Kirkpatrick wrote that the United States and other democracies have offered symbolic and diplomatic support to Sihanouk and Son Samn, another moderate resistance leader, but have "said and done little when supplies sent to them were blocked and diverted," or about the help China and Thailand have provided the Khmer Rouge.

"This history of Western passivity provides good ground for fearing the Western powers may not actively oppose any settlement—even if it provides no protection against Pol Pot for the Cambodian people," she wrote. Although it isn't "a very diplomatic thing to say, it is generally true for Thailand that broadly speaking, what China wants, China gets."

The only thing that is not now clear, she concluded, is what China wants with respect to the Khmer Rouge. "Pol Pot's murderous utopia matched the China of the Cultural Revolution more than the China of today."

Angolan talks resume, but rift develops

Talks resumed in Geneva Aug. 2 among South Africa, Angola, Cuba, and the United

States, in search of a "settlement" of the regional conflict in southern Africa. The Soviet Union has an observer in Geneva, Vladilen Vasev, head of the southern African department of the Soviet Foreign Ministry.

Prior to the talks, Chester Crocker of the U.S. State Department held a preparatory meeting with Soviet Deputy Foreign Minister Anatoly Adamishin. Afterward, Adamashin commented that there is "positive momentum" in the talks, which are focused on a timetable for the withdrawal of Cuban troops from Angola, and the granting of independence to Namibia, now a South Africa protectorate.

But, one day into the talks, on Aug. 3, Angola and Cuba rejected South Africa's proposals, causing a setback to the U.S. initiative. The South African proposal would require that African National Congress guerrilla bases in Angola be shut down. But this, said the Cubans, would make them "henchmen of apartheid."

South Africa also offered to grant independence to Namibia by June 1, 1989, if an estimated 50,000 Cuban troops left Angola by the same date. Angolan Foreign Minister Venancio de Koura told reporters that the proposals demonstrated a "lack of seriousness" on the part of the South Africans.

West Germans, Soviets in new agreements

In meetings with Soviet General Secretary Mikhail Gorbachov and Foreign Minister Eduard Shevardnadze at the end of July, West German Foreign Minister Hans-Dietrich Genscher signed an agreement to "work together" at the Vienna Conference on Security and Cooperation in Europe (CSCE) to make sure "a concluding document is signed . . . as soon as possible," so that talks on cutting conventional forces in Europe can begin.

Afterward, Genscher hastily interjected that the agreement is not "an attempt to put pressure" on West Germany's allies, i.e., the United States and Britain, to begin conventional reduction talks right away.

Briefly

● **ANDREAS PAPANDREOU**, Greek premier, has postponed a visit to Ankara, Turkey scheduled for November. Papandreou says that he wants to go to Turkey in his capacity as chairman of the European Community, a post he will assume next year. But Turkey is not a member of the EC, and there is speculation in Europe that more is behind the postponement.

● **MARGARET THATCHER**, British Prime Minister, visiting Bahrain at the end of July, stated that Britain will not withdraw the "Armilla" naval patrol which has been in the Gulf since 1980. She also announced that Britain is "to step up its role in the Middle East" overall. Britain recently signed a \$30 billion arms deal with Saudi Arabia.

● **THE POPE** will make a 10-day visit to southern Africa Sept. 10-19. He will visit Zimbabwe, Botswana, Lesotho, Swaziland, and Mozambique.

● **JAPAN** is planning to ease sanctions against North Korea, in a bid to win the release of two Japanese seamen detained for four years on espionage charges, Kyodo News Service reported July 28. Japan is also planning to expand personnel exchanges between the two countries.

● **SOVIET** incursions into Canadian airspace are "so common" that no complaint will be lodged over a July 27 incident, said a Canadian Foreign Ministry spokesman in Ottawa two days later. The incident over Newfoundland involved two Soviet warplanes which were chased out of Canadian airspace by U.S. fighters. There have been 16 such incidents since January.

● **SOME 1,600** Jews emigrated from the Soviet Union during the month of July—a higher number than usual. But only 90 of them went to Israel, the BBC reported Aug. 1. Lack of jobs in Israel was cited as one cause.

Traffic between Bonn and Moscow will grow leading up to a scheduled visit to the Soviet Union by West German Chancellor Helmut Kohl in October. In August, talks will be held on the question of conventional forces, and, separately, German-Soviet talks on "regional conflicts," including the Gulf, southern Africa, and Cambodia, with the aim of "determining the contributions" that Germany and Russia can make toward "settling" these conflicts.

Yet another round of Bonn-Moscow talks will focus on German emigration from the U.S.S.R.

The Genscher visit also achieved an agreement for the creation of a joint German-Soviet "Discussion Forum," consisting of the German Society for Foreign Policy (a think tank similar to the New York Council on Foreign Relations) and the Soviet Europe Institute, founded in 1987.

New round of Soviet attacks on the Pope

The latest issue of *Scientific Atheism*, the journal of a Soviet institute of the same name, has carried a 31-page article attacking Pope John Paul II and his "bourgeois clerical propaganda mouthpiece," Radio Vatican.

The article, entitled "Clerical Radio Propaganda—An Instrument of 'Psychological Warfare,'" was written by Nikolai A. Trofimchik. He painstakingly goes through Vatican Radio broadcasts to demonstrate that there is a Vatican psychological warfare campaign against the Soviet Union.

In particular, the Pope is denounced for his support of the "Ukrainian faith . . . Uniatism." The Uniate Church is Catholic, owing allegiance to Rome. It was outlawed under Stalin.

Under the present Pope, says the article, "Radio Vatican supports the theoretical distortion that 'it was the efforts of Catholic Church missionaries that brought Christianity to Kievan Rus.'"

The article denounced the representation of John Paul II as the "Pope of the Youth" on Vatican Radio. The Vatican's strategy has been "to recruit young people in the

socialist countries into the Church, with the hope that by activating their religious lives, they will reject Marxist ideology and create an opposition to the [Soviet] government under a religious banner . . . leading them to anti-Soviet activities and anti-communist diversions."

Was CIA behind Italian terrorists?

On July 28, Italian police arrested Adriano Sofri, the founder of Lotta Continua, a radical terrorist group of the 1970s, along with three other group members, Giorgio Pietrostefani, a former Lotta Continua leader, and Leonardo Martino and Ovidio Bompressi, of the Lotta Continua "security group." All are accused in the assassination of police chief Luigi Calabresi of Milan on May 17, 1972.

Three days later, the Milan daily *Il Giorno* revealed that the Lotta Continua newspaper had been printed in the "Tipolito Artpress" printing shop, owned by Dapco, the publisher of the *Daily American*, then Rome's English-language newspaper. The connection suggests a strong CIA connection to Lotta Continua.

The *Daily American* was edited by Robert Hugh Cunningham, Sr., a CIA agent. Cunningham was a collaborator of Richard Helms, who was head of the CIA. Cunningham arrived in Rome in 1968, and gradually took the paper over from Samuel Meek, who had edited it since 1964. Meek is considered a collaborator of the CIA.

In 1971, the *Daily American* was taken over by Matteo Macciocco and Michele Sindona. After Sindona went bankrupt (and with him, the *Daily American*), Cunningham, who had remained as editor, created a new daily, the *Daily News*, co-edited with his son, Robert Hugh Cunningham, Jr.

Thereupon, various members of Lotta Continua founded a new printing shop for the group's daily, and were aided in this by Cunningham, Jr., who also edited various publications of radical "autonomist" groups, all in support of terrorism.

Poland: the only Ally to lose World War II

by David Kilber

Forgotten Holocaust: The Poles under German Occupation 1939-1944

by Richard C. Lukas

University Press of Kentucky, January 1986

\$24 hardbound, 300 pages.

Poland—1939-1947

by John Coutouvidis and Jaime Reynolds

Holmes & Meier Publication, New York, 1986,

Leicester University Press, 1986

\$59.50 hardbound, 393 pages.

Poland has been much in the news recently as the impoverishment caused by combined looting of the Eastern European nations by the Soviet war mobilization, *perestroika*, and usurious Western financial centers have caused explosions of revolt in these captive nations approaching 1956 levels. Will the fraud of Gorbachov's *glasnost* now collapse as Soviet tanks again move in to crush the revolt? One certainly sees in Poland a spirit of freedom which has never been crushed by Russia over centuries of oppression or by the combined genocidal assaults of Hitler and Stalin during World War II.

Richard C. Lukas, in *Forgotten Holocaust*, amply proves his thesis that the Nazi holocaust in Poland in 1939 was aimed not only at the Jewish population, as much of current historiography would have one believe, but also at the nation of Poland as a whole. He also exposes as fraudulent the accu-

sations against the Polish exile government in London and the underground Home Army, of complicity in anti-Semitism. The Polish government, in fact, often acted alone against the murder of Polish Jews, while the United States and Britain did nothing.

What makes the book more useful in the current world crisis, however, is its documentation of the Soviet role in the "forgotten holocaust." The September 1939 Nazi invasion of Poland, followed two weeks later by the Soviet invasion from the East, crushed the Polish Army, divided Poland along the Hitler-Stalin Pact Curzon Line, and began a partnership to destroy the nation of Poland forever and exterminate its national leadership and culture. The author documents in part, but does not draw the conclusions, that this partnership to murder Poland was a fundamental shared interest of Russia and Nazi Germany which continued *even after* the German invasion of Russia in June 1941. This is not surprising, considering the common roots of the Nazi and Bolshevik movements, put into power to destroy Western Judeo-Christian civilization by barbaric Russian and Western oligarchies.

Poland had been, from the late 14th century through the Renaissance and after, a bastion in defense of Western Judeo-Christian culture against the barbarism from the East. As one of the most culturally advanced nations in the world, Poland had acted as an important arm of Cardinal Nicolaus of Cusa's grand design for Christianizing the East through the Council of Florence. The shared hatred for Poland by the Nazis and Bolsheviks was expressed in the satanic rage against Christianity and the Renaissance by the 19th-century idols of these totalitarian movements, Friedrich Nietzsche and Fyodor Dostoevsky. It was not just the geographical existence of

Poland which stood in the way of Hitler and Stalin, but the cultural existence of Poland which had to be razed to the ground, if either a Third Reich or a Muscovite "Third Rome" were to rule the world.

Murdering Poland

As Lukas relates, the Nazi policy of destroying Poland involved "eliminating anyone with even the least political and cultural prominence. Hitler gave the green light, placing responsibility for this campaign on Himmler's SS and police forces. The bespectacled Nazi leader told his officers, 'You should hear this but also forget it again—to shoot thousands of leading Poles.' Frank told his collaborators the same thing: 'The Führer told me: What we now recognize in Poland to be the elite must be liquidated; we must watch out for the seeds that begin to sprout again, so as to stamp them out again in good time.' " Testimony of the success of this campaign "is revealed by the fact that during the war Poland lost 45% of her physicians and dentists, 57% of her attorneys, more than 15% of her teachers, 40% of her professors, 30% of her technicians, and more than 18% of her clergy."

Meanwhile, the Soviets had captured 200,000 Polish troops during the Hitler-Stalin Pact invasion. From these, over 15,000 Polish officers and prominent citizens were separated out, put in special prison camps, then later, under orders from the Soviet gestapo (the NKVD), were shot in the head and thrown into mass graves. One of these graves was uncovered in April 1943 by the Germans at Katyn Forest. This was not a onetime incident, but a consistent policy of the Soviets throughout the war and after.

One of the most wrenching tragedies in *Forgotten Holocaust* is the chapter on the Warsaw uprising of the Polish underground army against the Nazis in late 1944. As the Red Army approached Warsaw in July 1944, rapidly advancing against the Germans, General Bor-Komorowski, commanding general of the Polish underground army (AK), gave the order to prepare to launch a military uprising against the Nazis which would liberate Warsaw as the Russians came in, thus establishing the authority of the Polish government over the Polish capital city. The AK rightly feared that if they did not move then, one occupation army would simply be replaced by another. Few Poles had any illusions about Soviet intentions.

The AK made its move on Aug. 1, and the Soviets stopped their advance. Lukas reports, "The German response to the long, successful Soviet drive was counterattack, resulting in a temporary setback for the Soviets near Warsaw. After that, the Soviet government continued to claim, unconvincingly, that it was unable to give any military aid to the Poles, and even refused to allow the United States to use Soviet airfields to aid the beleaguered Poles." The Soviets waited for two months, while one of the most heroic and desperate battles of World War II was fought from street to street and house to house. Himmler told the SS to annihilate the Poles and "erase"

Warsaw, and they attempted to accomplish that with incredible brutality. After it was certain that the AK would be smashed, the Soviets allowed Allied supply flights and even dropped some food themselves; but, these were insufficient and too late.

Finally, starved and exhausted, what was left of the Warsaw AK surrendered. Shortly thereafter, the Nazis were driven out by the Red Army, and Warsaw was "liberated." The doomed uprising, as Lukas relates, "destroyed the heart of the political and military institutions of the Polish underground, a goal that Stalin needed to accomplish before his armies occupied Warsaw and installed his own political protégés as the rulers of Poland."

Treachery

Another recent book on Poland during the war years is *Poland—1939-1947* by John Coutouvidis and Jaime Reynolds. Although the book attempts an apology for the treacherous sellout of Poland by Churchill and the British Foreign Office, enough of the truth seeps through to make a mockery of the authors' insipid and duped conclusions. Reflecting the attitudes of the Foreign Office, they tend to assert that the Polish exile government was "the only Ally to lose the Second World War" because the Poles, while passionate and dedicated to their nation, were fragmented and unrealistic, and could have played the "game" better. They state, "Apart perhaps from the brief period when Poland was Great Britain's major ally, from the defeat of France in mid-1940 until the German invasion of the Soviet Union in mid-1941, the London Poles' influence with the Allied Powers was not based on a true commonality of interests. Beyond the immediate overriding objective of defeating Hitler, the perceived interest of the Allied Powers lay in achieving a stable and peaceful postwar relationship with the U.S.S.R. rather than in meeting Poland's national aspirations. Poland's influence therefore depended critically on limiting her own claims to those that were consonant with the interests of the Western Powers, and exploiting to the full the debt of honour that Churchill in particular felt towards the Poles."

This statement, of course, has a big splinter of truth stuck in it. A lack of a "true commonality of interests" did exist as the Teheran, Yalta, and Potsdam conferences sold the nations of Eastern Europe into slavery. Better if the authors were to accuse the Poles of being "stupid and unrealistic" not to perceive the "Anglo-Soviet Trust" control of Churchill and Roosevelt and the treachery that would entail. But then the question is, what were the Poles to do about it even if they did perceive it? They had an ally in Charles de Gaulle, but he was also largely shut out of the decision-making.

The book does contain some interesting material that illustrates that treachery. From the beginning, Britain refused to carry out its treaty with Poland and attack the Nazis when Hitler invaded Poland. Then, when the Soviets also invaded, the cries from Britain were for Poland to accept the new

Soviet borders in the middle of Poland. "The answer to the question about the areas His Majesty's Government intended to recognize as the boundary of Poland was not then given. However, speaking on 26 October [1939], Halifax said that 'the Soviet frontier with Poland now coincided with the Curzon Line.' The Polish government were taken aback by this. They expected consultation as an ally and this must have been foremost in Sikorski's mind as he and Zaleski left for London on 14 November." The British had been insisting that the Soviet invasion of Poland did not violate Britain's

It was not just the geographical existence of Poland which stood in the way of Hitler and Stalin, but the cultural existence of Poland which had to be razed to the ground if either a Third Reich or a Muscovite "Third Rome" were to rule the world.

treaty pledge to defend Poland from aggression. To add insult to injury, in the London *Sunday Express* of Sept. 24, 1939, Lloyd George "wrote an article under the heading 'What is Stalin up to?' in which he criticized the 'class-ridden Polish government' and praised the Soviet government for 'liberating their kinsmen from the Polish yoke.'" Then, "Similar statements reappeared in the press in mid-1941. Now the Polish government was also being portrayed in an unfavorable light over the issue of anti-Semitism."

An oft-repeated line one hears from conservatives is that Roosevelt sold out to the Russians and Churchill did everything he could to save Poland. *Poland—1939-1947* contains a number of interesting revelations that Churchill and the British were ready from the get-go to give Stalin everything he wanted. Churchill, for instance, wrote to Roosevelt on March 7, 1942, suggesting that the Atlantic Charter not apply to Poland. "The increasing gravity of the war has led me to feel that the principles of the Atlantic Charter ought not to be construed so as to deny Russia the frontiers she occupied when Germany attacked her. I hope therefore that you will be able to give us a free hand to sign the treaty which Stalin desires as soon as possible." Then later Churchill is quoted, "As regards the frontier problems, I must declare on behalf of the British Government that the sacrifices made by the Soviet Union in the course of the war against Germany, and its effort towards liberating Poland entitle it, in our opinion, to a Western frontier along the Curzon Line." So eastern

Poland was to go to the Soviets.

In 1943, the British had forced Poland to reenter into treaty talks with Stalin which they hoped would see Poland agree to the Curzon Line. The talks broke down when the Katyn Forest grave was discovered. Polish Prime Minister Sikorski asked the International Red Cross to investigate, and Stalin immediately severed relations. Several months later, in July, Sikorski died in a plane crash in Gibraltar when the controls of his plane jammed. The authors admit, "The matter is of sufficient notoriety to call for some comment here on the charge that the British were responsible for Sikorski's death." Was it done as a favor to Stalin? Impossible, they insist. Churchill "liked" Sikorski. Earlier in the book, the authors did include one interesting reference to a British Foreign Office letter dated July 30, 1940, mentioning Sikorski's close associate Kot saying that he was a lot of trouble and it might be best to have him "bumped off."

Apparently, Churchill did not like Sikorski's replacement, who kept insisting that the Poles would not agree to give Stalin the Polish territory he wanted. Finally "Churchill exploded: 'You are no government if you are incapable of taking any decision. You are a callous people who want to wreck Europe. I shall leave you to your own troubles. . . . I will have to call on the other Poles and this Lublin Government may function very well. It will be the Government.'" The Lublin Government was Stalin's hand-picked stooges established in January 1944, and accepted by Churchill and Roosevelt. The Polish government in London was left hanging, cut off from support and the quisling government the Nazis were never able to set up in Poland was now placed in power by the Red Army with the support of London and Washington. Thus, the end of the only Ally to lose the war.

Defeat the New Yalta

After all this the authors ask, "Why was the Government-in-Exile unable to salvage something from the difficult situation in which it found itself? And what was it that compelled it to intransigence so stubborn that it rendered itself politically impotent?" Of course, Poland was sold out from the start.

Poland—1939-1947, which is part of an Eastern European study series published by Leicester University in Great Britain, puts forward nothing useful in its conclusions. The question is not what was wrong with Poland, but what was the horrible defect in Allied strategic policy and thinking which turned over Poland and the other Eastern European nations to Russian slavery. We betrayed the heroic Polish people. Why? Useful conclusions need to be drawn, as the NATO alliance is about to betray what is left of Western civilization in a "New Yalta," unless a patriotic faction now emerges in the West with the power to prevent it. That requires a clear distinction between Churchill's geopolitics of empires to which Poland was sacrificed, and a statecraft based on a community of sovereign republics where a nation's freedom to progress is sacred and can never be sold.

Why U.S. military intelligence falters

by Leo Scanlon

History of the Military Intelligence Division, Department of the Army General Staff: 1775-1941

by Bruce W. Bidwell, Colonel, U.S. Army (ret.)
University Publications of America, Inc.,
Frederick, Md., 1986
\$29.50 hardbound, 625 pages.

The archives and documents of the U.S. government are open to citizens and scholars in a measure unparalleled in any other nation. Ironically, our government seems unable to use this heritage to avoid the pitfalls of current history, and we find ourselves more and more in the midst of new crises with very old roots.

Colonel Bidwell's history of the Military Intelligence Division (MID) is part of an effort by University Publications of America, to make the treasure of the National Archives more widely available through scholarly studies.

Today's headlines point to a real crisis in the way in which intelligence evaluation leads into the formulation of military objectives. Dozens of popular books examine one or another facet of that problem as it relates to the sensational events of the Iran-Contra scandal. *History of the Military Intelligence Division* is not one of them. The book is confined to a chronicle of the efforts of far-sighted military thinkers to develop an intelligence capability appropriate to a republican military institution.

The bankers' intelligence establishment

It does not deal with the political conflicts that have marked that effort, and which have thrown up obstacles to military intelligence competence. This is a serious shortcoming.

The interesting problem which has confronted the military intelligence establishment, especially during the 20th century, has been the interplay and conflict between the private intelligence agencies, largely staffed by the law firms of major financial houses, and the intelligence services of the military, charged with serving the national interest. These financial houses generally define their interests as broader

than, and sometimes antithetical to, the national interest: The resulting conflict of objectives has fueled many behind-the-scenes wars.

For example, beginning with the World War I era, the founding of organizations such as the American Protective League and the Committee on Public Information, and the attempt to blend these private organizations and their political agenda with the military has created a series of confrontations which have reached an apex in the current Iran-Contra controversy.

Colonel Bidwell describes the outline of this conflict, in particular in the matter of Walter Lippmann's activities on behalf of the privately funded Committee on Public Information. Lippmann's actions, informed by his idea that the United States should become a new type of empire, created intense jurisdictional fights with the relevant divisions of MID.

Gen. Douglas MacArthur and the circles associated with him maintained a fierce philosophical and strategic opposition to such policies; they fought to build a national intelligence capability which would be based in the military, and thus subordinated to the national command authority. One of MacArthur's students, Army Maj. Ralph van Deman, was, by his own account, "converted to intelligence" by MacArthur, and went on to organize the modern MID. Along the way, he had more than a few jurisdictional brawls with the financial interests which have traditionally controlled the Departments of State and Justice.

Major van Deman was confronted with a political intelligence problem which bears directly on the crisis facing the United States today. During World War I, and the years after the armistice, the Justice Department fostered and built a vast domestic apparatus allegedly designed to "catch German spies" or "catch Bolsheviks." This apparatus became notorious for exploits as inane—and as unconstitutional—as those run by Ollie North's domestic operations division during the Iran-Contra caper. MacArthur and van Deman conducted rear-guard battles to bring this business under military control, and stop the abuses of a vast private army which, not surprisingly, never caught a single spy.

Bidwell documents the spore of this conflict, but his book is not designed to address the substance of the battle. There may be little direct military archival material on these matters, but it should be noted that, to the extent that these issues are excluded from this work, the relative importance of MacArthur's, and even van Deman's role in the shaping of a military intelligence capability, appears to be "leveled out."

History of the Military Intelligence Division was written to establish, for the record, how the present MID came into existence, and to identify the critical role such a capability had in shaping modern combat up to the beginning of World War II. It fulfills this limited objective, and therefore is a vital guide to any who wander through the house of mirrors which is the history of intelligence operations.

Will Dukakis get the Eagleton treatment?

by Kathleen Klenetsky

Two weeks after Michael Dukakis's coronation in Atlanta, the Democratic Party's presidential candidate's campaign has taken a nosedive from which it may never recover. The state of Dukakis's mental health has now become the top issue of the U.S. presidential campaign. The media, both in the United States and around the globe, have been dominated by the question. Headlines like *La Stampa's* "Duke: I Am Not Mentally Ill" and the London *Guardian's* "Rumors Depress Dukakis," accompanied by stories and commentaries questioning whether he has ever had psychiatric treatment and why he won't release his medical records, and debating his emotional fitness for the presidency, have sent the Dukakis camp reeling.

Reports are circulating that Democratic Party kingmakers are drawing up contingency plans should Dukakis be forced to drop out of the race, as Democratic vice presidential candidate Tom Eagleton was in 1972, after it came out that he had undergone electro-shock treatments for depression.

The issue of Dukakis's psychological stability originated with the National Democratic Policy Committee, the political action group of the Lyndon LaRouche wing of the Democratic Party. The NDPC—which had issued a pamphlet last January documenting how the Dukakis administration in the state of Massachusetts encouraged financial and real estate speculators to destroy Boston's economy and rip off state taxpayers—circulated a leaflet at the Democratic convention in Atlanta, raising questions about Dukakis's emotional suitability for high office.

Entitled "Is Dukakis the New Senator Eagleton?" the leaflet called on delegates to give serious attention to evidence in the public domain that Dukakis had a personal and familial history of mental problems, which could prevent him from fulfilling his responsibilities as President, especially in a time of crisis, before selecting him as the party's presidential nominee. The leaflet drew a correlation between Dukakis's psychological profile, his cold, ruthless, unemotional

makeup, and his policies of vicious austerity—a key point ignored by the subsequent deluge of media coverage.

EIR News Service was the first agency to report on the contents of the leaflet. But other media outlets soon followed, after a *Boston Herald* reporter who had received a copy of the NDPC leaflet, asked Dukakis at a July 29 press conference to comment on reports that he had received psychiatric treatment twice: after his brother Stelian was killed in 1973, and in the wake of his resounding reelection defeat in 1978. Dukakis reportedly shrugged his shoulders, and walked away, but later, campaign spokesman Dayton Duncan put out a statement categorically denying the charges.

As rumors continued to circulate, fueled, in part, by Dukakis's refusal to answer a *Detroit News* questionnaire to the presidential candidates, asking whether they had ever had psychiatric treatment, the Dukakis camp began to panic. It placed a series of unsolicited phone calls to the media, denying that Dukakis had been treated for depression. That resulted in a front-page *Washington Times* article Aug. 2, headlined "Dukakis Psychiatric Rumor Denied," which reported that the Dukakis campaign had been calling the media in an attempt to squash the story, but noted that the candidate was still refusing to release his medical records. The article also cited a *Boston Globe* report of July 30, which traced the story to the NDPC leaflet.

The story reached a new plateau later that day, when *EIR* Washington correspondent Nicholas F. Benton asked White House press secretary Marlin Fitzwater, whether he thought presidential candidates should be expected to release their medical records as a matter of course. "No comment," Fitzwater replied.

Dukakis the 'invalid'

But the floodgates really opened when Benton asked the same question of President Reagan at the White House the next day. "Look," replied the smiling President, "I don't

want to pick on an invalid.”

Although the President claimed he was just joking, his remark made the issue of Dukakis's mental health into the lead item of the international media. As one British newspaper observed, in the wake of Reagan's comments, "The question of Mr. Dukakis's mental stability" had become "a blazing issue in the presidential race."

That evening, Dukakis was forced to call a press conference, to deny that he had ever sought help to combat depression or other mental illness. His personal physician, Gerald R. Plotkin, told reporters that, Dukakis "has never appeared depressed to me" and has "never demonstrated any symptoms or signs" suggesting mental depression or other forms of mental instability. He said he was not aware of any occasion on which Dukakis might have sought help for emotional problems.

If Dukakis thought this would get him off the hook, he was wrong. Although some of the leading establishment media, such as the *New York Times* and *Philadelphia Inquirer*, are mightily trying to give the impression that Dukakis has laid the issue to rest, there is a strong element of wishful thinking at work. For one thing, as numerous commentators less favorably disposed toward Dukakis have pointed out, the candidate is still refusing to release his medical records. The only document he has produced so far, is a three-page summary, authored by Plotkin. Furthermore, since Plotkin is an internist and not a psychiatrist, he is not necessarily qualified to make a judgment on Dukakis's emotional condition. Third, even if Dukakis were to release his records, questions would surely be raised as to whether they had been doctored. Even the *Washington Post*, a stalwart fan of "the Duke," admitted in its coverage of the candidate's press conference, that his continued refusal to make his records public "has helped keep alive the swirling but unproven rumors that he may have undergone professional treatment for depression."

Dukakis's press conference did nothing to stem the flow of stories. The day after, the *Daily Express* of London commented, "At one stage, [Dukakis] is believed to have received electro-shock therapy." The *Washington Times* ran a lead item reporting on an interview it had conducted with Dukakis's sister-in-law, Jane Peters, who admitted that "it is possible" that Dukakis had consulted "on a friendly basis" with his close friend, psychiatrist Donald Lipsitt, following his 1978 electoral defeat. Dukakis spokesman Mark Gearan responded, "Governor Dukakis has never sought or received professional treatment from a psychiatrist, a fact unrelated to whether or not he has psychiatrists as colleagues or friends." The carefully crafted remark is open to the interpretation that Dukakis has consulted with his psychiatrist friends on an informal basis.

Lipsitt is just one of several psychiatrists whom Dukakis numbers among his closest friends. Another, Dr. Gary Jacobson, is being pursued by investigators determined to dis-

cover whether rumors that he counseled Dukakis are true. Jacobson, involved in another scandal concerning Dukakis, this one centered on the state's selection of property he owned in New Braintree, Massachusetts for a prison site, reportedly told one journalist that he couldn't comment on reports that he treated Dukakis, because that would violate doctor-patient confidentiality.

Some of Dukakis's media backers have now tried a new tack—defending the right of the psychologically unstable to become President! Both the *Philadelphia Inquirer* and the *New York Times* printed editorials Aug. 5 contending that seeking psychiatric help should be considered a sign of strength—but refusing to deal with the issue of whether someone with a history of emotional problems should become President.

Even if Dukakis manages to survive the furor over his emotional state, there are more time bombs in the way of his march to the White House. Perhaps the most imminent is the Massachusetts budget fiasco, which has become particularly embarrassing given Dukakis's claims to "managerial competence." Massachusetts Rep. John Flood (D-Canton), in an Aug. 4 interview with *EIR*, said that he has gathered 58 of the 64 signatures necessary to convene a special session calling into question Dukakis's methods of "balancing the budget," but that Dukakis was "personally calling legislators to convince them not to sign."

The LaRouche factor

What has caused the most weeping and gnashing of teeth in Establishment circles is not so much that Dukakis may be destroyed, but the preeminent part which associates of Lyndon H. LaRouche have played in forcing the issue of Dukakis's mental stability onto center stage.

The media has been chock full of stories—ranging in tone from the amazed to the totally outraged—analyzing LaRouche associates' role in "Dukakisgate." A silly debate is raging over whether the Republicans are using LaRouche to get Dukakis, or vice versa. Dukakis circles claim the former: New York Gov. Mario Cuomo, for instance, went on national television Aug. 4 to assert that "there's something significant about what the Republicans have done here, the fact that they would use Lyndon LaRouche to get this thing started." Some Republican-oriented media, on the other hand, claim that rumors about Dukakis's emotional health were circulating long before the NDPC's "Eagleton" leaflet hit the streets.

Behind all this silliness lies the real fear: that, should Dukakis be forced out or weakened sufficiently, LaRouche's credibility and political standing will skyrocket. LaRouche ran for the Democratic presidential nomination, and is now being urged to mount an independent presidential campaign this fall. Bemoaning the implications of this, the *Boston Globe* commented Aug. 5 that LaRouche will emerge as the big "winner" of the uproar over the Duke.

The Project on Military Procurement targets Pentagon's 'black' programs

by Our Special Correspondent

On July 28 of this year, the *Washington Post* published a "hot" exclusive story alleging that ex-Navy Secretary John Lehman and his research chief, Melvyn Paisley, had bypassed standard procurement procedures in their purchase of three "drone" unmanned reconnaissance planes from an Israeli manufacturer for \$7.5 million. Coming six weeks after the FBI raided the Pentagon and scores of major defense companies in the opening public salvo of what came to be instantly known as "Pentagate," the *Post* story, by staff writer Joe Pichirallo, was based almost exclusively on a classified Navy Department document obtained from a little-known Washington, D. C. tax-exempt public interest research group called the Project on Military Procurement.

If the Justice Department does go forward, as U.S. Attorney Henry Hudson has vowed, with a rash of indictments against Pentagon brass and the nation's top defense industrialists—thereby wildly jeopardizing America's national security—much of the responsibility for that tragic bit of treason will lie with the handful of self-described "cheap hawks" who man the Project's offices at 422 C Street NE.

The Project on Military Procurement lies at the very center of a well-funded private network of think tanks, public interest law firms, and lobbying groups that has set out since no later than President Reagan's March 23, 1983 speech announcing the Strategic Defense Initiative, to cripple and eventually shut down America's "black box" programs, the most sensitive and top secret of all the military research and development programs.

Closet patriots or fifth column?

According to an undated letter published by the Project under the title "Who We Are, What We Do, Why We Do It," since 1981, PMP has operated as a clearinghouse for "leaks" from disgruntled Pentagon and defense industry employees, which are then disseminated to a targeted list of liberal "investigative reporters" and government investigators.

"Our efforts," the letter said, "are geared to collecting the information of 'closet patriots' who are employed in the Department of Defense or the defense industry. these individuals have witnessed waste, fraud, and contracting abuses

which over time have reached such proportions that the individual can no longer tolerate them. As an act of conscience, they then individually come forward with their story."

Citing the Project's recent accomplishments, the letter goes on to pinpoint among its principal targets the Stealth bomber program and, of course, the SDI:

"The Project has worked to inform the public about the increasingly large 'black' defense budget, now estimated at between \$30-60 billion. Programs in this category, such as the Stealth bomber and many military satellite programs, are known as Sensitive Compartmentalized Information (SCI) programs and are so secret that even most members of Congress are unaware of their mission or even their budget amount. In 1987, legislation sponsored by Rep. Barbara Boxer and Sen. Lowell Weicher was passed which requires submission to the Armed Services Committees of total spending and basic purpose of each SCI program. In addition, the Project has contributed to several journalistic projects focusing on the black budget.

"We are also working on an arrangement for several of our sources in SCI programs to assist government agencies and congressional committees in investigating massive security violations that are plaguing many black programs. The goal of these exposés is not to strengthen the much-abused black security classification, but to show that access to these programs is controlled by a double standard. Access to these programs is highly restricted for groups that would have oversight over them, such as congressional and DoD investigative units, but is wide open for contractor employees, even those without the necessary clearances. Our investigations, if successful, will show the Congress and the public that this ever-growing classification of black programs could be used as a facade of security designed to prevent oversight."

While claiming that its network of "closet patriots" turned whistleblowers are motivated by "conscience," the Project letter goes on to boast that the group was behind a successful effort to introduce a major financial incentive for informants to come forward.

"In 1986, legislation sponsored by Sen. Charles Grassley was passed amending the False Claims Act. The changes to

the Act make it more practical for citizens to bring suit on behalf of the government on charges of fraud and corruption. In the past, if a citizen brought charges under the Act, the Department of Justice could take the case from the citizen's hands and then decide to drop the charges. Even if the government pursued the case, there would often be no reward for the citizen in the end. Most important about the new law is that the citizen is awarded 10-30% of the recovery should the suit be successful. No longer will whistleblowers be faced with losing their jobs in a bureaucracy which refuses to reform itself, and ending up none the richer for their efforts to make the industry accountable to the citizenry. The Project is presently assisting in the execution of several False Claims suits. The Project will gain valuable information in these investigations and plans to release information to the press, public, and Congress."

Through these combined "accomplishments," PMP effectively helped establish a network of turncoats and bounty-hunters inside the nation's most sensitive weapons laboratories and Pentagon research centers. It is no wonder that in December of last year, Dina Rasor, the founder and director of the Project on Military Procurement, was chosen as one of the 10 outstanding female military experts by the Center for Defense Information, an Institute for Policy Studies-linked disarmament lobby.

The building of a cover

Fundamental to the Project's active role in the ongoing Pentagon assault against America's defense structure is its self-description as a "reform" group that is fundamentally in favor of a strong national defense—merely one devoid of the corruption and waste. Thus, the self-labeling as "cheap hawks."

A careful review of the history of the Project and its founder belies those claims.

According to a series of media profiles reviewed by *EIR*, Dina Rasor arrived in Washington, D.C. shortly after her 1978 graduation from the University of California at Berkeley. After briefly working for ABC radio and for the President's Commission on Coal, she wound up on the staff of the National Taxpayers Union, one of the major lobbies pushing Congress to enact a balanced budget amendment to the Constitution. At the NTU, Rasor, by her own description, was recruited by A. Ernest Fitzgerald, a Pentagon whistleblower who was bounced out of a job with the Air Force in 1969 over his leaking of information about the Lockheed C5A military transport plane. Fitzgerald became the *cause célèbre* of the New Left and the focus of a decade-long public interest legal battle that eventually saw him reinstated to a sensitive Air Force systems analysis job.

In September 1982, Rasor told the *National Journal* that Fitzgerald "came to me and said they needed somebody who could be a front" for their mounting assault against America's defense budget. With Fitzgerald's backing, Rasor moved

over to a separate public interest front, the National Taxpayers Legal Fund, an organization heavily funded by the Libertarian Party, and chaired by ex-Sen. Eugene McCarthy. Top Libertarians, Edward H. Crane III and Jule R. Herbert, Jr.—both linked to the Libertarian think tank, the Cato Institute—initially sponsored Rasor's creation of the Project on Military Procurement. However, the Libertarian Party's opposition to any national defense budget (they advocate a total "privatization" of the military) did little to encourage confidence in the Project among the army of whistleblowers and leakers inside the military the Project sought to recruit from the outset.

So, in March 1982, Rasor and Fitzgerald were bounced out of the taxpayers fund by arch-libertarian Herbert and publicly accused of "being too effective in challenging wasteful military programs. Her efforts had . . . attempted to increase the efficiency of our fighting machine." Crane, in a widely circulated memo explaining the firing, stated, "The Project on Military Procurement is attempting to increase the efficiency of our fighting machine. From my perspective, it is already grossly too efficient."

Now free to lay claim to a "more bang for the buck" agenda, Rasor and Fitzgerald joined forces with one of the gurus of the Washington world federalist establishment, Stewart Mott, whose Fund for Constitutional Government soon picked up the tab for the Project's ongoing work. Founded in 1974, in the heat of the Watergate affair, the Fund serves principally as a funding conduit for a string of "projects" all aimed at the military-intelligence complex. Among the board members serving with Mott on the Fund are: Americans for Democratic Action founder Joseph Rauh, Jr., retired Carter administration ambassador Robert White, former Sen. James Abourezk, *Progressive* magazine editor Sam Smith, and Fitzgerald.

While so far remaining closed-mouth about their direct relationship to the Justice Department and the FBI, Rasor and her associates, Paul Hoven and Joe Burniece, have been rather brazen in identifying a network of so-called investigative journalists and congressional staffers who constitute preferred conduits for Project leaks.

Among the most-leaked-to-reporters: James Coates of the *Chicago Tribune*; Fred Kaplan, a freelance writer who formerly worked for Rep. Les Aspin (D-Wisc.); Morton Mintz of the *Washington Post*; Bruce Ingersoll of the *Chicago Sun Times*; Bob Adams of the *St. Louis Post Dispatch*; Frank Greve of the Knight-Ridder chain; Charles Mohr of the *New York Times*; and James Fallow, a frequent contributor to *Saturday Review* (its publisher, Norman Cousins, a longtime crony of world federalist Lord Bertrand Russell, is another mentor of Rasor, according to defense industry sources).

On Capitol Hill, the Project's best allies include: Bernie Ward, an aide to Rep. Barbara Boxer (D-Calif.); Kris Kolesnik, staffer for Sen. Charles Grassley (R-Iowa); and Richard Kaufman, staff director of the Joint Economic Committee.

LaRouche to campaign in Washington state

by Mel Klenetsky

In the aftermath of the Democratic Convention in July, a forum which did not deal in any way with the issues crucial to our times, Lyndon H. LaRouche, Jr. and LaRouche Democrats around the country have taken on the task of providing leadership.

LaRouche, when asked during the convention about the prospects of a Bush or a Dukakis presidency, rated Bush as a zero and Dukakis a minus, painting a picture of imminent disaster should either of these candidates take the reins of government.

LaRouche has now accepted a call by supporters in Washington state, calling themselves Democrats for National Economic Recovery, to run for the presidential slot in the November general election. Debra Freeman, a leader of the LaRouche wing of the Democratic Party from Baltimore, Maryland, was chosen as his vice presidential running mate.

In Alaska, a similar effort is under way to place LaRouche and Freeman's names on the November ballot. These independent efforts, coupled with those of the LaRouche Democrats who are running in Democratic primaries and the general election, in congressional and state legislative races, are designed to provoke policy discussion, at a time when the Democratic Party has stifled all debate and abandoned the interests of the electorate.

LaRouche, during the Democratic Convention in Atlanta, from July 18-21, circulated a draft platform, entitled "Mastering the Grave Crises of 1989-1992." LaRouche supporters also attempted to place his name in nomination for the presidency, which would have given LaRouche or a delegate nominator the right to address the convention.

Democratic National Committee chairman Paul Kirk and Michael Dukakis used every dirty trick in the book to prevent LaRouche volunteers from placing their candidate's name in nomination, armtwisting and threatening delegates to prevent their signing the LaRouche petition. On the day that the petitions were to be handed in, July 19, LaRouche held a press conference announcing he could not hand in the petitions, for fear that the signers would be victimized.

In an attempt to present an image of "party unity" to the world, Kirk and Dukakis muzzled debate and dissent on every level, going way beyond the issue of LaRouche's nomination. Claude Jones, Democratic Party chairman of Houston's Harris County, the second-largest electoral district in

the country, was astounded at the thug tactics used. Jones, a LaRouche Democrat, was forcibly removed from the Atlanta hotel where the Texas delegation was staying, after trying to speak to delegates about signing the LaRouche petition.

The candidates' movement

Jones pledged to bring the policy issues raised by LaRouche's draft platform back to his constituency. The platform discusses the policy disasters of the Eastern Establishment. That Establishment, while pushing regional power-sharing arrangements with the Soviet Union and corporatist austerity measures for the West, have misestimated the full dimensions of the AIDS crisis, the food crisis, and the forthcoming repressive measures and possible military adventures that the Soviet Union will take, once the food crisis translates into even more severe Soviet food shortages.

LaRouche Democrats George Elder and Donald Hadley, Pennsylvania congressional candidates, who, having won their primaries, will hold the Democratic slot in the November election, returned to Pennsylvania after the Atlanta convention and renewed their efforts at mobilizing the electorate around these issues.

Hadley, running in the Fifth Congressional District in Pennsylvania, reported back to his volunteers, mobilizing them for door-to-door canvassing activity. Speaking to the County Farm Association, the Chester County Executive Democratic Committee, and constituency groupings throughout the district, he has raised the issues of the farm crisis and the economy, the heinous policy of euthanasia, and the AIDS crisis.

Hadley's primary election victory caused pandemonium in the party bureaucracy, after he defeated the handpicked candidate of the Chester County Democratic Party. More recently, the party machinery decided not to battle Hadley, nor to run an independent challenge against him.

Elder, running in Pennsylvania's 21st Congressional District, has sought to enliven the campaign with actual policy debate. An article in the *Erie Daily Times* was entitled, "George Elder Trying to Bring Congressional Campaign Alive with Drought and AIDS Issues."

Another LaRouche Democrat, from California's 39th Congressional District, Don Marquis, prints up thousands of poster-style weekly campaign updates on the economy, AIDS, and strategic issues, and plasters them around the district. Mark Brown, a LaRouche Democrat campaigning in Ohio's 12th Congressional District, has similarly mobilized his volunteers.

Other Democratic primary efforts are under way from New Hampshire, where Robert Patton and Lewis du Pont Smith are running for 1st and 2nd Congressional District, to New York, Minnesota, Washington state, and Oklahoma. LaRouche Democrats are filling the policy and leadership vacuum that the Dukakis-Kirk mafia have presented to the American electorate.

Reagan shoots from hip to wing Dukakis

President Reagan's now-famous remark in response to my question about Governor Dukakis's secret medical history, "Look, I'm not going to pick on an invalid," created a firestorm of reaction at the White House Aug. 3 and put the question of Dukakis's mental condition on the front pages of every newspaper in the world.

Reagan decided to make a rare personal appearance at the White House press briefing room that morning in order to say that he was vetoing the Defense Authorization Bill, mainly, he said, because of deep cuts in the budget for the Strategic Defense Initiative (SDI).

Reagan's seeming declaration of war against the Democratic-controlled Congress on the defense issue was clearly designed to try to sharpen election-eve public perceptions that there is a difference between George Bush's stand on defense issues and that of the Democrats.

At the conclusion of his remarks, Reagan agreed to take a handful of questions.

Mine was not one of the hands he called on. After the last question, a dozen reporters dropped all the polite hand-raising and began shouting all at once to get Reagan's attention for just one more question.

Reagan had started to move away from the podium, but paused to listen to my question: "Do you feel that Michael Dukakis should make his medical records public? He has refused to make his medical records public—the first candidate for high office since Eagleton in 1972. He's had campaign representatives call up with unsolicited phone calls to newspapers saying

he never had psychiatric care. He walked away from a question about that last Friday. Do you think the American people deserve to know whether he's fit to govern by having his medical records made public?"

Reagan got a glimmer in his eye, and let forth his now-famous line.

The White House press corps was stunned, and then let loose a deafening uproar of protest. "What do you mean by that?" "What do you mean by invalid?" "Invalid in what sense?" "Why did you call Dukakis an invalid?"

Reagan departed the press room and went to the East Room to speak to a small gathering of major media executives. There, in remarks which were piped into the press room, he said he had "said something in answer to a question he probably shouldn't have," implying his use of the term invalid was a blunder. He then added, pointedly, "I do want to make it clear, however, that I believe the public does have a right to know the medical details of any man who would hold the nation's highest office."

In the press room, many reporters swarmed around me seeking further information on what I knew on the issue of Dukakis's medical history.

The natural question on the minds of thinking journalists (and asked me by some) was: Is there something that President Reagan knows about, which caused him to feel he had the license to use such an explosive word as "invalid" to characterize the Democratic candidate for the presidency? After all, that is pretty strong language.

Indeed, Reagan's use of such a term could not have been a slip, or a poor attempt at a joke. The President has never been known to be sloppy in his choice of words for anything. On the contrary, it has been his mastery of the speaking platform which has been his forte all these years. Anybody who really thinks Reagan's ref-

erence to Dukakis as an "invalid" was just a blunder is a good prospect to buy the Brooklyn Bridge.

And so many White House reporters said at the daily briefing the next day, when they confronted spokesman Marlin Fitzwater with charges that the President had plotted in advance to use the term.

An NBC reporter asked if the President discussed the rumors of Dukakis's mental condition with members of his staff, and whether he came out to the briefing room "with the word 'invalid' on his mind."

LaRouche's role in White House questioned

Then a reporter from the *Wall Street Journal* remarked that "these rumors about Mr. Dukakis were generated originally by followers of Lyndon LaRouche," and demanded to know "aside from any who might happen to be in the press part, whether any of those followers have had meetings with White House officials or campaign officials in the second term."

Fitzwater answered, "I have no idea." When the reporter asked, "Can somebody check on that?" Fitzwater replied, "No, I wouldn't. We wouldn't want to check on meetings. You can't check on everybody's staff."

Another reporter, a partisan Democrat, then challenged the White House for granting press credentials to what she called "LaRouche's outfit," while denying them to other media. Fitzwater said he was not aware of any legitimate journalists who had been denied passes. When asked, "Is LaRouche's outfit legitimate journalism?" he said, "The courts ruled . . . if you've got a news outlet that reaches the public, the courts have defined you as eligible for a White House press pass."

S&L crisis is worse than 'experts' thought

In testimony before the House Banking Committee on Aug. 3, L. William Seidman, chairman of the Federal Deposit Insurance Corporation (FDIC), said that \$50 billion would be needed this year to bail out insolvent savings and loan institutions.

This estimate put Seidman at odds with Danny Wall, the chairman of the Federal Home Loan Bank Board, the institution responsible for insuring savings and loan associations, who estimated the cost at \$30.9 billion. Seidman also contradicted Wall by saying that the situation in the Southwest was getting worse, not better, as Wall had maintained. Seidman's estimate was that it was "getting worse at something like \$1 billion a month." The cumulative problem, according to Seidman, is "just under \$50 billion."

Others are saying that the total sum of a bailout would have to be in the order of \$100 billion.

Seidman was heavily criticized by members of the Banking Committee for the FDIC bailout of First Republic Bank of Dallas, which was taken over by the North Carolina bank NNCB. In this deal, the FDIC put up \$4 billion and will own 80% of the new bank, while NNCB will invest \$220 million and own 20% of the new company. Rep. Toby Roth (R-Wis.) criticized the venture as "a sweetheart deal born in a crisis." With regard to the \$50 billion sum designated by Seidman as the cost of the savings and loan's dilemma, Roth commented, "There isn't enough money in Washington to do that."

Such an amount would indeed far exceed the combined resources of the FDIC and the Federal Savings and Loan Insurance Corporation (FSLIC). Two chairmen of the bank board, Jay

Janis and Richard T. Pratt, told the Senate Banking Committee that some form of a taxpayer bailout would be inevitable. In testimony before the Senate Banking Committee on Aug. 3, Undersecretary of the Treasury George D. Gould also put the sum of an S&L bailout at \$50 billion, but rejected having the taxpayer foot the bill, calling such a proposal a "we-pay-as-they-go" plan.

Sen. William Proxmire (D-Wis.), chairman of the Senate Banking Committee, said that he saw "no way we can avoid some kind of hit on the Treasury." He hopes, however, to stop the insolvent institutions from piling up further losses, by banning them from taking more deposits or making more loans, and is considering introducing legislation that would ban state-chartered institutions with federal deposit insurance from taking advantage of more liberal regulations in certain states.

Gould supported the Proxmire plan, but suggested that Congress increase the borrowing authority at the FSLIC from last year's \$10.8 billion to \$15 billion.

Meese: No 'malaise' at Justice Department

Responding to accusations made by Arnold Burns, former deputy attorney general, that the Justice Department under Attorney General Edwin Meese was in a "deep malaise," Meese responded with a list of accomplishments of the department during his tenure as attorney general.

Burns and his sidekick, former DOJ Criminal Division chief William Weld, quit their jobs with great fanfare in March, when they lost a bid to

oust Meese from the department.

In one of his last appearances as Attorney General, on Aug. 3, Meese cited the fact that the DOJ had "convicted and won a sentence of life without parole for one of the most powerful and notorious drug traffickers" in Colombia, Carlos Lehder Rivas. Meese called the claims of Burns and Weld "certifiably false bits of conventional wisdom," adding that the "foolishness of this conventional wisdom is apparent to all who have read beyond the headlines."

On Aug. 4, the Senate Judiciary Committee approved the nominations of the successors to Burns and Weld on a voice vote. The names of Harold Christensen, the acting deputy attorney general, and Edward S.G. Dennis, Jr., the acting head of the Criminal Division, were forwarded to the full Senate for a final vote, which is expected later in the month. The committee also voted to approve the nomination of Francis A. Keating II to replace Associate Attorney General Stephen S. Trott, who had resigned earlier to become a federal judge.

Senate votes up protectionist trade bill

On Aug. 3, the Senate passed by a vote of 85-11 what the *New York Times* characterized as "the most sweeping trade bill in a generation." The bill gives the President broader powers to retaliate against nations found to engage in "unfair trading practices." It permits the President, in certain circumstances, to block foreign takeovers, if he has evidence that they would "impair national security."

The bill bars foreign securities firms from being primary dealers in U.S. government securities unless U.S.

firms gain, within a year, equal footing with local firms to handle their governments' securities. It also imposes sanctions against Japan's Toshiba Corp., in retaliation for the sale of sensitive submarine technology to the Soviet Union by one of Toshiba's subsidiaries. The bill is meant to increase pressure on foreign nations whose imports to the United States will suffer as a result. "There will be some disappointment tonight in Germany and Japan," said Sen. Lloyd Bentsen (D-Tex.), one of the authors of the bill.

The protectionist legislation has indeed created an uproar among the United States' major trading partners. Japan's Foreign Minister Sosuke Uno has called on President Reagan to veto it. Prime Minister Noboru Takeshita termed the U.S. action "unfortunate," citing its "protectionist undertones." A senior Taiwanese trade official said, "We will regret it if President Reagan signs the bill." The South Korean Foreign Ministry also termed the bill protectionist, and said that, if enacted, it would seriously hurt the free-trade system. West Germany's economics minister, Martin Bangemann, appealed to the Reagan administration to implement the policies outlined in the measure "with as much restraint as possible."

Foreign critics have also complained that the bill leaves the judgment of fairness and unfairness in international trade matters solely to American authorities.

Senate Democrats agree on aid plan to Contras

Senate Democrats agreed on Aug. 3 on a plan to provide the Nicaraguan Contras with \$27 million for food,

clothing, shelter, and medical supplies. They ruled out, however, any money for arms and ammunition, except under carefully circumscribed conditions and a vote by both Houses of Congress. The plan, a product of nearly a week of secret negotiations among a dozen senators, is considered a breakthrough for the Democrats, because it has the backing of liberal and conservative members of the party who have long been at odds over arming of the Contras.

Sen. Robert Dole (R-Kan.) called the Democrats' proposal a "capitulation," saying that it was "hardly a starting place." A Republican plan includes the same amount of money for humanitarian aid, but it also earmarks \$20 million for arms and ammunition that could be released after Sept. 1, if both the House and Senate vote approval at that time.

The rival plans could provoke a Senate battle over the issue, a battle which could become even more partisan now that President Reagan has vetoed the Defense Authorization bill. The only condition under which the Democrats would permit a vote on military aid, is if the President certifies that the Nicaraguan government has created "an emergency situation" in Central America that has "a critical impact on the peace and stability of the region." Both Houses would then have to approve the President's certification.

President Reagan vetoes defense bill

President Reagan on Aug. 3 vetoed the Defense Authorization bill for next year, charging that the Democratic Congress had filled the bill with "unilateral concessions" to the Soviet

Union. The move is seen as a politically motivated effort to boost the standing of George Bush's presidential campaign among pro-defense conservatives, who are already angry at the administration's arms control deals with the Russians.

The President said he was especially concerned that the bill would slash funding for the Strategic Defense Initiative. "The bill would signal a basic change in the future direction of our national defense—away from strength and proven success and back toward weakness and accommodation," the President said. Reagan said he decided to veto the bill even though there was no disagreement with Congress on its total price tag of \$299.6 billion. Even some leading Republican senators and Defense Secretary Frank Carlucci favored signing the measure.

The most ranking provision of the bill is that which would make deep cuts in space-based defense systems, while mandating higher spending levels for the ground-based elements of President Reagan's SDI. The President also objected to cuts in the new system of basing MX missiles on mobile railroad cars, from the originally planned \$793 million to \$250 million.

The bill's congressional supporters concede that they don't have enough votes to override the veto and probably won't have enough time to pass a new authorization measure for the fiscal year starting Oct. 1. Instead, the Pentagon budget will most likely be set in the Defense Appropriations bill, and the Democrats will try to attach policy provisions from the vetoed Defense Authorization bill to the Defense Appropriations bill. (An authorization bill defines programs the government can carry out and sets funding ceilings, while an appropriations bill allocates money.)

National News

Justice Dept. still seeks drug testing

A federal judge handed down a ruling July 29 that would block plans by the Justice Department to subject 1,800 of its employees to random drug testing, and the Justice Department immediately appealed the ruling.

Judge George Revercomb issued a permanent injunction against the testing program, siding with 42 department employees who, with the help of the American Civil Liberties Union, had taken the government to court to stop the tests. The employees were represented by Stephen Sachs of the law firm of Trilateral Commission member and outspoken opponent of the U.S. Constitution, Lloyd Cutler. Judge Revercomb said the tests could not be justified because the Department of Justice does not consider drug use to be widespread among its employees.

The Justice Department has stated that it hopes to proceed with random drug testing of employees who hold sensitive positions, despite the permanent injunction. The Department will ask the U.S. Circuit Court of Appeals for a stay of the permanent injunction, so that the department can proceed with the testing program, said spokeswoman Amy Brown.

Will Jesse take part in hostage talks?

The Reagan administration is said to be split over what role, if any, Jesse Jackson might play in hostage negotiations with Iran. A senior State Department official said July 29 that the administration at some point might welcome Jackson's help with the hostages. But Sheila Tate, George Bush's press secretary, said Bush continues to see Jackson as a "loose cannon" who might endanger U.S. policy interests.

On July 27, Jackson announced that he was trying to open discussions with the Iranian government on releasing U.S. hostages

held in Lebanon. He met with Deputy Secretary of State John Whitehead the next day to discuss the matter.

Bush reportedly opposes giving a role to Jackson because it would boost the Democrats' election chances.

Meanwhile, President Reagan has extended Secret Service protection to Jackson for 30 days, at a cost to taxpayers of about \$600,000.

Judge says starvation is constitutional right

A Missouri judge has agreed to allow the family of a comatose woman to disconnect the feeding tube that has been keeping her alive for the past five years.

In a grotesque ruling, Judge Charles E. Teel said that the patient, Nancy Cruzan, has a "constitutional right" to have all "artificial life-prolonging procedures," including food and water, terminated.

The American Civil Liberties Union is overjoyed, since this is the first case in Missouri addressing the issue of disconnecting food and water when death is not imminent.

Thad McCause, a court-appointed guardian for Miss Cruzan, has already filed an appeal to overturn Teel's ruling. William Webster, the Missouri Attorney General, is also expected to appeal the case to the State Supreme Court.

Journal says prosecutors favor drug legalization

"Nearly three out of every four of the nation's top state and local prosecutors reject the Reagan administration's 'zero tolerance' antidrug policies . . . and one-fourth say marijuana should be decriminalized," according to the July 31 *Washington Post*. The data cited by the *Post* appeared Aug. 1 in the *National Law Journal*.

The *Journal* study claimed that nearly two-thirds of prosecutors believe their ef-

forts have little or no impact on reducing the supply of illegal drugs or increasing the street price.

The survey was based on telephone questioning of 181 chief prosecutors or their top narcotics deputies in every state.

After receiving what Editor-in-Chief Tim Robinson described as the "most surprising results," that 25% of those questioned saw a role for "decriminalization," the *Journal* did follow-up questioning and determined that 27% favored fines instead of jail terms for marijuana offenders, while another 5% said either that marijuana growing should be permitted for personal use, marijuana sales should be permitted in small quantities, or that marijuana should be regulated like alcohol.

FBI rumors lead to judge's removal

Judge Edward F. Zampella was removed from the bench by Hudson County, New Jersey's top judge after a "secret" FBI document claimed that Zampella had ties to organized crime, although he has never been charged with any wrongdoing.

Former Hudson County District Attorney Harold J. Ruvoldt, Jr. has agreed to represent Zampella against allegations that he did favors for organized crime figures while on the bench. Ruvoldt called the allegations "groundless," and told the press, "The conclusions, the inferences, and the factual statements are false [in the documents] and they, indeed, may be maliciously false."

Despite the fact that no formal charges have been filed against Zampella, the FBI report has provoked extensive press coverage and caused his removal.

Maryland orders tests for salmonella

Following the discovery of salmonella infection in four Cecil County chicken flocks,

Maryland has become the first state to require the testing of all commercial egg-laying flocks for the potentially deadly bacteria.

State health and agriculture officials also signed an order requiring producers to pasteurize all eggs from infected flocks before they can be sold for human consumption.

Maryland's action followed tests that found traces of salmonella in 4 out of 15 chicken flocks in Cecil County belonging to A.J. DeCoster, the largest egg producer in the Northeast of the United States.

The Maryland Agriculture Department tested the chickens after the New York Health Department said that it had traced over 500 cases of gastrointestinal illness to DeCoster eggs. Most at risk from salmonella poisoning are infants and the elderly.

DeCoster, which ships most of its eggs to the state of New York, announced at the end of July that it would slaughter about 250,000 infected chickens and sell the meat to processors who cook it for prepared foods.

Editorial rips into Prosecutor McKay

The *New York Daily News* used its lead editorial Aug. 1 to rip into special prosecutor James McKay for his handling of the investigation of Attorney General Edwin Meese.

Under the headline, "The Slander of Edwin Meese," the *News* accused McKay of having "tried very hard to indict" Ed Meese but, "much to his dismay, no doubt, found no grounds on which to seek the indictment.

"That, it would seem, should have been the end of the story," added the *News*. "The special prosecutor should have issued a report explaining that he'd found no grounds for indictment. . . . He opted for a different course, however. . . . McKay publicly labeled Meese a crook."

"No prosecutor," concluded the *News*, "should render a guilty verdict in the court of public opinion after failing to find sufficient evidence even to bring the case to a court of law. Edwin Meese has been cleared of criminal wrongdoing. Whether Mr.

McKay likes it or not, that is the objective result of his inquiry."

Baltimore mayor to tour Europe

Baltimore's Mayor Kurt Schmoke, who made national headlines when he called for a "debate" on drug legalization at the National Conference of Mayors in Washington, D.C. at the end of June, is planning an eight-day trip through Europe at the end of September, according to the August issue of *Baltimore* magazine. The trip has, as one of its goals, "to plan the city's participation in the explosion of cultural and economic activity forecasted for 1992," when Europe is to undergo a fascist restructuring eliminating national sovereignty (see page 42).

"The year 1992 not only marks the transatlantic celebration of the five-hundredth anniversary of the New World, it is also the target date for the unification of the twelve-member European Economic Community," *Baltimore* magazine's writer explained.

Schmoke's trip will take him to Madrid and Cadiz, Spain, Genoa and Bologna, Rotterdam, Amsterdam, and Brussels.

Preliminary checking on the Baltimore mayor's trip indicates that the next phase of "post-industrial" society is part of Schmoke's interest in Europe 1992. Schmoke will be visiting the Communist-ruled Emilia Romagna section of Italy, which was portrayed by a source in Schmoke's office as a model area of the "post-industrial" era. According to the mayor's promotional material, this area's success has been based upon thousands of small businesses started by many former industrial workers, who are now employed in various "high-tech" endeavors as artisans.

According to one spokesman for the administration, Schmoke will explore the transfer of these lessons to Baltimore. Schmoke will be visiting a building in central Bologna run by the National Confederation of Artisans. Also as part of his tour, he will visit the Johns Hopkins campus, and attend an International Fellows Conference, in Genoa.

Briefly

● **AMERICANS** don't know geography, according to a Gallup poll commissioned by the National Geographic Society. Fewer and fewer Americans can identify any foreign country on a world map; 14% could not even find the United States! 20% could not name a single country in Europe; 75% could not find the Persian Gulf; 25% could not find the Pacific Ocean. Nearly 50% could not find New York State on a map. Statistics for Europeans were a little better, but there, the young know more than the old, while in the United States, it is the reverse.

● **PENNSYLVANIA** was the site of a major police drug raid July 31. A booby-trapped drug factory that could produce \$3 million worth of methamphetamine daily was raided by a state police strike force in Auburn Township, Susquehanna County. Officers called the drug operation "the most extensive ever encountered."

● **NEW JERSEY** health workers have won a fight for notification on AIDS patients. A threatened strike by 700 members of AFSCME Local 2254 was averted when health workers signed a contract with Jersey City Medical Center providing that the center must inform health workers of which patients have AIDS. The hospital will be the first in the state to adopt such a practice.

● **NATIONAL GUARD** volunteers from Military Police units in Texas, Arizona, and Florida, in an experimental 30-day exercise, will be deployed alongside U.S. Customs agents, the National Guard announced July 29. The guard members will be trained by the Customs agents in border interdiction work.

● **JACKIE PRESSER**, the late president of the Teamsters union, was an FBI informer for almost a decade, the FBI's Oliver "Buck" Revell revealed. His code name was "All Pro."

Editorial

Break up the superpower condominium

As the smoke clears after the Reagan-Gorbachov Memorial Day summit, the political landscape reveals a series of global deals, which would ostensibly divide the world into Soviet and U.S. spheres of influence. This "New Yalta" arrangement is beginning to create pockets of resistance, and in the Middle East there are some signs of realignment, which could create fissures in the proposed imperial world map.

This may well be behind the move by the Jordanians to withdraw from the West Bank, leaving the administration of that area to the Palestinians themselves. The fact that Israeli Prime Minister Yitzhak Shamir has resisted pressure from within Israel to annex the West Bank, suggests the possibility of a deal already in place to give the Palestinians autonomy.

Such a prearranged agreement among the Palestinians, Israel, and Egypt could transform the presently ugly, no-win conflict between Israelis and Palestinians. If such an accord is in the works, then there is new hope for the region as a whole. Certainly, the Israelis must fear the newly virulent anti-Semitism in the Soviet Union, which is allowed to flourish unchecked in this tightly controlled police state.

For Israel, a resolution of the Palestinian problem could be a true lifeline, providing a chance to form a viable broader coalition which could include the non-Arab Muslim states such as Pakistan and Turkey. Such a grouping would have the capability to transform the Mideast, by introducing high technology and advanced agriculture, providing the economic underpinnings of a peace settlement.

This would be a reversal of Israeli's traditional divide-and-conquer policy toward the Arabs, which has also led Israel to fear Arab industrial development. The most dramatic outcome of that fear was Israeli destruction of an Iraqi nuclear plant, which might have produced weapons-grade plutonium. Yet without nuclear energy, the scale of energy investment needed to bring the region out of the dark ages, will not be possible. A case in point, is the disaster facing the Aswan Dam,

which under present drought conditions is becoming virtually dysfunctional.

Israel has been the victim of false friends such as Henry Kissinger, who saw the Middle East as a playground for superpower politics, and even worse, an area ultimately to be conceded to Soviet hegemony. The Democrats have been no better, as the example of Jimmy Carter's national security adviser, Zbigniew Brzezinski, makes clear. It was he who dismissed the region as an "arc of crisis," a pawn in the geopolitical "great game" between the superpowers. The Democrats and the Republicans have since continued essentially the same policy.

The destabilization of the Shah of Iran, a good friend to both the United States and Israel, was a case in point. As the Irangate revelations have made abundantly clear, neither the United States nor Israel learned the appropriate lesson from that debacle. Both were more than willing to play the "Islamic fundamentalist" card, heedless of the disastrous effects of unleashing such irrationalism throughout the region.

The Israelis have also been playing their own highly dangerous game with Moscow. But with the newly emerging superpower condominium, such options are being rapidly closed out. No doubt there are circles in Israel who would hope to play the "Dukakis card," because of Kitty Dukakis's connections to the Anti-Defamation League, especially since those Israelis who are closest to the U.S. "military-industrial complex" are currently feeling the heat in the present attacks on the Pentagon, while Mossad operations are being sharply reined in. For Israel to place its hope in a Dukakis victory in the U.S. presidential election, would be a blunder of truly tragic proportions.

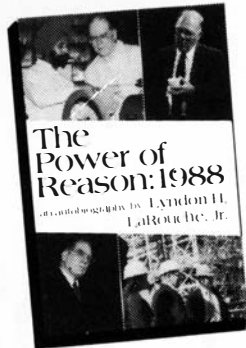
What is urgently needed, is the kind of new policy options demanded by the creation of an autonomous Palestinian state. What is needed is an independent policy for the region, which would not only prevent it from being played as a pawn in the New Yalta "great game," but would in fact, turn over the chess board.

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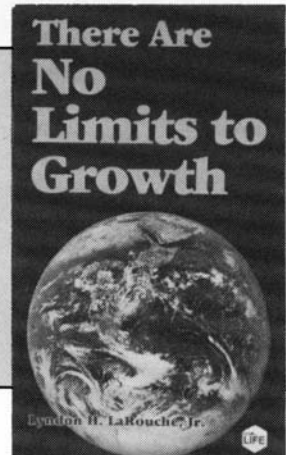
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