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Executive Intelligence Review

December 28, 1990 • Vol. 17 No. 50

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EIR/Executive Intelligence Review (ISSN 0273-6314) is published weekly (50 issues) except for the second week of July, the third week of August, and first week of September by EIR News Service Inc., 1430 K Street, NW, Suite 901, Washington, DC 20005 (202) 628-0029

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In Mexico: EIR, Francisco Díaz Covarrubias 54 A-3 Colonia San Rafael, Mexico DF. Tel: 705-1295.

Japan subscription sales: O.T.O. Research Corporation, Takeuchi Bldg., 1-34-12 Takatanobaba, Shinjuku-Ku, Tokyo 160. Tel: (03) 208-7821.

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Postmaster: Send all address changes to *EIR*, P.O. Box 17390, Washington, D.C. 20041-0390.

From the Editor

In this last issue of *EIR* in 1990, we highlight two battlefronts in the worldwide fight for human dignity against the satanic forces of the so-called New Age.

The sleazy face you see on the cover is César Gaviria, the man the drug cartel got elected as President of the Colombian Republic, by killing the leading candidate Carlos Galán. Galán paid with his life in August 1989 for his determination to stop Colombia from being turned into the fiefdom of the drug mafia. That martyrdom mobilized the Colombian people in an all-out war on the drug traffickers—until they were ignobly betrayed by George Bush's "Project Democracy." Today, as our cover *Feature* reports, the drug legalization deal is proceeding apace between Washington and Bogotá, and it is only a matter of time before it is formalized.

In *Strategic Studies*, our correspondents report from the Baltic frontline, where the patriots of occupied Lithuania, Latvia, and Estonia are confronting renewed threats from a desperate regime in Moscow. As Lyndon LaRouche warned on Dec. 16, the bloody crack-down of a neo-Stalinist resurgence could very well begin in Latvia (see p. 32). For all the high-sounding talk about democracy and opposing "dictators" in Washington, there has been no concrete support for the heroic Baltic states from the West; yet, under the kind of economic recovery program proposed by Lyndon LaRouche, the three tiny countries could play a vital role in saving the giant Soviet Union from chaos and mass deaths.

In *Economics*, we contrast the International Monetary Fund's toxic prescriptions for Russia (p. 4), to the LaRouche-inspired emergency steps to unclog infrastructure bottlenecks to get short-term aid moving into the U.S.S.R., while building the longer-term basis for a healthy economy there (p. 6).

Two items as we go to press: One, the "surrender" of cocaine kingpin Fabio Ochoa in Colombia on Dec. 19 simply shows that the deal we describe is going ahead. Two, Shevardnadze's exit in Moscow, Dec. 20, means that the "Third Rome" imperialist policy, which LaRouche warned about since 1983, is now activated. James Baker III says that he has been "assured" by the Soviet government that there will be no foreign policy change. No doubt, Marie Antoinette gave similar assurances after the fall of the Bastille?

Nora Hamerman

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IMF recommends 'Polish model' for the Soviet Union

by Chris White

A report on the Soviet economy commissioned last July at the Houston economic summit is scheduled to be released on Dec. 21. In draft form, it had found its way to Western press outlets, before the publication date, and was circulating, in Moscow, for comment from Soviet officials.

Published previews of the draft are sufficient to stand one's hair on end, at the consequences of what is proposed. What is now recommended for the Soviet Union, by the International Monetary Fund (IMF), the World Bank, the Organization for Economic Cooperation and Development (OECD), and the European Bank for Reconstruction and Development—each of which was involved in the compilation of the report—turns out to be not so different from what was demanded of Iraq by the financiers of London on Aug. 20, 1988, the very day the ceasefire was concluded in the Iran-Iraq War.

According to London's *Financial Times*, the report calls for "clearer legal protection of private enterprise and private ownership, and calls for genuine liberalization of foreign trade to make Soviet industry more competitive." The *New York Times* on Dec. 20 told its readers that the agencies involved were "assessing the Soviet Union in much the same way they have the economies of Brazil, Argentina, Mexico, Nigeria and other troubled economies of the Third World." This is the recipe for national destruction, through currency devaluation, privatization of national assets, directly or indirectly, wage freezes, and price decontrols.

In the case of Iraq, the London *Economist* made clear that credit for reconstruction would only be forthcoming if that country "turned over its oil reserves of 100 billion barrels—second only to Saudi Arabia—and rich deposits of other minerals like sulfur, phosphates, and bauxite." This is what the *Financial Times* really means by "protection of

private enterprise and ownership" and "liberalization of foreign trade," but in less polite language.

A blueprint for disaster . . . and war

The IMF report should help to make clear just where the "magic of the marketplace," "free enterprise" policies associated since 1978 with Margaret Thatcher, Ronald Reagan, and now George Bush, end up. The report is a blueprint for World War III, for it proposes that the Soviet Union put itself out of existence, and submit to a dictatorship of Western usurious finance, as a provider of raw materials.

The policy recommended, complete with "strict wage restraint" and "liberalization of price controls," is essentially the same as that foisted on Poland in the fall and winter of last year in the name of Harvard's Jeffrey Sachs. What happened to that country in the aftermath, with massive increases in unemployment and hideous price inflation, was no different than the policies implemented in Bolivia and Venezuela, which also came from Sachs and the IMF.

The IMF study was initiated at the Houston summit, under the leadership of the British delegation and George Bush personally, in an attempt to head off an alternative approach to the "free market" insanity, which was being promoted by German Chancellor Helmut Kohl. The terms of disagreement were reported by Secretary of State James Baker in his press conference on July 10. Baker said that there was already "a mission of the Europeans" going to Moscow to evaluate what kind of aid would be most useful. "They wish it to be the sole mission," he said, but added that the U.S. supports another mission, "which includes the IMF and World Bank." This position was backed up by a British Foreign Ministry spokesman, who insisted that "IMF expertise" is necessary to avoid "throwing away money. Some

people may have a lot," he said, in a reference to France and West Germany, "but we don't."

The mission was opposed during the summit by, among others, French President François Mitterrand, who reportedly argued that the "Soviet Union cannot be treated like the Congo"—a view which was echoed by German spokesman Hans-Heinz Horstmann, and French official Elizabeth Guigau, who said, "The Soviet Union as a sovereign nation could easily be humiliated. That humiliation must be avoided."

The alternative policy required

What was at issue then, was whether the Western nations had the gumption to come up with a policy which could straighten out the economic crises, East and West, which are driving the world into depression and war. Jailed U.S. economist and statesman Lyndon LaRouche had made such a policy available, as a war-avoidance policy, in a press conference at Berlin's Kempinski Bristol Hotel on Oct. 13, 1988.

LaRouche brought up what was then unthinkable, but had become real by one year later. Forecasting then that Germany's reunification would shortly have to be addressed, LaRouche recommended that the West offer a commitment to reversing the Soviet economic breakdown crisis, if reunified Germany and Poland were permitted to join with the West through the effort. He called the policy "Food for Peace."

A year later, the proposal was restated in the form of his Paris-Berlin-Vienna "Productive Triangle" conception. Technologically progressive infrastructure development, radiating out from the core of the world economy, could provide the means to not only reverse the breakdown of Russia and the East, but also turn around the free marketeers' depression in the West.

When Bush and the British enforced consensual adherence to their IMF policy review, back in July, they were attempting to delay and derail the approach advocated by LaRouche. Prior to the Houston summit, Kohl and other German officials had put the question of straightening out Russia's transportation and energy infrastructure on the agenda, if that country's chronic food crises were to be averted.

At the summit, the dispute took the form of whether Western nations would provide credits to the Soviet Union or not. The study was the adopted compromise. Now, the study recommends, as in the Jeffrey Sachs shock approach enforced on Poland to such devastating effect last winter, that there be no credits until reforms be implemented, and that Western aid be limited to what the Fund's managers call "technical assistance." This is the same formula that was employed by Bush, Baker, and the British delegation at Houston, and has been so employed subsequently. For that reason, the *New York Times'* sources consider that the IMF's "analysis is very much in line with the administration's thinking."

Moscow says 'nyet'

The conclusions of the study have been rejected by the Soviets in advance. Before the London NATO summit in June, Gorbachov wrote Thatcher requesting aid. Before the Houston summit, a similar letter was sent to Bush. Then, in meeting with Kohl on July 16, Gorbachov was reported to have said that some propose that aid to the Soviet Union be linked to conditions of the type that the IMF has imposed on Hungary. "We reject such conditions," he said, "The Soviet people will never accept them."

The free enterprise package was embodied in a program of reforms which had been worked on by a group of economists under Stanislav Shatalin. This package was subject to intense discussion inside the Soviet Union during September and October; it was junked, and with it, the reform program that Bush and Thatcher were demanding. But now, the IMF comes back with exactly the same set of prescriptions.

The prospect of German-Russian economic cooperation in the center of what Anglo-American geopoliticians, from Halford Mackinder to Ray Cline, consider the heartland of the Eurasian landmass, has produced the psychosis which twice before in this century led to world war. The IMF study was introduced into the Houston summit by Bush and the British to derail and delay the prospects of such cooperation.

The July 15 meeting between Gorbachov and Kohl—with Gorbachov's rejection of the IMF conditionalities approach, and the concomitant discussion of the need to develop infrastructure to solve the crisis problems of food production and distribution—was arguably among the factors which caused the elites in London and Washington to precipitate the crisis with Iraq when they did. July 25, after all, was the day that April Glaspie, U.S. ambassador to Iraq, told Saddam Hussein that the U.S. "had no opinion" on such inter-Arab disputes as Iraq's border dispute with Kuwait. Glaspie told the Iraqi leader that those were the instructions of Secretary of State Baker. It was also at the end of July that Lawrence Eagleburger, the former president of Kissinger Associates, Inc., now the number-two man in the Baker State Department, was appointed chief of all Bush administration aid efforts toward the Soviet Union and Eastern Europe. From that time onward, U.S. food shipments to the Soviet Union plummeted, leading to charges from the farm community that the administration was running a "virtual embargo" against the Soviet Union.

Now, the publication of the IMF report is going to put such questions back on the table again, in more acute form. Is the Western world, under the leadership of the geopoliticians and free market lunatics of London and Washington, going to be allowed to plunge the world into war for the third time this century, in an effort to prevent economic cooperation in Europe, which could this time mean the difference between survival and catastrophe for the human race as a whole? This time, LaRouche and his Productive Triangle policy must become the alternative to what the IMF has in store.

The 'Productive Triangle' can break bottlenecks in Soviet food crisis

by Rainer Apel

The current planning of Western emergency food aid to the Soviet Union has exposed weaknesses at crucial nodal points in the transport infrastructure that connects the West with Russia. Neither the railroad system, nor the land routes, nor the transportation capacities (trucks, locomotives, etc.) are in a shape that would allow an efficient flow of goods. The ports are naturally qualified to deal with large shipments, but the secondary distribution network from the ports to the mainland is in need of considerable short-term improvement.

The total volume of emergency aid requested by the Soviet Union in talks in Moscow in mid-December between Chancellor Helmut Kohl's national security adviser, Horst Teltschik, and Soviet Deputy Prime Minister Stepan Sitaran, namely 1.5 million tons of non-perishable food products, is almost the exact equivalent of what the American and British allies transported during the 11-month Berlin airlift in 1948-49. There is reason to doubt that such an operation can be repeated for the current aid lift to the Soviet Union, because the Anglo-Americans are not at all committed to use their air transport capacities for such purposes, but rather want to employ them for logistical reinforcements to the Persian Gulf expedition corps.

This calls attention also to the fact that at this very moment, the United States is absorbing 600 freight trains of the reserves of the Deutsche Bundesbahn (the state railroad in western Germany) for a huge logistics operation from the American bases in Germany to the ports of Amsterdam, Rotterdam, Bremerhaven, and Nordenham, for transshipment to the Gulf. By comparison: To bring the requested 1.5 million tons of food aid to the Soviet Union from Germany and other European countries would require some 1,200 to 1,500 freight trains over the crucial next four winter months. This is between 100 and 120 trains per week—almost exactly what the U.S. logistics operation in Germany is absorbed between mid-November and Christmas.

In spite of all existing bottlenecks, especially at the central gage-shifting rail transit station of Brest-Litovsk on the border between Poland and the Soviet Union, the immense, immediate pressure created by the scope of the food supply crisis in the East will create conditions of emergency management between the governments involved in the aid program.

A failure to supply at least minimal food rations to the Soviet population would lead to a collapse of the Soviet system, with explosive social and strategic repercussions—for example, a stream of "famine refugees"—that will inevitably spill over to the rest of the European continent and pose a lethal threat to the national security of all states.

The policy of List and LaRouche

If reason prevails among the challenged governments, the current crisis should promote a synthesis between efficient, immediate emergency management, and an instant entry into a sound continent-wide crash program of infrastructural, industrial, and agricultural development of the type outlined in Lyndon LaRouche's "Productive Triangle" program. There is no reasonable alternative to such an approach, nor any time for diplomatic niceties. The only alternative would be a collapse into conditions worse than those that prevailed in the 1920s and 1930s, with inevitably ensuing civil war situations and the emergence of fascist regimes throughout Europe.

In order to facilitate the best possible transition from this winter's aid program to the Triangle concept, food aid transports to the East should be run by ship and rail, to create an incentive for large-scale investments in the partially ailing port and railroad infrastructure in Europe and the Soviet Union. This will create an investment input into those sectors of industry that produce rolling stock and other rail equipment, as well as capital goods and other machinery that are required to put the European economies back in shape. Necessarily, this will be a dirigistic policy in the tradition of Friedrich List—one that is directly opposed to the free market fantasies that have swept into Eastern Europe—especially Poland—and the Soviet economic reform project, over the past two years.

As for the recommended emphasis on improvements and maximal use of existing capacities in the port-rail infrastructure, the following options seem to be most promising:

1) **The Baltic ports of Lithuania, Latvia, and Estonia** can be used for the transfer of large volumes of food aid to the Soviet Union. So far, Moscow has commissioned only the two ports of Leningrad and Vyborg on the Russian Republic's section of the Baltic coastline. It is important for the

stabilization of the internal Soviet situation, however, that the institutions of the individual republics be brought in on the food aid program in a way that improves their status vis-à-vis the center in Moscow.

The ports that can be used in addition to Leningrad and Vyborg, are Klaipeda in Lithuania, the two Latvian ports of Libau and Riga, and the four Estonian ports of Parnu, Baltysk, Tallinn, and Narva. Another option is to use the big port of Kaliningrad, and eventually Pillau—both in the Russian enclave and military off-limits zone of Kaliningrad. The demilitarization at least of sections of the Kaliningrad enclave would be vital, because a Russian gage rail connection exists from northeastern Poland into the military zone which, if fully used, would spare gage-shifting procedures that are required at the other border transit stations.

2) **The northern Polish rail route** can be used to take off pressure created by the chronic rail jam at Brest-Litosvk. The northern route runs from Poznan to Torun, Olzstyn, Bialystock, from there to Grodno (in Belorussia) and further on to Vilnius (in Lithuania) and other main cities in the three Baltic republics.

The capacity of the northern route is not as big as that of the central Polish route Poznan-Warsaw-Brest—which is the main transit route from the West into the Soviet Union—but can, because it runs through a less-populated region of Poland, be used exclusively for the food aid operation for a period of transition, until the bottleneck at Brest is finally overcome.

3) **The Black Sea ports** of the Soviet Union, also equipped with relatively well-functioning railway links to the rest of the country, can be used to land Western food in large quantities. These are the ports of Odessa, Sebastopol, Taganrog, and Novorossisk.

4) **The railway pivot of Kharkov**, the largset in the southern Soviet Union, should be used as well. It can be reached from the Black Sea ports and over an existing Russian gage rail route that connects the two important heavy industrial regions of eastern Slovakia (Kosice) and southern Ukraine (Krivoi Rog).

The ‘rolling highway’ concept

The standard procedure for bringing food, and, later, also agricultural technology and industrial equipment to the Soviet Union, should be the application of the “rolling highway” concept of combined rail-truck transport. This would bring an entire truck convoy over the distance of 1,000-3,000 kilometers within several days, without the usual excessive logistical requirements of supplying gasoline (nine tank trucks for every convoy of 14 trucks), and land them at well-selected railway pivots deep in the Russian interior, whence they can travel on to the end distribution points at a 50-kilometer diameter. The usual gage-shifting procedures at the central transit points at the Soviet borders can be eliminated by special equipment, eventually built by Soviet Army

engineers, which would allow the roll-off/roll-on of trucks from the European to the Soviet trains.

All of this should be done in a serious approach comparable to the job done by the Army engineering corps of the Soviet Union and East European countries under conditions of wartime logistics operations. The use of whatever available capacities of military, railway, and other logistics units of the countries involved in the aid operation, seems necessary, with the proviso that this proceed in the framework of civilian planning and administration, because a further extension of the degree of militarization of the Eastern societies is not desirable.

The structures built up during the winter aid operation can be used as a point of departure for the creation of a sound, long-term transport and production infrastructure between West and East on the Eurasian continent.

‘Free market’ method won’t do the job

by Jonathan Tennenbaum

The following is abridged from a memorandum on German economic policy from the perspective of a Paris-Berlin-Vienna “Productive Triangle” as the fulcrum of a European economic boom.

The immense, immediate pressure created by the scope of the food supply crisis in the East will create conditions of emergency management between the governments involved in the aid program.

In order to facilitate the best-possible transition from the present winter aid program to the full-fledged Triangle concept, food aid transports to the East should be run by ship and rail, to create an incentive for large-scale investments in the partially ailing port and railroad infrastructure in Europe and the Soviet Union. This will create an investment input into those sectors of industry that produce rolling stock and other rail equipment, as well as capital goods and other machinery that are required to put the European economies back in shape.

There is no precedent for the situation Germany finds itself in today. On the one hand, in many respects the starting-point is extraordinarily favorable, at least compared with the rest of the world. On the other hand, without a radical reversal of the economic policy trends of the past 10 years, it will

scarcely be possible to carry out the tasks ahead. Those include not only the reconstruction of the former East Germany, but thence the vastly greater problem of improving the economic situation in Eastern Europe and the disintegrating Soviet Union.

First, it must be recognized, that a real reconstruction of the former German Democratic Republic is unthinkable without a drastic lowering of the interest rates and tax level for the productive sector of the economy. The expectation, widespread in the West, that the extension of the market economy into the East will automatically lead to a new "economic miracle" there, is dangerous nonsense. It seems to have been forgotten that *it was not the "social market economy" in and of itself* which enabled West Germany's spectacular rise out of the rubble of the World War II.

The most decisive factor in resurrecting Germany's shattered economy was the dirigist tax and financial policy associated with West Germany's first federal finance minister, Fritz Schaeffer. That policy was strongly discriminatory in favor of productive investment in industry, infrastructure, agriculture, and housing construction. Favorable depreciation possibilities, tax reductions, and liquidity-creating measures (e.g., a tax-free revaluation of stocks), gave preference to sectors of real physical productive activity, providing for an extraordinarily high rate of growth in creation of material wealth. The unleashing of real (as opposed to financial) economic growth achieved in this way was so enormous, that the West German government's tax revenue more than tripled between 1950 and 1965, despite considerable reductions in the effective tax rates over that period.

Characteristically, self-financing played a major role in that phase of the postwar upswing. Self-financing was made possible by the fact that on the whole, prices were not only cost-covering, but allowed a high rate of reinvestment into new factories, machinery, and equipment at a higher technological level, and so forth. The situation corresponded to the principle of "parity prices," which have a decisive role in the "American System" of national economy.

The overall economic-policy boundary conditions contributed to an extraordinarily low average effective interest rate which productive investments had to carry. In the United States as well, interest rates were extraordinarily low at that time compared with today: about 4% for commercial credits, and 2% in cases of easy government credits for strategic areas of industry.

Naturally, the beneficial effect of such a tax and financial policy could only come about after the command economy of the occupying powers had been extensively dismantled and the possibility was created of semi-normal market functions for the circulation of goods and services. Only in this sense was the introduction of a functioning market decisive and indispensable for reconstruction. The *competition* which was later virtually deified in the framework of the "social market economy," played only a subordinate role.

What makes for a productive labor force

A typical latter-day ideological delusion allows many people to forget that the proverbial efficiency of the postwar German labor force is *not* the result of merciless competition in the sense of the neo-liberal doctrine of the "free-market economy." On the contrary, efficiency, industriousness, and intelligence are culturally determined attributes; they are expressions of an extraordinarily highly developed culture, which, after centuries of development, found its high point in German classicism and the great scientific and technical accomplishments of the 19th century.

The greatest possible unfolding of human productive potential does not automatically coincide with the maximization of competition in the sense of the neo-liberal market economy. This is a fundamental recognition on the part of the "American System" as opposed to the "British System" of Adam Smith. Above all, exaggerated competition is often directly disadvantageous when it is a question of *fundamental* innovations in science and technology.

Catastrophic effects of high interest rates

Many politicians and others today are totally off the mark in their belief that under current tax conditions and effective interest rates of 9-12% or more, private investors should undertake the lion's share of infrastructural and industrial reconstruction in Germany's new eastern states. In reality, something quite different is happening. The urgently necessary renewal of productive substance remains down the road, while hotels, auto businesses, retail stores, casinos, game arcades, porno shops, and other "service industries" are springing up like mushrooms, earning a fast return, but constituting in themselves no basis for the reconstruction of industry. If such short-term investments predominate at the cost of the long-term buildup of productive agriculture, industry, and infrastructure, then within a few years Germany will experience a horrible social and economic reversal.

The ominous beginnings of this reversal are already visible in eastern Germany today. Several negative factors are coming together:

1) There is an absence of the expected large flood of investment, which, beyond the just-mentioned factors, also coheres with the fact that, at least in some circles of western German industry, there is a lack of interest in developing new, competitive entrepreneurs. A disproportionate share of investment is going into services and into trade in western German and foreign products.

2) Where productive investments do take place, it very often occurs in the framework of a takeover by a big western German firm. Although in several cases such developments can be justified, they do not generally contribute to reviving that great tradition of the industrial *Mittelstand* (small and medium-sized industry), especially in machine construction, which partially continued in eastern Germany up to the 1960s.

3) Rapid improvement in infrastructure is not forthcoming, even though this is unconditionally required for an approaching industrial upswing.

4) The termination of delivery agreements with the Soviet Union has resulted in the loss of a considerable portion of sales and also of raw materials supplies for eastern German factories.

Taken together, the effect of these conditions on eastern Germany's industry has been comparable to that of the infamous postwar U.S. Morgenthau Plan, which called for turning all of German territory into pastoral farmland. And tragically, this is happening at the very moment when the population is seeking to pull itself out of the hole after 40 years of brutal oppression and socialist economic mismanagement. Thus, to the long buildup of anger against the old communist regime is now added a growing disappointment with the "Westerners," which constitutes dangerous social dynamite.

The limits of automobile technology

Unfortunately, the western German economy is also imitating that fateful "auto-fetishism," which accompanied the United States into the "post-industrial age." On the one hand, it is remarkable how great the excess of promotion and export

of automobiles has become vis-à-vis "genuine" capital goods, such as modern industrial plant and equipment. Such capital goods embody in a much more consummate way the once-unique qualitative advantages of German labor, technology, and research. We scarcely wish to doubt that German manufacturers produce the best automobiles in the world. Ultimately, however, a car is only a car. Technical improvements in autos play themselves out inside narrow confines; through the production of improved products they effect only relatively small increases in overall economic productivity.

In contrast, genuine industrial capital goods play the role of a "transmission belt" for new, productivity-increasing technologies. Here lie the special "talent" and responsibility of German industry on the international market. The fact that the automobile still shows this considerable disproportion among German exports, is not unrelated to the proven inability of the current world market order with its free-market cast, to significantly couple the acute development needs of most countries with the fallow labor potential of the capital-goods-producing countries.

The spectacular increase in auto traffic in Germany has had an array of disadvantageous side-effects. We need not repeat here the historical reasons why the special favors of

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the taxpayer fell upon the construction of cars, and how the car became an unparalleled source of tax revenue for the state. We also need not mention how disastrously great the Federal Republic's dependence has become upon a virtually irreplaceable imported raw material. The thirsty internal combustion engine has become, so to speak, the prime mover of the whole economy: Not only the overwhelming share of personal transit, but meanwhile, also most freight traffic was put onto the roads. Expressways were built everywhere in grand style; the railroads, on the contrary, with their track net essentially inherited from the 19th century, were maintained on a "diet" with only insignificant technological improvements. Warnings that this violated the most elementary economic principles were already voiced by a few people in the 1960s, but were soon forgotten again in the general "auto-intoxication."

The error did not lie in the large-scale development of road infrastructure *as such*; that has certainly made a considerable contribution to overall economic productivity—up to a certain point. The error lay in the *one-sidedness* of development. For this reason, we do not even have the efficient combination of long-distance transit on the rails and short-distance transit on the roads, with container and combination transit at the center, as was already conceived in the 1960s, but instead we have the threatening "transit infarction."

Public or private financing?

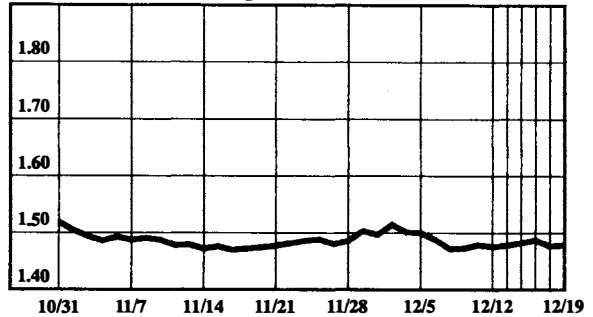
The question of the profitability of a given capital investment project looks quite different, according to whether one has in mind government financing or private financing. The state secures its investment by the fact that a given infrastructure project effects a significant increase of overall productivity, which in turn leads to expanded government revenue. The tax source includes all persons and businessmen who profit directly *or indirectly* from the availability of the infrastructure. In contrast, the private investor has to unconditionally cover the construction and operating costs, plus his profit, out of the *direct* proceeds of the infrastructure (freight charges, travel fees, tolls). In other words, the immediate user of the infrastructure alone must pay for the project.

Based on these and other considerations, Friedrich List came to the conclusion in the case of the German rail system, that the financing of basic infrastructure is a task for the state. Admittedly, the current discussion is running in the opposite direction: The German economy is apparently off on the "privatization trip" first launched in England and the United States. But this changes nothing with respect to the correctness of List's deliberations. The core problem, which almost everyone is running away from, lies in the *financing* of large infrastructural projects. In order to solve this problem, the creation and application of credit must be organized by quite different methods than have almost without exception become the rule since the spectacular rise of the international capital market.

Currency Rates

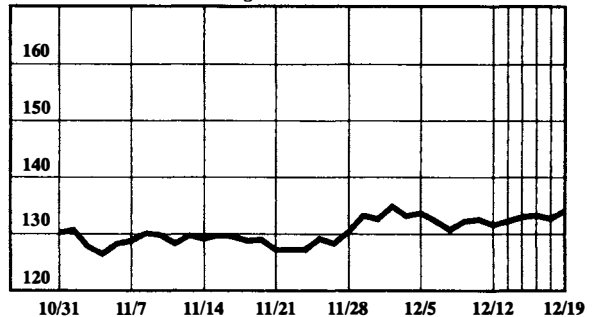
The dollar in deutschemarks

New York late afternoon fixing



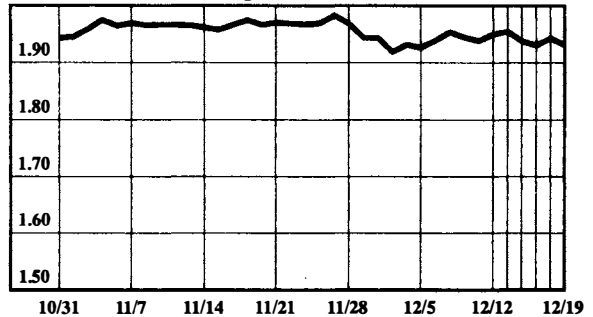
The dollar in yen

New York late afternoon fixing



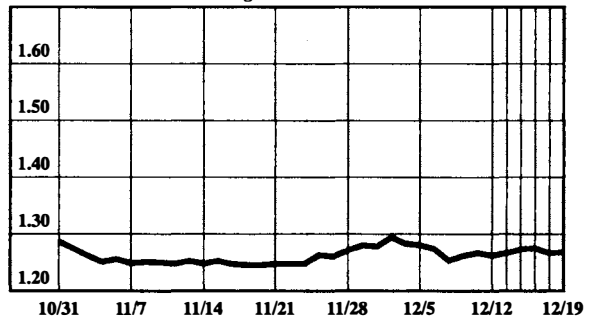
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The AIDS tragedy is on the Mexican agenda

by Hugo López Ochoa

Between Dec. 13 and 17, Mexican press and radio intermittently reported on statements of the assistant medical director of Mexico's Social Security Institute (IMSS), Adalia F. Lee Ramos, who insisted that the possibility that AIDS could be transmitted by mosquito bite or French kissing was merely a "personal opinion" of Dr. Ricardo Veronesi, president of the Brazilian Society of Infectious Disease Studies, and Dr. Mark Whiteside, co-director of the Institute of Tropical Medicine in Miami, Florida.

Dr. Ramos's statements, however, could not hold back the avalanche of favorable nationwide coverage of Veronesi and Whiteside's warnings, issued at several international seminars held in Mexico between Dec. 4 and 11, on "The True Dimensions of the AIDS Epidemic" (see *EIR*, Dec. 21, 1990). For example, the semi-official news agency Notimex, usually published in all of Mexico's regional press, issued a feature headlined "New Forms of AIDS Contagion Discovered." The Dec. 13 story stressed that unsanitary conditions and mosquitoes are a major source of contagion, and drew the obvious conclusion that "Mexico has the necessary conditions" for this mode of transmission, in the not-too-distant future." The Notimex wire provoked responses by prominent national radio commentators, including Pedro Ferríz de Cohn and Guillermo Ochoa. It also merited cartoons and epigrams in several of the regional newspapers which delighted in illustrating the inefficacy of condoms for so-called "safe sex."

The government's impotence in attempting to block the truth on the means by which AIDS is spread and the widespread threat of the epidemic, is a direct consequence of the generalized indignation of Mexicans against the "educational" campaigns' depiction of Catholicism's moral principles as being obstacles to the "sex education" curricula. The government is also attempting to cover up the truth is also because there is no way to hide the fact that its expensive propaganda has failed to slow the disease's rate of spread.

An *EIR* special task force on the biological holocaust studied the latest statistics on AIDS in Mexico. Berta Farfán, a medical doctor, presented the results at the international seminars. She showed that the number of AIDS victims detected by Mexican health facilities—which currently stands at 5,400—is doubling every year. The government itself admits that the figure is actually 20% higher. The epidemio-

logical authorities have conveyed the idea that the epidemic's rate of increase has diminished, because the proportion of new cases coming from transmission by homosexual and bisexual intercourse has diminished in respect to the total number of new cases.

However, the absolute number of cases attributed to sexual transmission continues its exponential climb, especially the heterosexual component.

- While only 1 woman had the disease for every 13 men in 1985, in 1990 there is 1 woman for every 5 men with the disease.

- In 1987, *undocumented* cases were only 1.9% of the total; in August of this year, the presumed causes of 12.9% of the total cases were not reported.

- The same is the case with transmission by blood transfusion. These cases were 2.9% in 1985, but 17.8% of total cases as of August 1990.

The percentage of cases attributable to sexual transmission fell in respect to the total only because of the accelerated increase in the absolute numbers and the proportion of cases caused by other means of transmission. But the absolute number of cases continues increasing exponentially, as it has from the beginning.

Sex ed or public health

Dr. Veronesi insisted that "sex ed" is the way governments delegate their responsibility for slowing the rate of contagion to the isolated individual. Were they to admit that environmental factors such as malnutrition and filthy living conditions contributed to the spread of the disease, stopping it would require the government to implement traditional public health policies. It would have to improve infrastructure, spray with insecticides, improve living standards and human living environments, provide adequate health facilities, etc. All these things mean *expenditures*. This is the point over which the real battle broke out over Veronesi and Whiteside's revelations.

Mexico will spend 25.6% of the federal budget on debt service. The budget for health, labor, and social services is 12%—28.6 billion pesos. Of that, 5.1 billion pesos will go to the National Solidarity Program (Pronasol), subsidies to poor areas basically to buy votes for the ruling party. One-fifth of this electoral budget would finance testing the entire Mexican population for AIDS.

In the state of Sonora, a group of deputies will ask the state legislature during the 1991 budget debate to raise health expenditures, which are now only 4% of all budget allocations. The group is headed by Adalberto Rosas López of the National Action Party (PAN) and Cecilia Soto de Estévez of the Authentic Party of the Mexican Revolution (PARM), both members of the Sonora State Committee against AIDS, which co-sponsored the seminars in Sonora. Their success would set a precedent for federal Senate debates on a new national AIDS policy scheduled for next year.

The FDIC is broke

The commercial banks are careening down the same slippery slope as the S&Ls did before them.

The bank insurance fund is insolvent," economist Dan Brumbaugh told the House Banking Committee's Financial Institutions subcommittee on Dec. 17. Brumbaugh has said such things before—and was dismissed by Stanford University for doing so—but the truth of his statement was even more obvious this time around.

Brumbaugh was there to testify about a subcommittee-sponsored report which he co-authored with James Barth of Auburn University and Robert Litan of the Brookings Institution, on the health of the Federal Deposit Insurance Corp. and its Bank Insurance Fund.

The report concluded that the FDIC would need between \$19 billion and \$43 billion in funds to cover deposit insurance payoffs from 1991 through 1993—and that's assuming a mild recession. In a "New England"-style recession, the report said, the FDIC would need \$24-51 billion, and for a "Texas"-style recession, \$27-63 billion. The FDIC is totally unprepared to handle such payments. In the week before the hearings, FDIC chairman William Seidman revealed that the Bank Insurance Fund will lose an estimated \$4 billion in 1990 and another \$5 billion in 1991.

From its peak of \$18.3 billion at the end of 1987, the FDIC has been in a tailspin. In 1988, the insurance fund lost \$4.2 billion, the worst year in its history. In 1989, it lost another \$850 million. With the projected losses of \$4 billion this year and \$5 billion next year, the insurance fund will have lost \$14.3 billion in four years, a loss of nearly 80%. That would leave the

FDIC just \$4 billion in funds to back up some \$2.6 trillion in deposits, or about 18¢ for every \$100 of insured deposits. Federal law requires the FDIC to have \$1.25 in funds for every \$100 in insured deposits.

On top of that, the FDIC is facing the potential loss of an additional \$6-7 billion in 1991, buying back bad assets from banks it has already sold. Therefore, by Seidman's own figures, the FDIC's insurance fund could go into the hole by as much as \$3 billion in 1991.

The FDIC cannot even begin to cover the losses it faces over the next three years, and that's using the government's own highly optimistic figures.

The FDIC is increasing the premiums the banks must pay for insurance from 12¢ per \$100 of insured deposits, to 19.5¢ next year, but even this 60% increase is totally inadequate, raising only \$28 billion over the three-year period.

Seidman has proposed that the premium be raised to 23¢ per \$100 in 1992, and that banks be assessed a one-time fee equal to 1% of their deposits early next year. These measures, he says, would raise \$52 billion over the next three years. Closer, but still not enough.

The government line is that the banks, not the taxpayer, should pick up the tab. But the idea that the FDIC can somehow raise enough money from a bankrupt banking system to cover that system's losses is absurd. Sooner or later, the taxpayer will get the bill.

It's the S&L scenario all over

again, but on a much larger scale.

Meanwhile, the bankers, with the tacit approval of the regulators, continue to paper over their losses. According to the FDIC, the nation's banks made a profit of \$3.75 billion in the third quarter of this year. That represents a decline of 29% over the \$5.3 billion profit they supposedly earned in the second quarter.

These profits, however, are illusory. At the end of September, the banks' non-current loans and leases plus other real estate owned hit 2.65% of assets, the highest level since banks began reporting that data in 1982. But the amount of reserves backing these noncurrent loans has decreased over the last three quarters. At the end of the third quarter, the banks had only 73¢ in reserve for every dollar in non-current loans, down from 83¢ a year earlier. Money that should have gone into reserves was instead claimed as "profit."

Despite the depression in real estate prices, the banks continue to increase their holdings in that sector. Their real estate loans grew by \$15.4 billion in the third quarter, their holdings of mortgage-backed securities grew by \$12 billion, and their inventory of foreclosed properties grew by \$2.3 billion, for a total increase of real estate assets of \$29.7 billion. Total bank assets grew only \$20 billion during the quarter, meaning that real estate holdings rose 150% faster than total assets.

The banks' headlong rush toward failure caused BCA, a bank-rating agency based in Montreal, to warn in November of "the risks of a run on the banks." The risk is indeed great, especially when the bureaucrats tamper with deposit insurance. As one Treasury official recently said, "It's like perching at the top of a rickety, mile-high flagpole. Climbing down is as dangerous as staying up there."

Great Lakes faces shipping bottleneck

Authorization to expand shipping capacity by constructing a new lock at Sault Ste. Marie, is about to expire.

Unless Congress does the unexpected, and moves speedily, authorization for the construction of a desperately needed second large lock on the St. Mary's River between Lake Huron and Lake Superior, may expire in less than a year.

At present, there is only one lock—the Poe—on the St. Mary's River at Sault Ste. Marie, Michigan large enough to handle the big Great Lakes ore carriers. In fact, the size of Lake bulk carriers has been limited by the size of the Poe lock, just as a class of "Panamax" ships has evolved, limited by the maximum size of passage allowed by the Panama Canal.

The dimensions of the largest Lake vessels are thus limited to just over 1,000 feet in length, 105 feet in width, and 28 feet in draft. The maximum draft in the Poe lock varies with water levels. A 1,000-foot vessel can load 267 net tons of iron ore for every inch of draft. The loss of 17 inches of draft—which occurred between July 1986 and July 1988—meant that each such vessel lost the capacity to carry 4,600 tons of cargo through the Poe lock. Since a lake vessel averages 45 trips during the typical Great Lakes shipping season (nine to ten months of the year), 205,000 tons of carrying capacity per year were lost.

In 1986, the U.S. Congress passed the Water Resources Development Act, authorizing the construction of a new lock at Sault Ste. Marie at least the size of the Poe lock. However, funds for the new lock have never been appropriated, except for a minimal amount for a design study. The authorization for the second Poe-size

lock expires five years after the bill became law.

The reason no funds have been appropriated is a good example of how disastrous it is to apply "free market" theory to the construction and maintenance of transportation infrastructure. Congress had mandated in the 1986 act that at least 35% of any new project be funded by local authorities or businesses. But the St. Mary's River is also an international boundary between the U.S. and Canada, so there have been no tolls collected at the locks since the State of Michigan relinquished control in 1881. With no revenues derived from operation of the locks, there have been no local authorities or businesses willing to commit to pay for 35% of the estimated \$240 million needed to build a new lock. Imposing a fuel tax probably would not suffice, since vessel owners would likely purchase cheaper fuel in Canada.

On Jan. 25, 1989, Sen. Daniel P. Moynihan (D-N.Y.), in introducing his National Infrastructure Act of 1989, boasted that "By requiring local cost sharing, we have seen a dramatic downsizing of [U.S. Army] Corps [of Engineers] projects. The federal government is no longer paying 100% of project costs, and people are much more mindful of asking only what they need, and no more."

The senator did not mention that many projects, such as a second Poe lock, are not being built at all. The Lake Carriers Association has asked Congress repeatedly to recognize the unique circumstances and the pressing need for a new Soo lock, and provide

100% funding, but without success.

The Poe lock is an especially crucial link in the increasingly fragile chain of U.S. transportation infrastructure: Some 83.7% of all iron ore produced and 67.4% of all iron ore consumed in the U.S. in 1989, passed through the Soo Locks-St. Mary's River system on its way to the steel-producing cities of the Great Lakes.

The largest iron ore deposits in the U.S. are concentrated in Michigan and Minnesota, around Lake Superior. According to the U.S. Bureau of Mines, of the 59.032 million tons of usable iron ore produced in 1989 in the U.S., 41.370 million tons came from Minnesota, and 15.611 million tons came from Michigan. The U.S. consumed 73.263 million tons of usable iron ore in 1989.

The iron ore of Minnesota and the Upper Peninsula of Michigan is loaded onto Lake carriers at Duluth, Superior, Two Harbors, Taconite Harbor, and Marquette on Lake Superior, and at Escanaba on Lake Michigan.

According to the Lake Carriers Association, 49.931 million tons of ore were transported on Lake Superior in 1989—83.7% of all U.S. iron ore produced. Another 6.329 million tons of ore, or 10.7% of all U.S. iron ore produced, was transported on Lake Michigan.

In addition, 39.470 million tons of coal and 25.108 million tons of limestone were shipped on the Great Lakes in 1989. Much of the coal, and almost all of the limestone, was destined for steelmakers.

The consequences, should the Poe lock be damaged and put out of commission, are serious. It's time Congress returned to the dirigistic policies that built the U.S. in the first place, and provide the funding for a new lock at Sault Ste. Marie, even bigger than the Poe, providing for future growth as well as for needs deferred for so long.

Oil resources on the auction block

The vaunted "new U.S. credits" will only go for drilling for oil for export, and to pay the debt.

At the late-November summit meeting with President Bush in Monterrey, Mexican President Carlos Salinas de Gortari said that the oil which is the patrimony of all Mexicans would not be made part of a Free Trade Agreement with the United States. Salinas denied that the Constitution would be amended to permit foreign investment in petroleum, an area that is vital for the Mexican economy.

What Salinas did not say, is that he has already figured out how to do an end run around the Constitution in order to hand the oil over to the U.S.

As the summit ended Nov. 27, U.S. Treasury Secretary Nicholas Brady declared, "For the first time, Mexico will contract drilling services from U.S. companies." Brady also announced that the U.S. government's Export-Import Bank would give a massive credit to the Mexican state-run oil company Pemex.

Eximbank's assistant vice president for Latin America, Richard Feeney, later clarified that the Eximbank would only provide loan guarantees so that Pemex could get loans from private U.S. banks, for contracting U.S. services and equipment for oil exploration and drilling. It further emerged that a fixed percentage of the output would be exported to the United States. The Salinas regime bases Pemex's "development strategy" on borrowing \$5 billion from foreign banks. That is precisely the "monumental loan" from U.S. commercial banks, with Eximbank insurance.

Eximbank officially admits that it does not have funds budgeted "to cov-

er even a tiny part of that enormous figure." There are, therefore, other reasons for its involvement. The Eximbank's purpose is to promote U.S. exports to the borrowing country. Depending on the type of credit and investment, Eximbank requires that up to 85% of its loans go to purchases from the United States. In the Mexican case, this component could go as high as 100%.

The Pemex Operations Program 1989-94 depends totally on this U.S. mechanism, at the same time that its foreign debt would increase dangerously. Pemex already owes \$13.714 billion, not counting its bonds. U.S. banks hold 22% of this debt. If the Bush-Salinas plan were implemented, by 1994 Pemex's debt would approach \$20 billion, the highest in its history. Of this, \$11 billion would be owed to U.S. banks.

The cynicism of the Mexican government showed itself in the early-December explanation of Senate Energy Committee President Héctor Maya-goitia, that Mexico can decide for itself whether to use "the credit line of up to \$5.6 billion." He said it would only be used to "contract services for the perforation itself. Pemex would tell the company providing the service, 'I want a well here.' But the credits will not be used for exploration, a field in which we are self-sufficient."

Such explanations are nothing more than the senator's psychological projection; when he was governor of the state of Durango, everybody knew of his oft-repeated love of being "drilled." Deputy Gonzalo Martínez Corvalá, president of the Energy

Committee, said he did not know the conditions attached to these credits.

The handing over of Mexican oil to the North Americans is making giant strides forward. Pemex's 1991 Operations Program mandates that exports will continue having priority over domestic consumption requirements. Since 1983, Mexico has abandoned the idea of satisfying internal needs before exporting.

Next year's target is to export 51% of total production, set at an average of 2.677 million barrels per day. But the phony, government-imposed leader of the Oil Workers Union, Guzmán Cabrera, has declared, "The oil workers are willing to raise production up to 3 billion barrels per day." All that, without adding a single barrel to proven oil reserves, which have been declining since 1983.

As of November, Pemex expected its total income for 1990 would be \$9 billion, 54.2% above its initial expectations. The reason for this is Bush's "splendid little war" in the Middle East. From January to July, Mexico received an average price of \$14.77 per barrel on its exports of 1.220 million bpd. From August through November, the average receipts were \$28.14 on average exports of 1.355 million bpd, which includes the additional 100,000 barrels sent daily to the United States. In other words, in only five months, Pemex obtained \$5 billion in *unexpected* income, the equivalent of what it says it will have to borrow during the next five years with a "guarantee" from Eximbank.

If this \$5 billion were not used to pay the federal government's foreign debts ("financial consolidation"), Pemex would not need to borrow even a penny. Likewise, the Mexican government would not have to be auctioning off other strategic state companies, to obtain income for its functioning.

Venezuela's Pérez to pump oil for Bush

The government is talking about getting \$25 billion of foreign capital to raise output by 1 million barrels per day.

On the eve of his early-December trip to five South American nations President Bush told journalists that "I agree with [Venezuelan] President [Carlos Andrés] Pérez that we need to increase the production of oil from areas of the world such as Latin America," and that "private investment funds are available for this effort." He added unambiguously that he intended to use his visit to get Venezuela fully on board as a faithful supplier to the U.S. strategic petroleum reserve: "I look forward to discussing this issue with President Pérez and his advisers when I am in Caracas."

Bush did just that, and Pérez, it appears, is delivering.

About a week later, on Dec. 11, the *Financial Times* of London happily headlined a story from Caracas, "Venezuela plans \$25 billion boost for state oil group." The article cited sources in PDVSA, the Venezuelan state oil company, saying that they will invest \$25 billion between 1991 and 1996, in order to increase output from today's estimated 2.6 million barrels per day (bpd) up to 3.6 million bpd. There is little doubt that the U.S. would be the principal beneficiary of this increase.

But the announcement has raised more questions than it has answered. The biggest one is, where will the \$25 billion come from? Although the *Financial Times'* source claimed that PDVSA "will finance most of the investment program from its cash flow," many observers think this is outlandish. Neither the state company nor the government in general have the funds to achieve these goals.

The furthest that a Venezuelan government official has gone on the record, is the statement by PDVSA Director Pablo Reimpell a few days prior to Bush's visit, that the state company would be investing \$9 billion of its own money. But Energy Minister Celestino Armas himself denied this statement as he emerged from the Dec. 9 working meeting between Presidents Bush and Pérez, and reiterated that Venezuela's oil plan required foreign financing.

Direct foreign investment would of course be another possibility, but Venezuela's Petroleum Nationalization Law, as the law that regulates the oil industry is informally known, limits hydrocarbon exploration and production activities exclusively to PDVSA. So the question is, how to get around this legal obstacle in order to hand the oil over to the U.S.

The original idea proposed by President Pérez himself, is that the funds would come from foreign investment in the form of "joint ventures" between PDVSA and the oil multinationals. A second, more recent, proposal is that the funds come from Venezuela's international creditors, who recently concluded an agreement to refinance the public foreign debt.

In the wake of Bush's visit, "a formula similar to that being used with Mexico" is also under discussion, Venezuelan Foreign Minister Reinaldo Figueredo told the daily *Diario de Caracas* on Dec. 9. In the Mexican case, the U.S. Export-Import Bank will reportedly guarantee \$1.5 billion in commercial bank loans in 1991, to

facilitate new drilling, to be the first installment on lending totaling \$5.6 billion (see *Dateline Mexico*).

In early 1991, Congress will debate legislation which the government hopes will accelerate the process of exchanging the new bonds of the recently renegotiated public debt, for investment in oil, petrochemicals, aluminum, and other areas. They will also discuss free access by foreign banks to the Venezuelan financial system, as well as ways to reform or bypass Article 5 of the Petroleum Nationalization Law, which allows for the establishment of joint ventures only in the area of petrochemicals, but not in the area of hydrocarbon exploration or production.

A good example of how such joint ventures with PDVSA would work, is the production of natural gas on the peninsula of Paria, in a project known as "Christopher Columbus." It has never been stated whether or not natural gas falls under the provisions of the hydrocarbon law, but for now the deal has already been signed, without any prior discussion by the Congress, for a joint venture of PDVSA with Exxon, Shell, and Mitsubishi.

As Energy Minister Celestino Armas rationalized the matter before the National Executive Committee of the ruling Democratic Action party last July 2: "The Petroleum Nationalization Law provides the leeway, if one uses one's creativity, to develop agreements which do not compromise the essence of the [oil] nationalization, but which make it possible to develop new areas through foreign financing." He explained that the increase of production itself is the guarantee for the financing: "Venezuela could guarantee long-term supply as a means of paying for this financing and to also cover the new investments in refineries that we will eventually have to carry out."

Business Briefs

Middle East

Give Iraq technological assistance to avert war

Prof. Hajime Karatsu, director of Tokai University's Institute of Research and Development, proposed giving technological assistance to Iraq to enable it to get on its own economic feet, in a commentary in the Dec. 10-16 issue of the weekly *Japan Times*.

Operating on the premise that Iraq moved into Kuwait "to give a much-needed shot in the arm to its economy," he suggests that a simple exchange be put into effect; that Iraq pull back from Kuwait and that in exchange, other countries provide technical assistance to Iraq to help it recover from its war with Iran.

"There is no greater folly than to meet force with force. The wisest course for the industrially advanced countries to take is to help Iraq reconstruct its economy and save Saddam from his present plight. Teach Iraq how to make goods and provide the necessary technical assistance. Fortunately, Saddam has a trained armed force with disciplined technical and engineering personnel. Put these people into non-military production. In no time, the factories will be operating smoothly and producing goods for Iraq's economic recovery."

Technology

Japanese develop R&D spurned by U.S. firms

Japanese companies are willing to develop and market new technologies which U.S. companies spurn.

A Japanese computer firm recently honored George H. Heilmeier, an American researcher at RCA who invented liquid crystal diode (LCD) technology about 25 years ago, the Dec. 16 *New York Times* reported. At the time, Heilmeier recalled, RCA said the technology was "more a threat to its existing business than an opportunity," and never developed it. Japanese companies, however, competed fiercely with one another to develop LCDs and bring them to market, where they

are used in digital watches and lap-top computer screens, among other places.

Shinichi Hirano, a Japanese engineer employed by IBM, said, "It was a manufacturing puzzle. I'm not sure American management would wait a quarter of a century" to solve it.

Debt

Vatican rips population control 'conditionalities'

Foreign debt was high on the agenda at an unprecedented meeting in November, where 16 international economists from different schools met at the Vatican with the leaders of the Pontifical "Justice and Peace" Council and the Pope.

In 1990, Third World nations' foreign debt to Western banks and international financial bodies reached the exorbitant sum of \$1.2 trillion. Brazil leads with \$112 billion, while African countries trail with Zaire's \$7 billion and the Congo's \$4 billion.

From 1980 to 1989, the Third World paid \$500 billion in interest alone. The North reaped a surplus of \$42.9 billion in debt service in 1989, over the amount given to the South in new loans.

In Peru, the new President Alberto Fujimori, after taking a \$1.2 million loan from the U.N. Population Fund, announced a vast birth-control program, with free distribution of contraceptives and television promotion of their use. Carlos Aramburu, the president of the National Committee for Population, stated that cutting population growth is urgent, since for the nearly 300,000 youths entering the work force each year, there are practically no jobs.

The Catholic Church came out strongly against such measures. Bishop Miguel Irizar said, "In the last 25-30 years, production of goods and services has not increased, while population has increased. This shows that the problem is underdevelopment and not population." He went on, "Our country is as big as Spain, France, and England together, and we only have 22 million inhabitants, I don't think Peru is overpopulated." The bishop of Chimbote, Msgr. Luis Armando Bambaren, said

that the birth control policy was imposed on Peru by the International Monetary Fund as the "condition" for extending new credits.

Labor

Household formation at depression levels

The formation of households in the United States has dropped to near-depression levels, the Dec. 16 *New York Times* reported.

The number of new households being formed dropped to depression levels "before the weaker economy became apparent," observed Richard F. Hoekenson, a demographer with Donaldson, Lufkin, and Jenrette (emphasis in original).

In an accompanying bar graph, Hoekenson showed that the number of new households formed in 1990 is about 600,000, one-third the 1.8 million of 1989. Hoekenson said that the weak economy is causing young men to stay home with their parents, rather than finding mates with whom to set up households.

Economic Policy

U.S. influence declining, says Attali

Japan will replace the United States as the center of the Pacific zone, declared French presidential adviser Jacques Attali in an interview with the supplement of the Dec. 14 German daily *Frankfurter Allgemeine Zeitung*. He said that the United States has lost the struggle with Japan because the Japanese invested in industrial development.

Europe, the second big growth center of the world economy, has even better conditions than Japan and Asia, because its transportation structure is better developed. "The center of this zone of 600 million consumers will be located somewhere between London, Rotterdam, Frankfurt, Paris, and Milan. These cities are only a few hours by the high-speed railways."

The Americans are in a phase of decline, said Attali, but they could move out of that in

Briefly

● **THE FREE TRADE** pact with the U.S. has cost 226,000 Canadian jobs since it was implemented on Jan. 1, 1989, the Canadian Labour Congress said in its latest critique.

● **GERMAN** commercial banks are refusing to make further loans to the Soviet Union without 100% government guarantees. The decision is an "alarm signal" over Soviet problems servicing its foreign debt, Dmitri Tulin, an official of the Soviet State Bank, told the Dec. 15 *Wirtschaftswoche*.

● **A EUROPEAN** Space Agency (ESA) team toured Poland's research institutes and met with top science and technology government officials in mid-December. According to ESA, they will cooperate on satellite telecommunications; Polish use of the ESA Earth remote sensing satellite ERS-1; and contact between scientists.

● **U.S. NOBEL** economics laureates Merton Miller, William Sharpe, and Harry Markowitz, praised the benefits of junk bonds, leveraged buyouts, and insider trading, in an interview with Reuters news service Dec. 12. Miller praised junk-bond felon Michael Milken, and Sharpe said insider trading boosted stock prices.

● **JAPANESE** firms have decided not to bid in the Texas high-speed rail project after watching Texas's school budget fight last spring. They "felt that a people which refuse to liberally support the education of their children . . . have hardly the will or ability to see" the project through, Jon H. Fleming, a consultant who claims to represent them, wrote in a July letter, the Dec. 12 *Houston Post* reported.

● **CORPORATE** bankruptcies are at depression levels, Louis Uchitelle wrote in the Dec. 17 *New York Times*. The \$64.1 billion in debt owed "is equal to 1.1% of gross national product. Not since the Depression has the level even approached 1%."

a return of something like the Sputnik shock that stirred them up in the late 1950s.

Attali said that he considers himself a leftist politician, but not a Marxist or a socialist. "To be part of the left, means to recognize that the market won't lead to the right developments in all areas. It is incapable of determining the track of a high-speed railway. It doesn't care about social justice. It ignores the right to culture, knowledge, and education."

Poverty

Mass. social workers report on 'new poor'

On the once-affluent South Shore of Massachusetts, social workers are now handling a flood of caseloads involving upper-middle-class bankers, professionals, and skilled workers who were making \$30-100,000 a year before the "Massachusetts Miracle" evaporated. The *Quincy Patriot Ledger* reported Dec. 15 that this legion of recently unemployed are flooding social service programs; increasing demand at food pantries, fuel assistance programs, and even publicly funded drug treatment centers, according to staff members.

"I've been in this business 17 years, and we've never, never seen anything like this before," said Richard Hinkley, director of South Shore Community Action in Plymouth. "A real, real high percentage of our new clients are families where the man is all of a sudden out of work. It is traumatic for them. They are ashamed, but so desperately in need of help. They have a kid in college, a new car, and a mortgage."

State Budgets

New York deficit soars to \$1.5 billion

Two weeks after New York Gov. Mario Cuomo announced a \$1 billion budget deficit, the state controller's office Dec. 17 released a new estimate adding another \$200-500 million to the shortfall projected for the current fiscal

year. The state also revised the staggering deficit expected in 1991-92 from \$3 billion to \$4 billion.

This latest evidence of how fast revenues are dropping surfaced only three days after the legislature completed a week-long emergency session to slash \$1 billion from this year's state programs and payrolls to cover the previous projection. The lawmakers chopped \$190 million in public school aid; \$80 million from the state and New York City university systems; \$125 million from hospital and Medicaid funds; and \$45 million in revenue-sharing aid to local governments.

Another \$375 million will be squeezed out through layoffs of state workers, a freeze on contracts and hiring, elimination of jobs by attrition, and delays in capital construction projects. Current employees will also lose a week's pay this year, to be restored upon retirement, in a bit of creative bookkeeping called a "lag payroll," totaling \$150 million.

AIDS

India faces case-load explosion

"India is atop an AIDS volcano" is the headline of a feature article in the Dec. 1 *Hindustan Times*. India now has the second-highest concentration of AIDS and HIV infection in Asia after Thailand, the paper reported.

There are 50,000 AIDS-infected people in India, Dr. N.K. Shah, a World Health Organization official, told a New Delhi press conference. Out of 562,000 people tested in India, 52 were found with AIDS and 4,695 HIV positive, of whom 1,200 were women.

In the states of Tamil Nadu on India's southern tip, Maharashtra on the west coast (which includes Bombay), and the northeast states, scientists are already calling the AIDS situation "unmanageable," the paper reported.

Conservative estimates say that 60,000 Indians will develop AIDS in the next five years, and millions more will become HIV positive. Over 30% of the prostitutes in Bombay and Pune are seropositive, and by 1995, one-third of the women of child-bearing age in Bombay will be infected.

Have Bush and Colombia agreed to legalize drugs?

by José Restrepo

On Dec. 9, less than 25% of Colombia's electorate elected 70 people to a Constituent Assembly charged with writing a new Constitution whose purported goal will be to guarantee a "global peace," put an end to violence, and ensure the country's modernization. Antonio Navarro Wolf, leader of the just-amnestied narco-terrorist M-19, who until recently was health minister in the current government, obtained the largest percentage of votes, 27%, making him the most likely winner in the 1994 presidential elections.

But well before 1994 rolls around, Navarro Wolf and the drug-linked M-19 have emerged as the strongmen in the rewriting of the 100-year-old Colombian Constitution during the first half of 1991. The Constituent Assembly has been pronounced *fully sovereign* by the Supreme Court of Colombia, and it is thus empowered to change the institutional structure of the country in any way it chooses: It can declare Colombia a monarchy or a socialist state; it can dissolve the Congress or disband the Armed Forces; it can pronounce the country a colony of a foreign power; it can drive the Catholic Church underground; and it can—and probably will—officially ban the extradition of drug runners to the United States, and instead incorporate them into a power-sharing arrangement in the new Colombian government.

This annihilation of each and every institutional pillar of Colombian society is precisely the intent of the M-19, as even a cursory review of their background and that of their leader, Navarro Wolf, makes clear. Top on their agenda will be to end any semblance of a war against Colombia's vast narcotics trade, and instead to legalize it, with the argument that it is time to make "peace," since war has been tried and failed. The martyrs of the abandoned War on Drugs will have given their lives in vain.

Bush forced Colombia to capitulate

This policy comes with the full backing of the George Bush administration.



Tens of thousands turned out for this march in honor of murdered publisher Guillermo Cano in Bogotá on Dec. 15, 1986. Four years later, these people—and the martyr they paid homage to—have all been betrayed.

Javier Almarino

In fact, it would be more accurate to report that the policy was *authored* in Washington. As the *Washington Times* revealed on Oct. 20, 1989, the then-incoming government of César Gaviria was “more likely to strike some sort of deal with the drug traffickers rather than continue to make the necessary sacrifices. . . . Some sources said the U.S. would accept Colombian proposals for plea bargaining in specific cases or partial amnesties, if these furthered the goal of stopping the shipments of drugs to the U.S.”

When, in August of this year, Navarro Wolf was named health minister, the *Los Angeles Times* reported Aug. 12, “A high-ranking American diplomat in Bogotá showed no concern the other day over Navarro’s new position of power and prestige. ‘It doesn’t bother us in the least,’ the diplomat said. ‘What happened with the M-19 was very positive for Colombia.’ ” *Time* magazine reported in its Dec. 3 issue that “what those on the front line fear most is that Washington is preparing to declare victory and walk away from a battle that it is not winning, but was not serious about waging in the first place.”

During his late-November trip to Colombia, U.S. Secretary of State James Baker gave the Bush administration’s nod to the Gaviria government’s ongoing power-sharing negotiations with the narco-traffickers, who also go by the name of the “Extraditables.” As *U.S. News and World Report* noted on Dec. 10, “the State Department endorsed Colombia’s ‘moves to deal with [traffickers] through its own court system.’ ”

Under this deal, the narcos will “come clean” (turn themselves in to the authorities, hand over their cocaine labs, and

bring their billions of illegal dollars back to Colombia), in exchange for being guaranteed that they will not be extradited to the United States and that their sentences will be reduced, that they will not have to testify against themselves or each other, and that they will receive “political treatment” from the government *similar to that afforded the M-19*—presumably including participation in the government.

In a conversation with *EIR*, a State Department official backed the Constituent Assembly and Gaviria’s negotiations with drug traffickers and terrorists. [The official asserted that “wars always end with a peace agreement or surrender,” and that therefore peace with the traffickers and terrorists is justified. The “East-West” conflict has ended, he added, making it unnecessary to wage war against terrorism.

Although the current Gaviria government has embarked the nation on the path of surrender to the drug mob, the full deal is expected to be concluded only under the tutelage of Navarro Wolf’s Constituent Assembly. Colombia is thus leading the way for all of Ibero-America down the ignominious path of raising the white flag of surrender to the narco-traffickers, thereby ushering in the forces of “New Age” cultural degradation throughout the Western Hemisphere.

The composition of the Assembly

Following Navarro Wolf in votes was Alvaro Gómez Hurtado, a former presidential candidate and advocate of drug legalization who was kidnaped by the M-19 in 1988, following which he split the Conservative Party and formed

The radical liberal roots of the Constituent Assembly

The Constitution which is about to be replaced in Colombia was written in 1886 by the great Colombian patriot and statesman, Rafael Núñez. At that time, the Núñez's Constitution had succeeded in putting an end to the horrors of more than 70 civil wars that took place between the 1850s and 1886, when the radical liberals of the last century imposed a series of constitutions (1853, 1858, and 1863), each of which outdid its predecessor in its espousal of philosophical and economic liberalism.

The common thread of all of these radical constitutions was juridical positivism, to the detriment of natural law—precisely the same destructive approach being taken today. They all sought to premise constitutional law on the fashions and whims of the moment, as if these could serve as the solid pillars of society. The intent was, of course, in vain, since the only thing these liberal reforms achieved was the intensification of war and the generalized impoverishment of the population.

The program of the radical liberals of the last century, many of whom were Masons (such as Ezequiel Rojas, Santiago Pérez, Manuel Murillo Toro, Aquileo Parra, José María Rojas Garrido) is nearly identical to that of their contemporary successors Alfonso López Michelsen, Carlos Restrepo Piedrahita, Jaime Castro, Ernesto Samp-

er Pizano, and César Gaviria, and can be summed up as follows:

Free market economics. With the reforms of radical liberals in the nineteenth century, Colombia's economy underwent a "free trade opening" of such magnitude that the incipient manufacturing industry disappeared completely, through unfair competition with all kinds of foreign goods which flooded the country when import tariffs were eliminated. There were internal tariffs between the different states, making it easier to bring potatoes to Bogotá from New York, transporting them by steamship up the Magdalena River, than it was to bring them into the capital from the south of the country. Instead of modernizing, industry disappeared, in a way not unlike what will happen today with the "economic opening" program that President Gaviria is imposing on the country.

Parliamentary and federalist politics. In the nineteenth century, the authority of the Executive branch was undermined by increasing the power of regional political chieftains. Every time Tomás Cipriano de Mosquera or someone else disagreed with the policies of the government, he would advance on the capital with his private army, overthrow the government, and install a new regime. So today, ex-President Alfonso López Michelsen and his friends want the Constituent Assembly to draft a new Constitution that will reduce the powers of the President and grant greater powers to the Congress, with an eye towards establishing a parliamentary system of government, such as exists in the unstable Social Democratic regimes in Europe, which frequently fall over a simple vote of no-confidence. They fear that a competent and

a separate movement. In third place, with 6.43% of the vote, was former Conservative President Misael Pastrana Borrero, a member of the "Notables" group which has served as a mediator in the negotiations between the government and the narco-traffickers. On the Liberal side, the slate receiving the greatest number of votes was headed up by Horacio Serpa Uribe, leader of Ernesto Samper Pizano's pro-drug legalization movement, and Jaime Castro, fully backed by former president Alfonso López Michelsen, known as the drug mafia's political godfather.

As a result of the election, the M-19 has 19 seats in the Constituent Assembly which will write the new Constitution. Alvaro Gómez has 11, Misael Pastrana 6, and the several Liberal groups 24. Juan Gómez Martínez, the former mayor of Medellín and now editor of *El Colombiano* newspaper, who was chosen by the Extraditables as their spokesman and mediator with the government, won two seats. So it is clear that the M-19 will face little or no opposition to their central objective of *de facto* legalization of drugs.

An unconstitutional coup

This sorry state of affairs was brought about by a virtual unconstitutional coup d'état by President César Gaviria against the Supreme Court, in alliance with the narco-terrorist groups EPL, ELN, FARC, and M-19.

The operation began back on Nov. 7, 1985, when the M-19 staged a savage assault on the Justice Palace in Bogotá and murdered 12 of the Supreme Court magistrates who were examining the cases of drug traffickers whose extradition had been requested by the U.S., thus carrying out longstanding threats against the justices by the drug traffickers. On the eve of the fifth anniversary of the Justice Palace massacre, the Gaviria government put enormous political pressure on the Supreme Court to get it to approve as constitutional Executive Decree 1926, issued this year, authorizing the convening of the Constituent Assembly to rewrite the Constitution.

An early-October *EIR* survey, subsequently confirmed by other reporters' investigations, revealed that the majority

honest man might somehow become President, and that he would adequately utilize his legitimate presidential authority to convert Colombia into a true industrial and agricultural power.

Confrontation between church and state. The radicals of the nineteenth century not only expropriated the goods of the Catholic Church, but unleashed religious persecution. The Masonic lodges were enthroned in power. The influence of the Church was eliminated from education, and everyone felt they had the authority to do whatever they felt like. In a country where the majority of the population is Catholic, the Gaviria government is proposing to eliminate the Concordat—which harmoniously regulates relations between the Colombian state and the Vatican. The majority of legal experts who surround Gaviria, active practitioners of Masonry, seek to expel the Christian God from the Constitution and from education.

Dismantling the Armed Forces. Under the various free-trade regimes of the past century, the national Army of a century ago came to have, at its best, about 1,000 men. Private armies were vastly superior in number and advanced on Bogotá at the whim of regional chieftains. The radical liberals urged the constitutional elimination of the Army. Now these same circles intend to reduce the size of Colombia's Armed Forces, and seek to use the Attorney General's office—which has been converted de facto into a branch office of Amnesty International—to alter the role of the military through a denunciation campaign against supposed "human rights" violations.

of the Supreme Court magistrates in fact opposed Decree 1926. Their arguments were: a) that the decree was issued under a state of siege, which is presumed temporary—i.e., the government cannot legislate through said decree except for the period for which the state of siege lasts; and b) that the Constitution does not empower the President to convene a Constituent Assembly, since only the Congress can change the Constitution.

Nonetheless, Gaviria publicly charged on several occasions that the Supreme Court would "jeopardize the possibility of peace" if it declared the decree unconstitutional. He stated that at no time would the "the country's hopes for change be frustrated" because of the Court. Gaviria's decree also authorizes the President to name two representatives of the terrorist groups currently negotiating a demobilization of their forces to the Assembly. At that time, the EPL was already talking to the government, and it was expected that the ELN and the FARC would join in.

These groups sent letters and messages threatening the

justices with death if they declared the decree unconstitutional. The outcome was that the Court voted 14-12 in favor of the Constituent Assembly. The proposal's most outspoken defenders were the same terrorized justices who survived the M-19's Justice Palace takeover in 1985.

The conclusion of the 14 justices did not conform to the Constitution in any way. Their ruling argued that the political necessity of the moment forced the Court to change its jurisprudence, and that the latter must "interpret the people's desire for change and renovation of the institutions." The political necessity for "peace" was one of the arguments used to favor the presidential decree. The Court also ruled that the Constituent Assembly's decisions will not come under the Court's purview, given that the people who elected it "can be subject to no other restrictions than those which they impose on themselves."

The 12 magistrates who rejected the majority decision of the Court stated that "none of the standing precepts of the Constitution endows the President of the Republic with the right to convoke the electorate in its capacity of sovereign constituent." They added that the Court's ruling "seriously ruptures the State of Law." In other words, the Gaviria government delivered a coup d'état against the national institutions themselves.

Colombians reject the Assembly

Despite all the propaganda of the Gaviria government, the narco-terrorists, and of the communications media, most Colombians rejected the Constituent Assembly.

On Dec. 9, fewer than 4 million voters went to the polls. In the March 1990 congressional elections, more than 8 million voted, out of a total of 13 million eligible voters. The huge abstention rate triggered an intense two-day debate inside the Congress over whether the Congress has more legitimacy than the Constituent Assembly, because the Congress was elected by more votes than the Assembly. The debate has left unresolved the question of whether Congress will ignore as illegitimate the resolutions of the Assembly. The Gaviria government, on the other hand, has given total legitimacy to the Assembly, despite its rejection by the "sovereign constituent," that is, the Colombian electorate.

Thus, the first result of the Constituent Assembly is that the two bodies are already preparing to do battle over which carries the ultimate authority. Instead of being the mechanism for achieving "global peace," as Gaviria would have it, the Constituent Assembly could well become the means for triggering an interminable war of all against all. Meanwhile, the vote garnered by the M-19 and the ongoing negotiations with the drug traffickers is sending a fatal message to Colombians that the only way to achieve effective participation in Colombian politics is to be a criminal, have one's own private army, or practice genocide. Whoever fails to meet these conditions cannot be a member of the political class, much less expect his voice to be heard.

Antonio Navarro Wolf: 'New Age' enforcer

When Colombia's voters went to the polls to choose a new head of state last May, they overwhelmingly rejected a number of presidential candidates who had made the end of extradition, negotiations with the country's murderous cocaine traffickers, and legalization of the drug trade the top agenda items in their electoral platforms. Instead, the voters selected a candidate who promised to win the war on drugs, and who claimed to come out of the tradition of anti-drug fighters Rodrigo Lara Bonilla and Luis Carlos Galán, both fallen heroes in that war.

It was with horror, then, that Colombians learned of President Gaviria's first act in office: His appointment of the narco-terrorist M-19 chieftain Antonio Navarro Wolf to head the Ministry of Health. While Gaviria lamely described Navarro as "highly competent" and "having one of the best resumés of any member of the cabinet," the bitter joke that immediately began circulating among medical layers, was that the only experience with medicine Navarro had was the 60 days he was hospitalized after losing a leg in a 1985 terrorist grenade attack. Navarro resigned the ministry a few months later to head up the winning M-19 slate of candidates to the Constituent Assembly.

Terrorism and Gnosticism

Who is Antonio Navarro Wolf, and what is the M-19 he leads? A former "sanitation engineer" who did his postgraduate studies at London School of Economics on a Rockefeller Foundation grant, Navarro joined the M-19 in 1978, when the largely student-based movement was heavily into Gnostic mysticism and Castroite rhetoric, and financed itself through kidnappings. Navarro Wolf's mentor was M-19 leader Jaime Bateman, the son of a Gnostic magician who wove "invisible chains" to keep him immortal. Bateman died in an airplane crash in 1984, while reportedly smuggling a large quantity of illegal drugs out of the country.

Before his death, however, Bateman told the Peruvian magazine *Caretas* that the secret to a successful guerrilla insurgency is magic: "I believe that our work needs more passion right now than reason. When people reason, they become pathetically slow, afraid. . . . Science stultifies the world, and stultifies thinking. . . . The traditional left refuses to acknowledge the importance of cults, magical thought, religious manifestations."

Navarro Wolf took over the M-19 after Bateman's de-

mise, but never abandoned the Gnostic mysticism and "New Age" outlook of his mentor. In a 1985 interview with the Mexican magazine *Cuadernos Políticos*, he endorsed Bateman's "philosophy" as the key to recruiting children to the M-19's cultural warfare strategy: "What Bateman said is true: You don't need so much to win over the minds of the people, as you have to win their hearts. . . . Very rapid social dynamics are needed in countries with . . . a youth without hope, which expects nothing from the future. . . . For example, in the [guerrilla] camps, we worked with *gamins*, abandoned children who do not have parents and live in the streets: Thousands of children aged 10, 14, 16; these are the worst of human marginality, because they are marginalized in childhood. Organized in the camps, these children become a factor of tremendous dynamism in the popular struggle. . . . To what do you call all these people? To something quasi-magical, audacious, novel, vital."

Under Bateman and Navarro Wolf's joint leadership in the 1980s, the M-19 became an adjunct of the Medellín-based cocaine cartel. In 1981, cocaine trafficker Jaime Guillot Lara was arrested by Mexican authorities and confessed to being a major arms supplier for the M-19, which used cocaine shipments to finance its weapons purchases. That same year, according to Navarro Wolf's own public admission, a non-aggression pact was signed with the Medellín Cartel. In 1984, M-19 leader Iván Merino Ospina called a Mexico City press conference to endorse the cocaine cartel's threat to "kill one American for every Colombian extradited." Said Ospina, "These threats should be carried out throughout the world against the representatives of rapacious imperialism."

How Navarro Wolf deals with judges

In November 1985, forty M-19 terrorists stormed the Colombian Justice Palace. They sought out and cold-bloodedly executed every member of the Supreme Court who had taken a stance in favor of extraditing drug traffickers. They destroyed every legal dossier containing drug trafficking charges and/or extradition proceedings. They demanded a public trial of then President Belisario Betancur, to be carried out by the M-19. They were reportedly paid \$5 million by the Medellín Cartel for their bloody siege, which led to the deaths of 100 people and the gutting of the Justice Palace. Navarro Wolf, in Cuba at the time of the attack, today claims he gave no authorization for the narco-terrorist siege.

And yet, as the M-19's 1990 presidential candidate, Navarro Wolf called for an end to extradition, the legalization of the drug trade, and the conversion of marijuana and cocaine production into "a legitimate agricultural activity." Said Navarro, "If there are no serious solutions on the global level, at least we should aspire to coexist with the problem in the most civilized manner possible."

After the May presidential election in which he took third place, Navarro told the press, "Doubtless this means that we are going to take power in the short term."

Colombia has aligned with Bush on economics, the Mideast... and drugs

by Javier Almario

The central objective of Colombia's foreign policy is "the process of both internationalizing the country and opening up the economy," according to Foreign Minister Luis Fernando Jaramillo. In an exclusive interview with *EIR*, held in his offices in Bogotá on Nov. 21, only three days before the arrival in that country of U.S. Secretary of State James Baker, Mr. Jaramillo denied that this emphasis on free market policies was shaped under U.S. pressure, but he did admit that "of course, the United States stands to benefit somewhat by this."

A well-informed source inside the Foreign Ministry put it differently—on the condition that the individual remain anonymous. "The United States will seriously threaten a trade blockade of the country," the source confided to *EIR*, "if we don't vote with them in the U.N. Security Council on the Iraq issue. The pressures are intense and serious." A high-level member of the Colombian ruling elite confirmed to *EIR* that "President César Gaviria is not going to get into a fight with the United States; that would be suicide."

It appears that Colombia's present foreign policy has been cut from the same cloth as the U.S.'s in every aspect—including that of drugs—as can be seen in the exclusive interview we present below.

Following Baker's visit, Colombia promptly voted in the U.N. Security Council in favor of the U.S. ultimatum against Iraq, despite the fact that Colombian policy heretofore had always been that of seeking peaceful resolutions to border disputes. When *EIR* asked Minister Jaramillo why Colombia would tolerate a war against Iraq, allegedly for its invasion of Kuwait, when there "had been no international reaction" to the U.S. invasion of Panama, the minister responded: "Well, I'd rather not comment on Panama."

On economic matters, Minister Jaramillo gave his full support to the idea of turning Ibero-America into a strategic raw materials reserve for an eventual war economy in the United States. He explained that the so-called Group of Three—Mexico, Venezuela, and Colombia—are doing ev-

erything necessary to assure the United States of an adequate and secure supply of fuel. The integration of those three countries, he confessed, was "accelerated by the Gulf crisis."

And with regard to drugs, actions speak louder than words. Our Foreign Ministry source had advised *EIR* that Baker, in exchange for Colombia's support at the U.N., would give his okay to President Gaviria's negotiations with the drug traffickers, which will effectively legalize their activities. That was precisely what Baker did. Gaviria's decision to negotiate, Baker told reporters, "falls to the competence of the Colombian government." This comes as no surprise, since Gaviria's entire approach to the Extraditables is modeled on U.S. "plea bargain" tactics, as demanded by the U.S. Department of Justice.

The following are excerpts from the lengthy interview granted *EIR* by Minister Jaramillo.

EIR: United States Secretary of State James Baker is coming to visit, to ask that Colombia back a U.S. military action in the Middle East. What is Colombia's position on this?

Jaramillo: First, to hear Secretary Baker and to see what he wants to present to the Colombian government, or to see if he has any requests or if he wants to explore other alternatives. . . .

EIR: An anti-war movement similar to that which opposed the Vietnam War is currently emerging in the United States, and is making some strong criticisms, such as that the United States is in the Middle East to defend two outdated monarchies such as Kuwait and Saudi Arabia. There are some who mention that these monarchies practice slavery. With what moral authority, then, is the United States entering into the fray, if it is not defending a democratic regime? What do you think of these criticisms?

Jaramillo: Without judging the perception of the American people regarding an American action—because what the American people think of what their government is doing

The Foreign Ministry is committed to the process of internationalizing the country, and to the opening up of the economy. . . . Now of course the United States stands to benefit somewhat by this, but this is a tangential result. . . .

does not really interest us—I do not believe that what is being defended are two monarchies like Kuwait and Saudi Arabia, but rather the principle of international law, in which there cannot be the violent annexation of a free and sovereign state like Kuwait. Further, this occupation has been condemned by the United Nations, and the withdrawal from Kuwait has been ordered. So, as long as this is not complied with, the rule of international law is violated and this is why there is currently an intervention in the Gulf. . . .

EIR: But the United States invaded Panama and there was no international reaction. The United States in the past century annexed Texas, California, and New Mexico, and Colombia has not proposed international action for these lands to be returned.

Jaramillo: Well, I would rather not comment on Panama. But you are talking about things of the past, and now we must make sure these kinds of things don't happen again.

EIR: Advanced sector strategists, especially in the United States and in England, think that the East-West conflict is already ended, and that now we will see North-South conflicts. Some have even dared to say that the first North-South case will be that of Iraq, but then others will come. For example, the Amazon jungle, which some feel should not belong to Latin American countries but to the whole planet. The other case is that of the war on drugs, which could be used as a pretext for supranational armed interventions. Is not the international action against Iraq worrisome as a precedent for future such actions against the Third World?

Jaramillo: We are starting from certain premises which, if true, are of course worrisome, but one must first prove that they are true. It is certain that the bi-polar Russian-U.S. confrontation, the East-West confrontation, has ended. It is true that there still exist tremendous imbalances in the industrialized world with respect to the developing sector, that is, between North and South. But one cannot conclude from this that East-West conflict is going to be replaced by confrontation over the Amazon jungle or over drug trafficking.

The issue of world ecological patrimony will have to be viewed within the larger general context which includes not only the Amazon jungle as the ecological patrimony of America, but also the damage the developed countries are inflicting on the ecology and on the eco-system. . . . There

exists what has been called the ecological debt of the developed world, that has been and continues to be created by the damage caused by the production of coal gas, by the deterioration of the ozone layer, the effect of acid rain, and by all the ecological damage to the eco-system being caused definitively by the industrialized world. I believe that this is the issue, among others, that will be addressed in the conference on the environment and development that will be held in Rio de Janeiro in 1992. This will be an excellent forum for seriously debating issues of economic development and ecological conservation. . . .

On the problem of the drug trade, I believe that this is a problem which affects all of humanity, but the major effort is being made by [drug] producing or processing countries like Colombia, while an equivalent effort is not seen on the part of the industrialized countries. We can see how right now the demand for drugs is growing in Europe, and that there is no serious, generalized, concerted effort by the European Community to fight drugs. Of course, Colombia is very grateful to the international community for its help in trade matters, but it is also important that this help be not merely in trade matters but also that much more drastic and coordinated measures be taken among all the European nations to be able to repress outbreaks of drug consumption, illegal weapons trafficking, dollar laundering, and also the illegal trade in chemicals. All this contributes to the expansion, to the proliferation, and to the universalization of the drug trade as a phenomenon which is rapidly spreading throughout the developed world.

EIR: What is the order of priority of Colombia's foreign policy?

Jaramillo: The Foreign Ministry is committed to the process of internationalizing the country, and to the opening up of the economy. This process has very important economic ramifications, and we are carrying it out for reasons of internal policy. After an analysis of Colombia's internal situation, we have reached the conclusion that this is what must be done right now with the Colombian economy, and the Foreign Ministry is collaborating and assisting this effort in all the forums to which it has access and through collateral relations with the rest of the world. Colombia's diplomatic missions abroad are doing the same thing, to establish a much more aggressive and active presence of Colombian products in foreign markets.

EIR: In Colombia, the government says that the economic opening is designed and applied by the government. But in Washington, it is seen differently. For them, Ibero-America's opening is the means by which they will succeed in turning all of America into a captive market for U.S. products which no longer have an outlet in Europe or in Japan. Are we not falling for a one-sided deal, in which the opening is on Ibero-America's part while the United States closes the door to our exports?

Jaramillo: No. I am necessarily talking about carrying out the opening and the internationalization of the Colombian economy for internal policy reasons. . . . Now of course the United States stands to benefit somewhat by this, but this is a tangential result, because what this whole process tends to do is lower Colombian costs of production, to make Colombian products more competitive abroad. . . .

EIR: Regarding Ibero-American integration, the President proposed an institution that would be a sort of Organization of American States (OAS) without the United States. What has been the continental response to this proposal?

Jaramillo: This has already been achieved in the Rio Group, where all the countries of Latin America, a representative of the Caribbean, and a representative of Central America are participants. This is in a certain way a Latin American Forum, which contains all the countries of South America and which little by little is becoming the forum to represent or interpret Latin America. . . .

EIR: Regarding the integration of Venezuela, Mexico, the Group of Three, it would seem that the President wants integration without provoking an adverse reaction on the part of the United States. Is the idea to seek integration but that it be small and not continental?

Jaramillo: I don't understand your question, because integration with Venezuela and Mexico cannot exactly be called small. It is a very important, very large thing for Colombia, for Mexico, and for Venezuela.

EIR: What I am referring to is this: In the United States, there is resistance to the idea of Latin America presenting itself as a bloc, whether it be to deal with the debt or with economic problems. Does this affect the proposal that President Gaviria has made?

Jaramillo: No. I believe that President Gaviria's idea is beginning to take shape at this very moment with the Rio Group. . . .

EIR: How is the proposal to create a common energy market between Mexico, Venezuela, and Colombia proceeding?

Jaramillo: What has been proposed is that the Inter-American Development Bank finance a study of the Caribbean energy basin, to evaluate the possible development and complementarity among the three countries and also the Central

American and Caribbean countries. From the conclusions of this study we will derive the actions to be taken in the future, such as possibly the sale of coal to Venezuela, coal from Venezuela and Colombia to Mexico, transfer of gas from Venezuela to Colombia, or the sale of hydroelectricity from Colombia to Mexico via Central America. . . .

EIR: Will the conflict in the Middle East accelerate energy integration? That is, Mexico could sell more oil to the United States if Colombia were to give or sell it coal.

Jaramillo: Yes, I think that the conflict in the Gulf makes the need for coordination of efforts among all the Latin American countries, and especially those of the Caribbean Basin which are all surplus energy producers, much more urgent. Colombia is the world's number-four coal exporter, and we are on our way to becoming the world's top coal exporter. Venezuela is a major oil exporter and exports to the United States. Venezuela also has surplus coal, gas, and hydroelectric power.

Thus there is the possibility for great complementarity, and eventually the freeing up of energy for the North. In that way, the energy freed up by the consumption of coal, or gas, or hydroelectric power from Colombia or Venezuela could be sold by Mexico to the United States. I believe that we would all come out winners: the United States by improving its oil reserves, Mexico in having a cheaper energy source like coal, Colombia and Venezuela in being able to sell part of these natural resources to Mexico.

EIR: Would this also be an opportunity for foreign investment, especially by the United States, in exploiting these resources?

Jaramillo: That would be an alternative. The other would also be domestic investors or foreign-domestic consortiums. All of these alternatives are viable; we must study them, and there is no reason to discard the possibility of foreign investment in this sector within the Colombian context.

EIR: Within this framework would there be privatization of state companies?

Jaramillo: It depends on which ones.

EIR: In the energy sector, in particular: Ecopetrol, Pemex, Petroven, etc.

Jaramillo: I don't think there is any possibility that Pemex would be privatized. Pemex is the result of an ancestral Mexican fight which cost a lot of effort and blood in its time, and its reversion to private hands would not be easy. In the cases of Ecopetrol and of Petroven, I also don't see the urgency of doing that. In Colombia today, there is already a large percentage of oil exploitation in private hands; transportation of crude is also in private hands. We will have to see what the future of Ecopetrol will be. . . .

Let us remember the fallen heroes of Colombia's war on drugs

The Colombian government's cowardly capitulation to narco-terrorism strikes at the moral foundations of republican government and engenders a loss of faith in reason itself. Such martyrs of the republic as Justice Minister Rodrigo Lara Bonilla, Police Col. Jaime Ramírez Gómez, newspaper publisher Guillermo Cano Isaza, and Sen. Luis Carlos Galán, along with hundreds more, represented that combination of morality and reason which Colombia's narco-terrorist enemies could not tolerate. Let their lives be an inspiration all those who vow to continue their battle, regardless of the risks.

Rodrigo Lara Bonilla: anti-drug crusader

Colombian President Belisario Betancur's August 1983 appointment of political dissident Rodrigo Lara Bonilla to the powerful post of justice minister, marked the first time that the cocaine cartels had to fear the weight of the law. Born in Huila, Colombia in 1944, Rodrigo Lara was a lawyer and university professor, and served as mayor of his hometown of Neiva, then as a senator and an ambassador before his appointment to the Justice Ministry.

During his short nine months in office, Lara not only publicly identified key cartel figures, but had begun to penetrate the elaborate political and business fronts the cartel czars used to conduct their business and to trace the flow of "hot money" into political coffers. He also devoted much of his effort to forging an Andean-wide pact against drugs. He lobbied intensively in favor of extraditing drug traffickers wanted abroad, and succeeded in winning presidential support for experimental use of herbicides against Colombia's vast marijuana crops.

In September 1983, one month after taking office, Lara told the press that he and his family were receiving constant death threats, but that "I will not yield in my fight against the drug industry. What would happen if the justice minister died



of fright from every threat against him? There are risks one must assume in life."

Working in close collaboration with National Police Col. Jaime Ramírez, Lara identified "virtual private armies" forged by the cartels, reorganized the National Narcotics Council under his personal jurisdiction, and ordered the Civil Aeronautics Agency to ground over 100 private airplanes belonging to prominent drug traffickers and to begin the first systematic mapping of clandestine airstrips. He also developed a close working relationship with the anti-drug U.S. ambassador to Colombia, Lewis Tambs, who also received frequent death threats.

By December 1983, Lara was battling the mafia-infiltrated Colombian Congress for the legal jurisdiction to confiscate private property and capital assets of drug traffickers. Some 30 politicians were under investigation for taking money from the mob. Assassination threats began to pour in.

On March 7, a combined deployment by the U.S. Drug Enforcement Administration (DEA), the Colombian National Police, and Lara Bonilla's Justice Ministry led to raids on what proved to be the largest cocaine-producing complex yet discovered anywhere, known as "Tranquilandia." The series of 14 separate refining laboratories, with accompanying airstrips, were discovered deep in the equatorial jungles of Caquetá department, constituting what the DEA dubbed a "cocaine industrial park" of heretofore unimagined dimensions. Seized and destroyed in the raids were 14 metric tons of pure cocaine, and nearly 12,000 drums of ether, acetone, and other chemicals used in the cocaine refining process.

The mob fought back. Corruption charges were manufactured against Lara, and the pro-drug daily *El Tiempo* publicly urged Lara to resign. Warnings of a new assassination plot against him were received. The Betancur government made arrangements for Lara Bonilla and his family to leave Colombia, taking an ambassadorial post in Czechoslovakia. But Lara would not give up, and in early April he issued a call for a "world pact" against drugs and global extradition procedures against drug traffickers.

At 7:00 p.m., on April 30, 1984, Lara Bonilla died in a hail of machine-gun fire from a pair of motorcycle killers hired by the Medellín Cartel.

Col. Jaime Ramírez Gómez: nation's finest cop

One of the worst blows to the resistance was the Nov. 17, 1986 assassination of Lara's close collaborator Col. Jaime Ramírez Gómez, in full view of his wife and children. Ramírez was a key liaison with the U.S. Drug Enforcement Administration, and was highly respected continentally as much for the excellence of his intelligence and investigatory methods, as for his courage and honesty. He had been scheduled to testify on Nov. 18, the day after his murder, at an investigatory tribunal on evidence he had personally amassed on cocaine kingpin Pablo Escobar's role in the assassination of Rodrigo Lara Bonilla.



Ramírez and Lara Bonilla made an extraordinary team, not only collaborating on intelligence work which made blows like that against Tranquilandia possible, but also jointly formulating a justice reform proposal designed to strengthen the vulnerable state. Sentences had to be increased, penal codes stripped of legal loopholes through which the criminals could escape the reach of justice, and international accords such as the extradition treaty with the United States, had to be enforced.

Ramírez knew that the extradition issue was critical to the success or failure of the war on drugs. In an interview with reporters in November 1986, published posthumously by *El Espectador* on Nov. 19, Ramírez repeated: "In this matter of extradition, no one should be fooled into believing that we are dealing with anything less than the key factor in the fight against drugs. . . . The day that [the treaty] is annulled, they will have won the war."

Guillermo Cano Isaza: Colombia's conscience

Lara Bonilla's offensive was given a public platform in the Bogotá daily *El Espectador*, the country's second-largest newspaper. The distinguished publisher and editor-in-chief of *El Espectador* was Guillermo Cano Isaza, a white-haired patrician with a fierce dedication to restoring his country's national dignity.



Under Cano's direction, *El Espectador* launched its first major anti-corruption campaign in 1983, with a series of devastating exposés of powerful drug banker Jaime Mi-

chelsen Uribe, the first cousin of former Colombian President Alfonso López Michelsen, also known as "The Godfather." Those exposés led to the Michelsen empire's downfall and an inglorious Dec. 31, 1983 flight from Colombia by the banker himself.

In the second half of 1986, the cartel escalated its blackmail and terror campaign against the country, accompanied by a synchronized series of calls for drug legalization. On Dec. 1, 1986, Justice Samuel Buitrago Hurtado, president of a high-level government advisory board known as the Council of State, went on national television to call for ending extradition and for the legalization of the cocaine and marijuana trade as a means of boosting the government's tax revenues.

Outraged, Cano dashed off a column: "Legalize drug trafficking? That would be like legalizing and justifying all the collateral activities: money laundering, the assassination of Supreme Court justices, of cabinet ministers, of judges. . . . Colombia is lowering its guard against organized crime. Each day we are more shocked to learn . . . that the miracle prescription is legalizing the drug trade. That the panacea is Church dialogue with the chiefs of the drug trade. We are on the verge of coexisting with organized crime, with accepting it."

On Dec. 17, 1986, Cano was shot through the head by a motorcycle assassin wielding the mafia's favorite weapon, the MAC-10 machine pistol.

Luis Carlos Galán: toppling a President

As the electoral campaign for a new presidency in 1990 began to gear up, the drug mafias discovered to their horror that the front-running candidate was Sen. Luis Carlos Galán, a colleague and friend of the murdered Rodrigo Lara Bonilla.



A young, reform-minded politician with tremendous popular backing, Galán represented one of the few remaining political forces in the country who had not been bought or terrorized into submission by the cocaine cartels. A founder along with Rodrigo Lara Bonilla of the New Liberalism current within the Liberal Party, Galán had charged as far back as 1982 that "the drug trade wants to destroy New Liberalism because it knows that it is its enemy in Colombia." Galán pledged at Lara Bonilla's funeral to "defend the values and principles for which Rodrigo Lara gave his life." Galán especially defended extradition as "one of the principal tools to confront the drug traffickers. We must use it without fear." On Aug. 18, 1989, the drug mafia murdered Luis Carlos Galán as he prepared to address 7,000 supporters at a nationally televised political rally in poverty-stricken southern Bogotá. With Galán's death, Colombia lost a President.

'Dope, Inc.' sets up new drug routes

by Dennis Small

The Colombian drug cartels "have decided to move their [cocaine] laboratories to Brazil and Ecuador, mainly the first, and to use different routes . . . to send the drug" to the United States and Europe, according to a report recently issued by Interpol, the international law enforcement agency. The Interpol study, as cited in early December by the Colombian daily *El Espectador*, explained that this shift was "part of a new strategy" of the Colombian cartels, to diversify—and expand—their activities.

Interpol's estimation has been confirmed by a number of diplomatic, journalistic, and U.S. Drug Enforcement Administration (DEA) sources consulted by *EIR*; but the reorganization masterminded by the international drug multinational, "Dope, Inc.," appears to go way beyond simply shifting cocaine laboratories out of Colombia.

A European diplomat with access to thinking among U.S. and South American anti-drug officials, told *EIR* that one of the principal reasons behind the dope cartels' willingness to hand over their Colombian laboratories to the authorities, is that they have *already* transferred the bulk of their processing operations and clandestine air strips into the Brazilian Amazon jungle and to across the border into Ecuador and Peru (see map). Since, in exchange for supposedly "coming clean," the narco-traffickers will be virtually legalized and granted power-sharing status in the country, Colombia is slated to become a kind of "command and control" headquarters for the reorganized trade. "Reformed" narco-traffickers will freely walk the streets of Bogotá—and the halls of Congress. The dirtiest aspects of the drug business will no longer occur within Colombia's borders: They will just be run from there.

A setback for the drug mafia? Hardly.

"Cocaine production by the Medellín and Cali cocaine cartels appears to have risen as the traffickers decentralize and expand their operations to neighboring countries," the *Washington Post* reported May 13. Citing as evidence gigantic new busts of 16, 12, and 6 tons of pure cocaine in a jungle area near the Peruvian and Ecuadorian borders, the *Post* reported that U.S. anti-drug officials have concluded that "large numbers of Colombians have now moved to the Peruvian side of . . . the border and . . . the Cruzeiro do Sul region of western Brazil." An article in the Sept. 17 *Chicago Tribune* also reported on Brazil's growing role in the drug trade, since "with gigantic jungle areas bordering Colombia, Peru, Bolivia, and Venezuela, Brazil is perfectly situated to

serve as a giant clearinghouse for its neighbors' drug exports, some officials warn."

Another advantage of Brazil for the drug lords is that, unlike Colombia, it produces many of the industrial chemicals, such as ether and acetone, which are used in processing the coca leaf into cocaine. Roberto Percioso, a Brazilian narcotics agent cited in the Nov. 4 *Miami Herald*, put it succinctly: International traffickers increasingly view Brazil "as a paradise."

In this emerging new division of labor of Dope, Inc., Venezuela is slated to play an enhanced role as a money-laundering center for the cartels. The recently promulgated foreign investment and banking reforms there are designed to facilitate the takeover of the country's entire banking sector by the large Wall Street banks, and will encourage "hot money" flows related to the drug trade. In fact, Venezuela's then-Supervisor of Foreign Investments, Edison Perozo, warned on Feb. 21 that the new foreign investment and banking laws could lead to "the establishment of a narco-economy" in Venezuela, and facilitate "the infiltration of the infamous mechanisms of money laundering." Perozo subsequently resigned his post in protest.

Panama's role in the drug trade is also increasing as a result of this reorganization—and the U.S. invasion of a year ago. As most major U.S. newspapers have come to admit over the last few months, drug trafficking in Panama has *increased* since American troops overthrew the legitimate government in that country, toppled Gen. Manuel Noriega, and installed a puppet regime with proven links to drug money-laundering banks.

New routes, new markets . . .

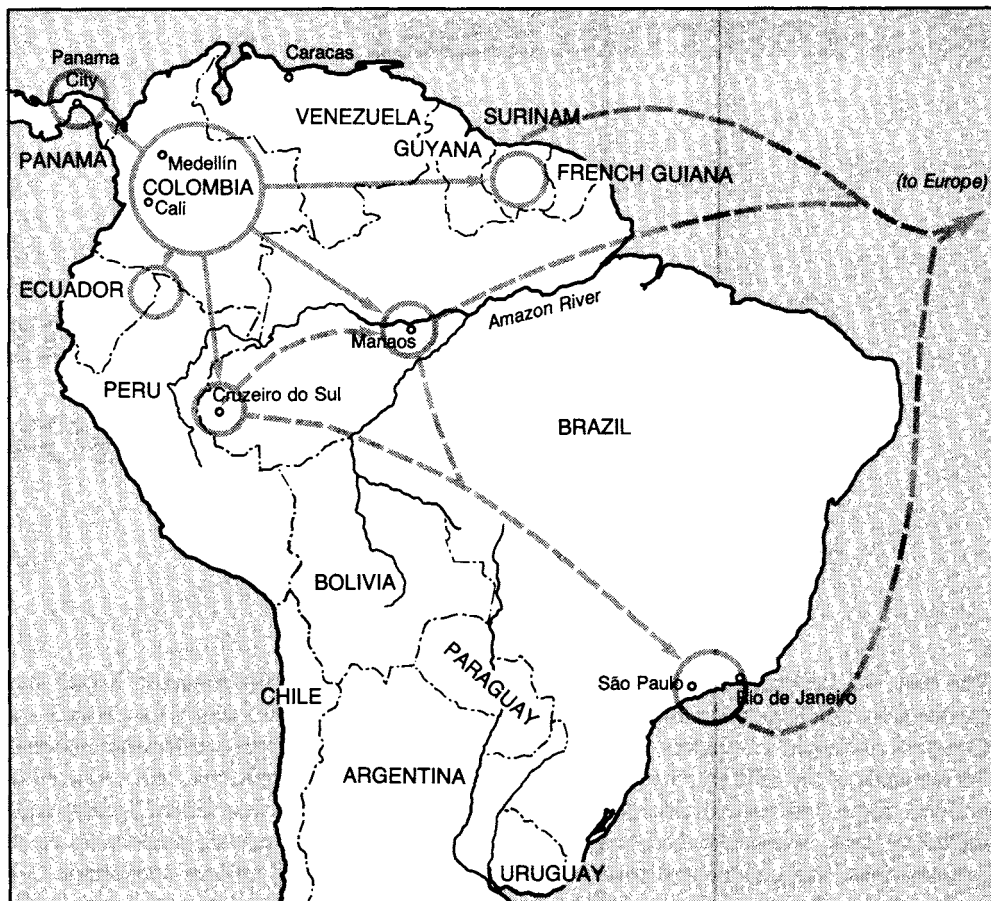
Another essential feature in the reorganization is the targeting of Europe, East and West, for a vast expansion of cocaine sales. As this magazine reported in its feature story on Nov. 9, 1990, "Dope, Inc. is now engaged in a vast expansion of its markets in Europe and Japan which, if not checked, will do to their youth, their cities, and their economies what has already been done to ours in America."

The *Wall Street Journal* reached the same conclusion one week later, reporting on Nov. 16 that "illegal exports of Latin American cocaine to Europe have jumped sharply this year, and some experts estimate they are running at almost twice their 1989 level." The article noted that, "according to U.S. narcotics officials and Latin Americans familiar with the cocaine trade . . . [there is] a major export drive to Europe. . . . 'The Europeans are where we were 10 years ago,' said a DEA official. 'They are facing a cocaine epidemic.'"

Brazil is particularly useful as a jumping-off point for cocaine bound for the European market, principally via Spain. As the mentioned *Washington Post* article noted, "Brazil is also believed to be a key shipping point to Europe, a market the cartels are seeking to expand with an eye towards 1993, the year that border controls between European Com-

The 'decentralization' of the Colombian cocaine cartel

- KEY
- International borders
 - Rivers
 - Drug trafficking routes



munity members are due to be eliminated.” Since the distance between South America and Europe is too great for the drug cartels’ small planes to handle, they “are switching from the use of small aircraft to container ships to get their product out,” according to U.S. and Colombian officials cited by the *Post*. Experts report that, at the European end, only about 10% of all incoming containers can be inspected for drugs, given the authorities’ limited resources.

DEA officials have confirmed this pattern to *EIR*, observing that certain countries in Africa, in particular Nigeria and Morocco, are rapidly emerging as important stepping stones and warehousing centers for the South America-to-Europe trade. Simultaneously, the former Dutch colony of Surinam is becoming an important transshipment point in South America, given its excellent shipping and other links to the giant Dutch ports of Rotterdam and Amsterdam.

. . . and new drugs

But perhaps most ominous of all is the news that the Colombian cocaine cartel may have begun to transform itself into the Colombian cocaine and heroin cartel. Various newspapers have reported that the Colombian mafia has reached an agreement with their Asian counterparts, and have begun to plant imported opium seedlings in a number of remote

areas of South America. They also seem to have imported Asian chemists to help them process the product, and for the first time Colombian trafficking networks in the U.S. have begun to wholesale heroin with purities as high as 90%, and with the exact chemical composition of the notorious, high-quality “China white” heroin.

Why the new “product line?” Some DEA experts believe that the U.S. is approaching a kind of saturation level of cocaine and “crack” consumption, and suspect that Dope, Inc. is therefore planning to expand the sale of these drugs in Europe and Japan, while using the well-established Colombian marketing networks in the U.S. to push a vast expansion of heroin here. As the Dec. 9 *Washington Post* reported, “some law enforcement officials fear that heroin is becoming so cheap and available that it will eventually start attracting a new clientele, particularly among crack smokers who are unable to sustain the frenetic lifestyles and frequent binges associated with their crack cocaine habits.” It should be noted that the vast expansion of cocaine consumption in the U.S. over the course of the 1980s was fueled by a similarly deliberate sharp reduction in its price.

It is this reorganization and frightening expansion of Dope, Inc.’s activities, that Presidents Bush and Gavia have signed their names to.

Gorbachov gets mandate to smash freedom movements

by Konstantin George

The Dec. 17 keynote speech of Soviet President Mikhail Gorbachov, which opened a decisive session of the U.S.S.R. Congress of People's Deputies, proved that he has endorsed the demands of the military, the KGB, and Russian national political forces, to use all emergency powers and means, including force, to prevent the process of dissolution along national lines from going out of control.

Lyndon LaRouche, in a statement issued on Dec. 16, warned that the Soviet crisis makes this the "most dangerous moment in 20th-century history" (see article, page 00). All signs point to a very ugly neo-Stalinist turn in the making, unless the West intervenes with a comprehensive program for economic development, in the interests of all the republics concerned.

Gorbachov's speech at the Congress was the toughest he has ever given against "separatists and nationalists." Its contents were known in advance to the main power blocs among the deputies, and this formed the basis for his winning an initial vote of confidence, held before he spoke, by a lopsided margin of 1,288-426.

The key passages which define his mandate to, in his words, prevent "the breakup of the state," and reign as President exercising tough emergency powers, were: "The partisan-like moves by republics and other parts of the state to change their legal status unilaterally, is leading us to chaos. . . . Decisive steps must be undertaken to stop the destructive advances of separatist and nationalist forces."

A confrontation against non-Russian republics, above all in the Baltic, is a near-future certainty.

The mandate given to Gorbachov is conditional, and could dissolve at any point. It marks his last chance to act, and he will be held accountable for getting the country out of the crisis. This was made clear in two statements issued

by the powerful Soyuz group of more than 500 deputies, which acts as the political spearhead for the military, security forces, and Russian nationalists. The Soyuz group voted for Gorbachov, and endorsed his call for national referenda on the new Union Treaty, which will be held this winter, and on private property in agriculture. However, Soyuz leader and military spokesman Col. Viktor Alksnis, in preparation for the bitter power struggle that is guaranteed should Gorbachov fail, stressed that the President's speech "failed to show a way out of the crisis."

The thin tightrope that Gorbachov is walking can be seen in statements by himself and other leaders, in the weeks leading up to the Congress:

- On Nov. 26, the Supreme Soviet issued a resolution which said that "the situation in the country is continuing to deteriorate and is approaching a critical state. The situation in the political and socio-economic spheres and on the consumer market is getting worse, while the balance of money and commodities is wrecked. The acuteness of inter-ethnic relations has become dangerous. A collapse of the structures of executive power is under way. The negative influence of the shadow economy is growing."

- On Nov. 27, Defense Minister Dmitri Yazov read on television a statement prepared by him, he said, on instructions from Gorbachov, citing "unlawful actions in several republics, which are threatening the defense capability of the country." He continued, "Actions against the Army have become more and more frequent. In some republics, the formation of their own Army subunits is commencing. . . . Voices are raised about transferring nuclear weapons to individual republics. Decisions are being adopted, that demand the redeployment of formations and units of the U.S.S.R. Armed Forces, including strategic forces. Nuclear-free zones

are declared without regard for the interests of defense and security of the state. There are attacks on the honor and dignity of officers and soldiers, and members of their families. Military facilities are subjected to armed attacks.”

● On Nov. 28, Gorbachov said in a speech to cultural leaders: “We will not be divided, comrades! Like it or not. . . . If we begin to divide, there will be a war. There will be a terrible war, there will be clashes. Therefore everyone must clearly take the position: We cannot be divided. And we cannot divide the Army, and nuclear weapons, and in general—this could turn into a catastrophe not only for the country—for the whole world.”

Structural changes

The part of the agenda of the Congress where Gorbachov will have the greatest success, is in the ratification of his proposed structural changes. This will create a new state executive power structure of institutions, all listed in his keynote speech, a presidential cabinet, a presidential national security council, and a “Defense Council.” These changes mark the shift of the locus of state power into the hands of the aforementioned coalition of military, KGB, and Russian national interests.

The other “victory” Gorbachov is expected to win, is receiving the support of up to nine republics for the new Union Treaty. This is support “in principle” for a new Union Treaty, and not support for a specific treaty document, however, as was made clear in speeches Dec. 18 and 19 from pro-treaty republic presidents, such as Boris Yeltsin of Russia, I. Karimov of Uzbekistan, and Nursultan Nazarbayev of Kazakhstan. In reality, no treaty will be signed for months to come. It will take at least that long, even under the most optimal circumstances, to thrash out an agreement dividing up the powers between the central government and the “in principle” pro-treaty republics.

However, the expected endorsement by the Congress of a new Union Treaty is not without importance. This support will be used during the new emergency rule period, to provide the juridical cover for confrontations with the republics that want independence.

Latvia and Moldova are targeted

There are six republics that are totally against a new Union Treaty, and do not want to remain in the Soviet Union at all. They are the three Baltic republics, Estonia, Latvia, Lithuania; Armenia and Georgia in the Transcaucasus; and Moldavia, now called Moldova, bordering on Romania. As the Congress convened, Moscow has provoked confrontations against Latvia and against Moldavia, for numerous reasons—such as maintaining a militarized crisis zone adjacent to the simmering Balkans.

Signs mounted in the week preceding the Congress that Moscow intends to target Latvia as its first victim. Latvia, where the native Latvians comprise only 45% of the popula-

tion, is politically the weakest link in the Baltic chain, and is of geographically strategic importance in the region.

The Dec. 2 promotion of the KGB’s Latvian expert, Boris Pugo, former head of the KGB in Latvia and the KGB’s top expert on Latvia, as new U.S.S.R. interior minister, was the first sign. Then, a week before the Congress began, Adm. Vitali P. Ivanov, commander of the Baltic Fleet, declared that units in the Baltic will use force to suppress “nationalists.” Within days, the first set-up provocation violence began in the Latvian capital of Riga. On Dec. 13 and 14, bombs exploded in Riga, first in front of the Communist Party headquarters, and then in front of the KGB headquarters.

On Dec. 18, Radio Moscow reported the following: “A new group in Latvia, called the Citizens Congress, has provoked a new conflict, with leaflets calling for Soviet soldiers to desert. The Baltic Military District has protested to the President of Latvia, Anatoli Gorbunov, and Adm. Vitali Ivanov, commander of the Baltic Fleet, has demanded that action be taken by the Latvian government against the organizers of this provocation.”

That same day, three more “mysterious” bombs went off in Riga, in front of the Communist Party Central Committee building, in front of the offices of the military prosecutor of the Baltic Military District, and near the Council of Ministers building.

Any trouble in Latvia will be the most dangerous to date because, unlike almost all previous cases of ethnic violence, this time the violence will involve Russians.

Latvia is prepared for the worst. Speaking Dec. 16, Latvian President Anatoli Gorbunov warned that Moscow was preparing to dump the republic’s sovereign, elected government and Parliament and, impose direct presidential rule. His warning was echoed by a statement of his party, the Latvian Popular Front, which said that in such a case, the population must be prepared to engage in mass demonstrations, civil disobedience, strikes, and no collaboration of any sort with the occupying power. The Popular Front added: “If necessary, we will continue our work in the underground.”

As for Moldova, Western television viewers saw the walkout from the Congress staged by the deputies from that republic. The “reason” given in Western media, was that these deputies were against the new Union Treaty. While they are against the treaty, that was not the reason for the walkout. Even the deputies from the Baltic republics are sitting in the Congress, though as non-participants.

The real reason was that Moscow had granted “observer status” to Moldova’s ethnic Russian deputies from the republic’s Dniestr region. These deputies had led that region’s Oct. 28 secession from Moldova, when an “independent Dniestr Republic” was proclaimed, and immediately petitioned to join the Russian Republic. Granting these deputies “observer status” as representatives of a “Dniestr Republic” created a precedent for similar separatist moves by Russian nationals in Estonia and Latvia, in Ukraine, or in Georgia.

LaRouche estimate on Soviet crisis: Gorbachov could be out by year end

Former U.S. presidential candidate Lyndon LaRouche issued the following strategic evaluation on Dec. 16.

Intelligence accumulated up through the night of Dec. 15 shows the highest probability of an acute leadership crisis in Moscow coming to a head on this Dec. 27. President Gorbachov could be out, replaced by a "hard-liner" coalition by either Dec. 27 or the immediately following.

In this regard, proper and urgent policy in the West does not depend upon whether Gorbachov is dumped, or remains in the Soviet presidency. What must be recognized, is that the entirety of Anglo-American policy toward Moscow, since November 1983, but most emphatically since December 1984, is now exposed as one of the most colossal, strategic errors in 20th-century history.

Simply as a very urgent practical matter, it must be emphasized, that on these issues of strategic policy, the 1984-90 "New Yalta" policies of the Thatcher, Reagan-Bush, and Bush administrations have been exposed now as the most colossal, and possibly the most calamitous of strategic and economic follies of the 20th century. For the same reason, it must be said plainly, without evasion, that on these issues political prisoner LaRouche has been once again prophetically right, and his opponents in Washington catastrophically wrong.

As long as Mikhail Sergeyevich Gorbachov's power in Moscow was permitted upon the basis of the Kissingerian London-Washington "New Yalta" policy drift of 1984-90, the doom of Gorbachov was inevitable, in any case; but for the support he received from his one time greatest admirer, Prime Minister Margaret "Attila the Hen" Thatcher, and support for foolish Thatcher's policies from Reagan and Bush, Gorbachov would have been toppled two or three years ago. His threatened crisis of Dec. 27 is thus long overdue. However, the dangers to the world from this present Soviet crisis have been greatly aggravated, and are currently accelerated by three factors.

1) The 1979-90 folly of Thatcherism in domestic and international monetary, financial, and economic policy has now plunged the English-speaking world, and most of the developing sector, into the onset of the worst depression of the 20th century. This has devastating economic, and consequent political effects upon the Soviet Union.

2) Those idiots in London and Washington who, like CIA director William Webster, reflect the anti-Japan, anti-

Germany hysteria of Conor Cruise O'Brien, Carla Hills, and Clayton Yeutter, have chosen the time at which both strategic crisis and depression collapse are colliding with one another, to launch insane trade war against our closest allies.

3) These same idiots, on the record, lured and provoked Iraq into Kuwait, as a trick for launching NATO "out-of-area deployments" to begin conducting population and raw materials wars against the developing nations of Latin American, Africa, and Asia as a whole.

While Thatcher and Bush diverted the world's attention to their bloody Kissingerian side-show in the Gulf region, the Soviet Union was in the process of blowing up. While Thatcher and Bush were preparing to launch colonial wars against Iraq and Jordan, what they were doing in fact was accelerating a Moscow crisis leading to the direction of global thermonuclear war.

The crucial point to be emphasized at this most dangerous moment in 20th-century history, is that neither President George Bush nor President Gorbachov has credibility in matters of economic policy affecting the Soviet internal crisis. Bush is so busy defending his own record of fanatical support for the Thatcherite measures which have plunged the U.S. and British economies into Christmastide depression, that he refused to consider any of the available programmatic measures of recovery.

However, if my proposal for emergency economic action in the north Eurasian theater were to be adopted publicly for action now, that and that alone might provide the kind of credible, workable alternative to present to all factions in Moscow prior to the ominous date of Dec. 27.

George Bush, do you really hate political prisoner LaRouche so much, that you would rather see global thermonuclear war, rather than admitting publicly, that you and Thatcher have been terribly, terribly wrong—and LaRouche right—on the issues of policies toward Moscow, and the national and world economy?

The developments in Moscow, on and following Dec. 27—a mere ten days ahead—could be the turning-point in history, at which the world moves toward thermonuclear war, or toward a future stable war avoidance. At this moment, Moscow has no alternative to what ordinary Westerners will see as the "neo-Stalinist dictatorship," unless my Triangle package-policy is taken up and presented as official Western policy for economic reconstruction of crucial elements of the European economy—from the Atlantic to the Urals.

NATO: 'out of area' or out of business?

Michael Liebig analyzes the continental European governments' response to Anglo-American pressures for genocidal wars on the South.

The NATO Foreign Ministers meeting on Dec. 17-18 in Brussels engaged in yet another bitter debate on NATO adopting an "out of area" strategy. The Bush administration again employed massive pressure tactics against continental Europe to have NATO adapt to a new "out of area" role within the "New World Order." Still, the gathering produced no such strategic reorientation for NATO.

Since the late 1970s, various American administrations and the Thatcher government of Britain had tried to enforce such a change. This campaign culminated first around the Malvinas War in the spring of 1982. The principal reason for the continental European rejection of a reformulation of NATO strategy toward out of area deployments was the profound fear that an armed conflict in the Third World involving NATO forces could potentially spark off and detonate the vast accumulation of Warsaw Pact and NATO military forces in Europe. It should also be remembered that NATO as a military alliance did *not* get involved in the 1956 Anglo-French-Israeli Suez war, the French colonial war in Algeria, the sequence of "minor" British, French, and Belgian colonial military actions throughout NATO's history, nor the American war in Vietnam. Thank God, one may say retrospectively.

During the winter 1989-90 it became obvious that as a consequence of the Central-East European revolutions, the Soviet Union would indeed militarily disengage from Central-Eastern Europe. In February 1990 the Soviet Union accepted in principle German unification *and* sovereignty. In historical terms, at that moment the bottom fell out from under NATO. Paradoxically enough, at the moment when the Soviet Union accepted the NATO membership of the unified Germany, NATO's fundamental reason for existence was gone. NATO had been created and has existed since as a military alliance in the context of the East-West confrontation of a divided Europe and specifically a divided Germany. In the unforgettable words of NATO's first Secretary General Lord Isamy, NATO is there "to keep the Russians out, the Americans in, and the Germans down."

In historical terms, NATO did play a decisive role for 40 years in containing and militarily deterring Soviet Russian expansionism. As long as a vast offensive Soviet military capacity existed in East Germany, Czechoslovakia, and Hun-

gary, large conventional and nuclear forces of the United States in Western-Central Europe were vital, for Western Europe *and* the United States. Basic strategic self-interest—not humanitarian concerns—of the United States dictated a U.S. military presence in Germany. By keeping large military forces in Western Europe America was able to deny the Soviet Union *global* military-strategic domination. But the winter 1989-90 saw a historical phase-change. With the Soviet Empire going through a life-and-death crisis and at least partial disintegration, the basis for the Soviet claim to world domination *and* the basis for a superpower "condominium" faded away. Consequently, the private talk in Washington's corridors of power—and in much of the Anglo-American media—changed "We are the only superpower left!"

Parallel to this historic phase-change of the underpinnings of NATO, within the alliance the debate about the need to give NATO an out of area orientation re-erupted with an outright frenzy. Margaret Thatcher especially made herself the public standard-bearer for a NATO out of area strategy. Led by Supreme Allied Commander John Galvin, regiments of generals, politicians, and think-tankers called for a new, out of area NATO strategy. The Bush administration used its means of political coercion towards continental Europe to have the July 1990 NATO summit in London adopt an out of area strategy for a "new NATO." But the NATO summit did not adopt an out of area strategy.

While Bush and Thatcher could not politically convince or coerce continental Europe in London, they were already busy engineering a crisis in the Gulf, which was and is supposed to create the "facts" that are meant to transform NATO toward an out of area strategy. Once Iraq was successfully lured into invading Kuwait, Gen. Volney Warner's old war plans from the late 1970s for the "U.S. Rapid Deployment Forces" to fight a war in Gulf were implemented. Barely noticed by the public, and vastly superseding anything that was agreed upon at the Vienna talks on Conventional Force Reduction in Europe, an estimated 60-70% of U.S. forces in Europe were transferred to the Gulf. Meantime, the Soviets transferred vast amounts of troops and equipment to the Soviet Central Asian republics, especially Kazakhstan, Uzbekistan, and Turkmenistan, the "Southern TVD" of the Soviet

High Command.

Depopulation wars

“Operation Desert Shield” was meant to be a *fait accompli* for NATO. No more “old and sterile debates” (James Baker III) for or against an “out of area NATO”! Take it or leave it! *Hic Kuwait, Hic salta!*

Two typical quotes—endlessly repeated with slight variations—sum up the Anglo-American position on the role of an “out of area NATO” in a “New World Order.” One is from NATO Secretary General Manfred Woerner, who is technically speaking German, but since a long time the qualification “NATO minded” needs to be added. Woerner’s “soft” personality always makes him most receptive to what he perceives to be the dominant—usually the Anglo-American—line. On Nov. 29, Woerner said, “Along the southern perimeter of NATO, there is to some extent an arc of tension from the Maghreb to the Middle East. . . . Tensions are exacerbated not only by the ambitions of dictators like Saddam Hussein, but also by population growth, resource conflict, migration, underdevelopment, religious fundamentalism, and terrorism. Clearly, threats to NATO’s territorial integrity from beyond Europe cannot be downplayed as out of area threats.”

The other statement is from James Baker III, who on Dec. 18 said in Brussels, “Iraq’s aggression in the Gulf represents no less a threat to West Europe than a threat against the NATO treaty area as such. . . . If we allow ourselves to remain paralyzed by formalistic logic and therefore prevent ourselves from adapting the alliance to this type of danger, we will repeat the deadly mistakes of past generations.”

The role of Western Europe—especially France and Germany—in respect to the Anglo-American war policy in the Gulf since August has been one of tormented vacillation. Continental Europe’s governments have issued a long sequence of mutually contradictory declarations vis-à-vis the Anglo-American war drive in the Gulf. They launched a variety of genuine peace initiatives, yet they back the U.S. military buildup in the Gulf logistically and endorse the Bush administration at the U.N. and other diplomatic occasions. France has sent a 20,000-strong expeditionary corps to Saudi Arabia, yet claims it is strictly independent and in a defensive disposition only. Germany expresses “political support” for the Bush administration, but categorically refuses to send any military forces—now or in the future—to the Middle East. West European governments have over the past months exhibited diplomatic pragmatism and confused “realpolitik” vis-à-vis the Bush administration that is plainly self-defeating.

Genscher: NATO may break apart

Yet, France and Germany are steadfastly rejecting the adoption of an “out of area” strategy for NATO. The rift between the Anglo-American positions on an “out of area”

complex were so bitter, that on Dec. 18, German Foreign Minister Hans-Dietrich Genscher spoke in public about “the danger that NATO may break apart.”

The December 1990 NATO meeting in Brussels clearly demonstrated that the question of the Anglo-American war drive in the Gulf and the adoption of an “out of area” strategy for NATO must be seen in the context of other—equally or more important—issues, which profoundly divide NATO:

- the American-European trade war, epitomized by the collapse of the General Agreement on Tariffs and Trade talks;
- the vastly differing attitudes toward the deepening crisis in the Soviet Union;
- the emergence of new European security structures outside NATO.

The Anglo-American attitude vis-à-vis the life-and-death crisis of the Soviet Union is essentially, “Let them stew in their own juices.” A more or less cataclysmic economic and political breakdown of the Soviet Union is viewed as an “historical inevitability.” *After* some sort of—bloody—“historical catharsis” of what used to be the Soviet Union, an internally “neo-Stalinist,” but externally much-weakened new “entity” is envisioned. Such a “new Soviet Russia” is then to be given its place in the “New World Order.”

The continental European—and first of all German—view is diametrically opposed to this. The European design is a more or less stable transition of the present Soviet Union into a politically and economically radically reformed post-Soviet “Confederation.” The German government calls it a policy of “all-European responsibility and stability.” A key feature of this approach is a large program of immediate “winter aid” to avert complete economic breakdown and chaos *cum* neo-Stalinist backlash in the short term. In the medium term, large-scale economic assistance to the Soviet Union and cooperation between Eastern and Western Europe are envisioned. The key notion of this policy is “economic security” between the Atlantic and the Urals. This policy is *not* the LaRouche Productive Triangle strategy for European-wide economic reconstruction, but a mere pragmatic and confused approximation of it.

Nevertheless, what the governments of continental Europe have done so far toward Eastern Europe, has, together with the worsening European-American economic and trade relations, “broadened the Atlantic,” in the words of German Foreign Minister Genscher.

Since early 1990, within the countries of Western Europe, a debate about European security has erupted not seen since the mid-1960s. The focus of these discussions is not NATO interestingly, but autonomous “European security structures” like the Western European Union (WEU), the “security dimension of the European Community,” and the CSCE (Helsinki Accords). The parameters of this debate are:

- American troop and nuclear weapon withdrawals from Europe;
- the crisis of the Soviet Union, its military disen-

gement from eastern Central Europe, the future character of the Soviet Armed Forces;

- German unification, the absorption of the former East German Armed Forces;
- France searching to find its new place within Europe;
- Britain's new "inside" role in Western Europe under the Major-Hurd regime;
- the "Single European Community Market" and the approaching "political union" of the EC;
- the Gulf crisis and Mediterranean security;
- the future security policy of the former East European "satellites" and the political, economic, and ethnic crisis potential in the Eastern Europe-Balkans area;
- the future role of the European Free Trade Association states, like Sweden's "revolutionary" application for EC membership.

A convoluted debate

The new European security debate is exceptionally convoluted. The various European nations are deeply divided among one another, and within, on the content and the insitutional character of a European security. Some favor expanding the "security dimension" of the European Community in the context of the "Political Union," which would gradually transform the EC into a "European Confederation." Some, especially the Major-Hurd government in Britain, have since Thatcher's demise adopted the WEU as a fallback option, a sort of "ersatz NATO." France and Germany too favor a strengthening of the WEU, but emphasize its independence from NATO. There exist also proposals for a "neo-Gaullist" continental European "Defense Union" outside the WEU, the EC, and NATO, obviously the most intelligent concept. An appropriate and revealing characterization of the muddled European security debate is a statement of the German government. It proclaims that European security should be achieved by a *Geflecht ineinanderkreisender Institutionen* ("a weave of institutions which are circling around each other") (sic), that is, a not-specified goulash of EC, WEU, CSCE, and NATO plus something new.

Yet, beyond all this awesome confusion, there is a net strategic vector: Europe is in the process of *transcending* NATO. The historical rule, that military alliances exist as long as the sum of common interests supersedes the sum of conflicting and divergent interests, applies for NATO too. This equation for NATO has moved into the minus. The sneaky and potentially devastating British adaptation to a "pro-WEU" position and no longer betting everything on NATO is symptomatic. De facto, in historical terms, NATO is fading away. Beyond NATO, the future of European-American relations in economic, political, and military terms is being wrecked by the Bush administration's neo-imperial policy of the "New World Order" and the indecisive, confused response of West European governments, which utterly lacks any Grand Design.

Immediate 'Iraqi nuclear bomb' is hoax

by Joseph Brewda

Within a week of the publication of several national opinion polls showing that the U.S. population thought that the possible development of an Iraqi nuclear bomb was the most (and maybe even the only) convincing argument to go to war, George Bush began raising the specter that Iraq might soon have nuclear weapons. Speaking to U.S. troops in Saudi Arabia on Thanksgiving Day, Nov. 22, Bush claimed, "Those who would measure the timetable for Saddam's nuclear program in years may be seriously underestimating the reality. . . . Every day that passes brings Saddam one step closer to realizing his goal of a nuclear weapons arsenal."

Having found that talk about "Saddam . . . worse than Hitler," "protecting Saudi Arabia," and "creating jobs," didn't make it, Bush's propaganda advisers had hit on a new ploy. Whatever the Iraqis may ultimately do, the timing of the "Iraqi bomb" scare has everything to do with manipulation of Western public opinion, and the London press which began the drumbeat around this issue has as much as admitted that.

The Iraqi government says that it has no intention of developing a nuclear bomb, since it has already developed a chemical bomb, a "poor-man's nuclear bomb," a better weapon, as Iraqi spokesmen have put it, than a nuclear bomb in some respects. On the other hand, it is well known, and even admitted by the Bush administration, that Israel has nuclear bombs—perhaps as many as 20—as well as chemical and biological weapons. Its arsenal had been developed by the U.S., beginning with the Johnson administration.

Even before Bush's assertion, the London *Sunday Times* launched the propaganda campaign. "Iraq may have a nuclear capacity in two months," the paper claimed on Nov. 18, supposedly based on its access to a secret U.S. Defense Intelligence Agency report. This DIA estimate, says the paper, "has caused serious concern in Washington. If Iraq does get a nuclear weapon before war breaks out, the United States will inevitably have to revise its war plans. . . . Some Pentagon officials now argue that any further delay in going to war will allow Saddam time to 'go nuclear.'" According to the paper, the DIA claimed that Saddam has launched what it calls "Iraq's Manhattan Project," in a desperate attempt to acquire a nuclear weapon.

Former British Prime Minister Margaret Thatcher also warned the House of Commons that week that Iraq was close

to acquiring a nuclear bomb.

Nuclear inspectors say no

In an obvious effort to counter this new propaganda ploy, the Iraqi government invited representatives of the International Atomic Energy Agency (IAEA) on Nov. 15 to verify that it has not been using its small stock of uranium to produce nuclear weapons. Iraq had obtained the uranium from France in 1976 to operate its Osirak nuclear reactor. In 1981, with the go-ahead of the Bush administration, Israeli planes bombed the facility.

Upon their return to their headquarters in Vienna, Austria, the IAEA team told a press conference on Nov. 26, that there is "no evidence" that the nuclear fuel Iraq has for civilian purposes is being diverted for military uses, and that all of its fissionable material has been accounted for. Even if Iraq were intent on developing a bomb, the inspectors told BBC, it is at least two years away from having such a capability, and possibly as many as ten.

The following day, Deputy Secretary of State Lawrence Eagleburger could only respond by claiming that the President's Thanksgiving remarks were "based on information that there is substantial, unguarded nuclear activity going on in Iraq."

Enter the ADL

For its part, the October issue of the Anti-Defamation League's *Latin American Report* claimed that the supposed Iraqi bomb was being built with the aid of Brazil, another Third World target of the Bush administration. The ADL frequently peddles Goebbels-style "Big Lies," on behalf of the U.S. and Israeli governments.

The ADL publication claimed that the "secret program to build an atomic bomb" dates back to 1975, when "the Brazilian military dictatorship" signed a nuclear cooperation agreement with Iraq. The report targets retired Brazilian Air Force Brigadier Hugo de Oliveira Piva, who had overseen a group of 21 Brazilian scientists working in Iraq (see interview in *EIR*, Dec. 14, 1990, p. 6). Previously, the ADL and the Mossad-connected Alan Friedman of the London *Financial Times* have focused upon joint work between Brazil, Argentina, and Iraq to develop the Condor II missile.

Meanwhile, while Bush ranted about Iraqi nuclear weapons, his own administration was involved in upgrading Israel's nuclear arsenal. On Nov. 30, the Bush administration revealed that it had approved the sale of the Cray Y-MP computer to the Israeli government's Weizmann Institute. The supercomputer had been banned from sale to non-NATO countries previously, for example, India, because of its potential use in designing larger nuclear bombs. According to Dr. Vanessa Hughessen of the Princeton University Center of Advanced Studies, as reported to the *Washington Post*, Israel might now develop an H-bomb in the 20-megaton range in less than a year.

'Iraq always sought a peaceful solution'

The cultural attaché at Iraq's Embassy, Maysar Y. al-Mallah, delivered the following presentation to a Schiller Institute anti-war teach-in in Chicago on Dec. 15. The presentation was delivered via videotape, because the U.S. State Department refused Dr. Mallah permission to leave Washington. After his presentation, however, he was able to converse with the conference audience via live telephone connection. See page 58 for a full conference report.

Good afternoon, ladies and gentlemen. I wish I was with you this afternoon, face to face, not on cameras. We are recording this tape in order to let you know about our position concerning a very important issue to Iraqis and the American people. We are doing it this way because we haven't got any permission from the Department of State to travel to Chicago up till this moment.

I am going to concentrate my speech on the three issues concerning the crisis in the Gulf. The first will be historical background; the second is going to be Iraq and the crisis; the third one is going to be the U.S. government and the crisis.

Concerning the historical background, before World War I, 1914, Kuwait was an *alkathma* or administrative district, belonging to *Basra nathia* or a province. It was governed by the Sheikh of Kuwait in his capacity as an Ottoman chief administrative officer, responsible to the governor of Basra, which was and is an Iraqi province. According to the historical, political, and geographical references, Kuwait was part of Iraq, part of Basra, from the 18th century to the outbreak of World War I, and consequent to British occupation of Iraq in 1914.

During that long period, the ruler of Kuwait owed loyalty and obedience to the Ottoman Sultan. Maps, European or Ottoman, which were made at that time, put Kuwait within the territory of the Ottoman Empire. Ottoman flags remained flown in the city of Kuwait until 1914, when the British authorities forced its ruler to change it.

In 1913, on July 29, a treaty was signed in London, Britain, between the British and Ottoman governments regarding the question of Kuwait. The treaty defined the territorial and administrative rights and duties of the owner of Ku-

wait. It also defined the line for demarcation of borders. This was done without consulting the Iraqi people, of which the Kuwaitis were part. Since that action, up till now, Iraq did not agree with the Kuwaiti government on the border demarcations. Furthermore, Iraq has claimed Kuwait as part of Iraq on many occasions. No agreement between Iraq and Kuwait was reached concerning the dispute over the borders.

During the eight-year war between Iraq and Iran, the Kuwaitis moved their borders 70 miles up north into Iraqi territory. Iraq did not pay them any attention at that time, because of the war. After the war stopped, however, Iraq asked the Kuwaitis to pull back and to pay back the price of the oil which they took out from Rumailah fields, which are located on their very border. The Kuwaitis did not reply. Furthermore, they were hurting Iraq by selling more oil than their share, according to the OPEC quota. In fact, Kuwait was waging an economical war against Iraq by increasing oil production, so prices of oil would fall accordingly.

In summary, you can conclude that Iraq has historical claims on Kuwait as a part of its motherland. At the same time, however, Kuwait was conspiring and waging economical war against Iraq.

Iraq and the current crisis

Iraq went into Kuwait on Aug. 2, after the Kuwaiti regime refused to solve the conflict peacefully in a meeting with Saudi Arabia. After going into Kuwait, Iraq was ready to solve the problem peacefully and agreed to participate in a mini-summit to be held in Saudi Arabia. However, the American secretary of defense flew to Saudi Arabia and succeeded in convincing the Saudis to accept the idea that Iraq is going to attack Saudi Arabia and, according to that, they agreed to invite the American forces into their land. This is the reason why the Arab solution didn't work. And the summit collapsed as well.

This new situation meant that the problem became an international one, instead of being an Arab one. That is why Iraq brought about its initiative of solving all the Middle East problems once and for all.

The U.S.A. and its allies forced U.N. resolutions against Iraq, including economical sanctions, and they besieged Iraq by naval and ground forces. And they have been pushing ever since for military action.

Iraq always wanted to solve the problem peacefully and to have a dialogue concerning that. But the American administration wants Iraq to surrender and to be humiliated. The American administration should listen to Iraq in order to know why the Iraqi Army went into Kuwait, and furthermore, how the Iraqis would solve this problem.

But so far, in spite of a lot of calls from peace-loving people and societies and countries, not to go to the military option, no sign of doing so is clear from this administration. It is insisting that Iraq withdraw from Kuwait without any dialogue, or to use military power. Iraq rejected this, because

it simply means surrender.

You know exactly what is going on concerning putting a simple date for our foreign minister to go to Washington and for Secretary of State Baker to go to Baghdad. They agreed on receiving our foreign minister on Dec. 17, but they don't give us the right to put a certain date on receiving Secretary Baker.

America and the crisis

Concerning the American government situation: Simply why should America go to war? The American administration has justified sending the troops to the Gulf for the following reasons: one, to stop Iraqi troops from going to Saudi Arabia; second, to secure the flow of oil from the region; third, to deter aggression and maintain world order; fourth, to restore the Sabah family to power.

Later on, however, the administration added some other, different reasons to the above ones, namely, to secure the

"We do not have any intention to own nuclear weapons and our nuclear installation has been under U.N. inspection. Two or three weeks ago a delegation was inspecting those facilities and said that Iraq is not violating the U.N. regulation on that aspect. But we wish we had nuclear weapons, simply because Israel has a nuclear weapon, and by doing that, we might convince the Israelis to give away their nuclear weapon."

release of hostages; second, to destroy Iraqi military power; third, to prevent Iraq from controlling a high percentage of oil reserves; fourth, to create jobs in the United States; fifth, to prevent Iraq from developing a nuclear weapon; and God knows what else is coming.

To reply to those, we say, first, Iraq did not have any intention to invade Saudi Arabia. If Iraq had the intention, Iraq could have done it between Aug. 2 and Aug. 8, and that's the time when the American troops started to come to Saudi Arabia.

We didn't have any problem with Saudi Arabia. We had a non-aggression pact with Saudi Arabia and we used to consult the Saudis on most of the problems the Arab world has. One of those was the oil price and the oil flow and so

forth. So we never actually had any problem with Saudi Arabia.

The second claim: Iraq never threatened the flow of oil. Iraq always wanted to sell its oil and to buy in return American goods, namely, agricultural and industrial goods. So Iraq does not have any intention of stopping oil from coming to the European countries nor to the United States. And if you look at this issue and examine it, you will see that the Americans are importing only 12% of their oil from the region, from the Middle East, while the Japanese and the Germans are importing almost 75 to 80% of their needs from there. So they should defend the oil, if it is really the reason. However, we haven't seen the Germans or the Japanese doing that, simply because this is not the reason.

Third: Talking about aggression and world order, America as a superpower and one of the five permanent members of the U.N. Security Council, should first ask other countries, like Israel, to obey and abide by previous U.N. resolutions, enforce the resolution and then ask Iraq to do so.

Israel, as you know, ladies and gentlemen, is occupying the West Bank of Jordan, Golan Heights of Syria, southern Lebanon and Gaza Strip since 1967. And many resolutions by the U.N. Security Council were taken, asking Israel to withdraw from those territories, and Israel refused to do so. Yet, we haven't seen any superpower putting sanctions against Israel nor sending troops to deter aggression.

Talking about world order, this is, as we understand it in Iraq and all the Arab countries and most of the Third World countries, a double standard by the U.S.A. Instead of stopping Israel from doing that, the American administration is helping Israel by financial and military aid up till this moment.

Restoring the Emir of Kuwait: Are you Americans defending democracy by restoring the Emir of Kuwait? I know most of you know a lot about the Emir of Kuwait, his regime and his way of looking at democracy and society. I can say it simply: The Emir family is a corrupted one and it is not defending democracy for the U.S.A. to stand and restore the Emir of Kuwait.

The other one is the hostage issue. Iraq has said it and said it more than once. We prevented those people from traveling because we thought that it would stop America and the rest of the world from committing aggression against Iraq. We did it, and we said later that, if any country assured us that it will never commit an aggression against Iraq, we would let their citizens go. We did it finally because we thought that the American people do understand now that war is not the right option and that war is not the right way to solve this problem. So we let those hostages out.

The other reason is destroying Iraqi military power. What good would that do for the United States? We are, as a power in the region, holding the balance of power in the area. As you know, ladies and gentlemen, Israel is another power in there, and the Israelis have all kinds of weapons, including

nuclear, chemical, and biological. So if Iraq is to be destroyed, what will happen to the area? Simply, what is going to happen is Israel will have nobody facing it, and Israel will take over more territory from the Arab world and it's going to be a catastrophe. The Israelis are bringing now 6 million Jews from the Soviet Union and Eastern European countries. So what's going to happen is an unstable area for decades to come, and nobody will appreciate that.

So Iraq is holding that balance, and Iraq is willing to negotiate, and Iraq is willing also to have any treaty on arms control, including all kinds of chemical and non-conventional weapons, if Israel does that. So actually, it is in nobody's interest to destroy the military power of Iraq.

To prevent Iraq from controlling a high percentage of oil, Iraq without Kuwait has the second highest reserve in the world, after Saudi Arabia. So Iraq doesn't have to have more oil to be a strong member in the OPEC or in the oil international club. Iraq is already there, and Iraq is a country which has a lot of oil. So this is another false justification.

But Iraq, however, would like to have fair price for oil and to have fixed price for oil for a long time, in order to know how to balance the budget and how to spend, and how to have the budget for the coming years. That's what Iraq is after, not to have oil selling for \$18 today and \$11 within two or three months.

One other reason was to create jobs in the United States. We say to this simply that we didn't take the troops to the Persian Gulf and we didn't put \$30 billion to be spent on those troops for the coming year, and also we are not the people who are putting together the budget for the United States. The United States is putting together its own budget and it can solve it easily by sitting and talking to Iraq and solve it peacefully and swiftly.

Concerning nuclear weapons, we have said many times that we do not have any intention to own nuclear weapons and our nuclear installation has been under U.N. inspection. Two or three weeks ago a delegation was inspecting those facilities and they came out with a report saying Iraq is not violating the U.N. regulation on that aspect. But we wish we had nuclear weapons, simply because Israel has a nuclear weapon, and by doing that, we might convince the Israelis to give away their nuclear weapon.

From our standpoint, as we see it as Iraqis, the main reason for going to war is the Israeli lobby in this country and its effects. The Israeli lobby, ladies and gentlemen, is pushing very hard toward American military intervention in the Gulf, in order to destroy the Iraqi forces and to overthrow its President. This is well expected from Israel, because, as you know, they are bringing 6 million Jews to Israel and they need more Arab land to occupy to settle those in and Iraq is not going to let them expand this time.

Israel cannot do the job now. That is why the Israeli lobby is pushing the Bush administration to do it for them with American blood and American people.

‘The United States is punishing Jordan’

Mr. Shubeilat is a member of the Jordanian Parliament and past president of the Jordanian Engineering Association. He was interviewed by telephone by Joseph Brewda on Dec. 15.

EIR: One of the little-known effects of the Anglo-American-imposed blockade of Iraq is great economic hardship in Jordan, since Iraq had been Jordan’s major trading partner. How would you describe the situation?

Shubeilat: Jordan has been greatly dependent on Iraq economically since the beginning of the Iran-Iraq War, which had all the blessings and aid of the Americans and their allies. Many industries and companies were established, to start with, completely depending on the Iraqi market, i.e., the feasibility of most of our industries had the Iraqi market in their favor. Needless to add, Aqaba had become the main seaport for merchandise to and from Iraq, to the extent that our highways from Aqaba to the Iraqi borders had to have complete new capital investment after being destroyed by the extra heavy traffic they were subjected to. If you add to that perspective, the huge number of trailers and transport companies especially, established explicitly to serve the transit transport to and from Iraq, and the agricultural produce being exported to Iraq (and to the Gulf countries which boycotted our products due to our balanced political position), you can but conclude that our whole economic being is undermined heavily by the situation.

EIR: There are charges that the Anglo-Americans are imposing a de facto embargo on Jordan as punishment for your state’s effort to prevent a war. What is your view?

Shubeilat: Yes, there is a complete Anglo-American-imposed blockade on Jordan, rising to the level of piracy, as it is not, in any way, based on international will or discussion. On the contrary, all U.N. reports show Jordan as completely abiding by the international embargo. The U.S. is punishing Jordan for its true feelings rejecting this embargo.

We are not punished for committing adultery, so to speak, but rather for refusing to call it marriage while abiding by its imposed practice!

The Anglo-Americans are out for war, applying a plan to invade the Gulf from long ago. Some references: General Eisenhower’s memoirs, and ex-U.S. Ambassador Akins’ article in the *Los Angeles Times* two months ago; not forgetting your articles and those of Mr. LaRouche weeks before

the Iraqi invasion, about the coming Mideast war and the conspiring to prepare a pretext. Kuwait was asked by the U.S. to exert unusual economic pressure on Iraq, which the latter described in the Baghdad Arab summit as a declaration of war, asking for interference by the Arabs to help in stopping this aggression. Moreover, Kuwait, always claimed by Iraq to be an Iraqi governate, took advantage of Iraq’s engagement in the eight-year war to creep 75 kilometers further into Iraqi soil. This was confirmed by Mr. Edward Heath, who, as British foreign secretary, drew the original frontier lines.

Jordan is being punished for keeping its bridges open for use in a peaceful settlement which, if it takes place, will be due to the giant efforts and tremendous courage of our little state, whose bridge to Iraq, and hence peace, will be the only main bridge available and not blown up by mad warmongers.

We have been begging the world and international justice, so to speak, to apply U.N. resolutions securing the withdrawal of the Zionists from our lands for several decades. But instead, the colonialization of our lands, against all international laws and human principles, has been going on under the eyes of the international community, and the U.N. Security Council is refusing to pass resolutions even to investigate the terrible conditions of occupation, thus protecting the aggression against Arabs and robbery of their lands. At the same time, the U.S. is driving the U.N. to take the whole world into war for the Iraqi Arabs’ aggression against their Kuwaiti Arab neighbors, showing typical U.S. double standards when issues touch its interests or the interests of its pet monster Israel.

EIR: What do you see as Israel’s policy toward Jordan and the region in this period? Do you think an Israeli effort to carry out the “transfer” of large numbers of Palestinians on the West Bank to Jordan or some other Arab states is imminent?

Shubeilat: Israeli policy toward Jordan is geared toward eventually occupying it for expansion; that’s why the Sykes-Picot conspiracy [the World War I-era British-French secret treaty carving up the Ottoman Empire, then including Arab lands] created a poor Jordan, without resources and with the longest frontiers, next to the Jewish state. After digesting Palestine, the little pet monster will swallow Jordan. However, in the meantime, with the pouring of hundreds of thousands of Soviet Jews into Israel, Israel fears that the occupation of Jordan will not be swallowed easily, as the Intifada [Palestinian uprising] will gain strength from the Jordanian people, while the Israelis will have a larger area to defend and handle. The transfer of the Intifada into Jordan is the better solution for them, via transferring huge numbers of Arab Palestinians into Jordan, creating trouble in Jordan to further help prepare the ground for a forthcoming expansion. I think the transfer plan is imminent.

Aga Khan wants 'new world order' solution for Gulf refugees

by Mark Burdman

On Dec. 11, Prince Sadruddin Aga Khan, who is currently the United Nations secretary general's personal representative for humanitarian assistance in the Gulf crisis, authored the lead commentary in the London *Times* entitled "Prepare now for more Gulf refugees." The prince recalled that, in the days following the outbreak of the Gulf crisis in August, "hundreds of thousands of low-paid foreign workers streamed across the desert into Jordan." Most of these 750,000 or so have since been repatriated, but, he warned, "the humanitarian problem will not be behind us until stability in the region is restored. More than a million foreigners remain in Iraq and Kuwait, many of whom may yet wish to leave. The camps in the Jordanian desert may be empty for the time being, but at the first sign of hostilities, the human flow will start again—this time perhaps including Iraqis and expelled Palestinians (from the east or the west). It would be tragic if the world was again unprepared."

The prince, who was the U.N. High Commissioner for Refugees (HCR) from 1965 to 1977, drew attention to the threats posed to the "already overstrained economies of those developing countries now having to reabsorb hundreds of thousands of workers who previously sent back significant sums in foreign exchange." For these countries, "the effects will be devastating." Jordan itself is under particular strain, magnified by the deleterious effects of the international anti-Iraq sanctions, because of Jordan's considerable economic links to neighbor Iraq.

Controlling 'global population flow'

It would be hard to disagree with the Aga Khan up to this point, and one welcomes his drawing attention to the plights of the refugees of the Gulf crisis. This crisis has already caused massive damage to the economies of the Philippines, India, Yugoslavia, Sri Lanka, Pakistan, Thailand, Bangladesh, Egypt, and others. In the case of India, for example, it was estimated already in mid-September that India would lose at least \$100 million annually from lost remittances from workers who had been working in Kuwait. Very conservative estimates were that the Philippines would lose \$40 million annually, and Sri Lanka \$60 million.

There are, however, two notes of caution that need be made about his article. The first involves his policy recom-

mendations. In the latter part of the article, he expresses hope for "improvements in the international system," drawing attention to the "excellent report" by U.N. officials Brian Urquhart and Erskine Chalders, published by the Ford Foundation and the Dag Hammarskjöld Foundation, entitled "A World in Need of Leadership: Tomorrow's United Nations." But their ideas for reinforcing traditional U.N. approaches to such problems as refugees, he says, are not enough. What should be done, is to appoint a "U.N. Special Representative for Humanitarian Affairs, who would *monitor all situations likely to produce sudden population movements*" (emphasis added). Such a measure to "contain the humanitarian dimension of such crises as that we currently face in the Gulf," would be important for the creation of a "new international order, as both superpowers are rhetorically suggesting."

By invoking the "new international order," the prince is, in effect, advising that the refugee crisis be resolved precisely by those policies of the Thatcher and Bush regimes which created the problem in the first place. Likewise, his recommendation for preemptive action to deal with potential population flows, within the context of a strengthened U.N. system, cannot be isolated from the discussion ongoing in the leading oligarchical policy institutions, such as Britain's Ditchley Foundation, the Inter-Action Council, the Club of Rome, and others, to subordinate the strategic policies of the NATO member-nations to malthusian demographic considerations of population control and population reduction.

In October 1989, long before the Gulf crisis erupted, the Ditchley Foundation held a conference on "Political and economic refugees: problems of migration, asylum and resettlement," at which the concern was expressed that "the principle which seems to underlie both immigration and refugee law in modern international society is that which endorses the legitimacy of the sovereign nation-state." This was an impediment to what must now be done. According to a report from that meeting, participants differentiated between two kinds of states, "senders and receivers," and discussed measures to deal with what were labeled "refugee-generating countries."

On this basis, the Ditchley participants developed a notion of limited sovereignty: "Consideration should be given to making habitual refugee-sending countries pay for what

should be considered a delinquency.” Some participants called for “sanctioning outside intervention into the refugee-sending countries in order to eradicate the source of the problem. . . . Strategies of shame were discussed as being applicable,” so that “senders would be disgraced in the eyes of other states.” Advanced sector nations were referred to as “the gatekeepers seeking to control global population flow.”

It is one step from this talk of “intervention” and “control,” to making “the refugee question” into a matter for military action. Indeed, such thinking has now intruded itself into the highest councils of NATO. Speaking before the North Atlantic Assembly in London Nov. 29, NATO Secretary General Manfred Woerner enunciated an expansion of NATO’s role to deal with threats outside the traditional NATO area. He stressed: “Along the southern perimeter of Europe, there is to some extent an arc of tension from the Maghreb to the Middle East. Tensions are exacerbated not only by the ambitions of dictators like Saddam Hussein, but also by population growth, resource conflict, migration, underdevelopment, religious fundamentalism, and terrorism.”

Such institutions seek to exploit the issue of “refugees” to reinforce their conception of a “new world order,” in which supranational rule overrides national sovereignty. They seek to implement a self-fulfilling prophecy: If certain conditions are imposed on developing sector and eastern European nations, then people will flee from such conditions. Usurious policies, like those of the International Monetary Fund, and environmental degradation caused by looting and austerity, destroy nations and cause conditions for refugee flows and migrations above normal levels of global population movement. The habit in Ditchley and related circles, of making a distinction between “environmental” or “economic” refugees on the one hand, and “those fleeing from political persecution” on the other, becomes an absurdity.

Those who have transformed the Iraq-Kuwait conflict into what they call a “test case for the new world order” are not unaware of the massive dislocations they would cause. As the Gulf crisis highlights, and what the prince omits to say, is that no solution to the crises of refugee flows is possible without regional economic development for the Middle East and the Third World in general.

Prince Philip, Bush, and John Train

This leads to the second note of caution. Prince Sadruddin Aga Khan himself could hardly be considered an innocent humanitarian observer. He is one of the most powerful individuals in molding supranational institutions, through the U.N., through his own elitist Bellerive Foundation in Geneva, and through his positions as honorary member of the Club of Rome and leading member of British Prince Philip’s World Wildlife Fund (recently renamed World Wide Fund for Nature). He is intimately linked to those circles which started the Gulf crisis. For years, George Bush would stay at

his villa in Geneva whenever Bush was visiting that area. Their friendship dates from the time when Bush was U.S. ambassador to the U.N. It is not surprising that the prince is enamored of the “new international order.”

Sadruddin Aga Khan was also the roommate, during his student days at Harvard, of the New York-based CIA-connected banker and financial adviser, John Train. The two have remained good friends ever since. Train is one of the “insiders” in the Anglo-American establishment who was called on, about late 1982-early 1983, to coordinate a multi-level task force to destroy the man who had become the number one threat to the Anglo-American establishment, Lyndon LaRouche. It was the Reagan-Bush administration’s witchhunt against LaRouche, and the rejection of LaRouche’s economic and development policies, which created the conditions in which such crises as that now erupting in the Gulf and Middle East became inevitable. If the prince wants to resolve the identified problems in the Middle East/Gulf region, he should prevail on his oligarchical chums free LaRouche.

The Dayal affair

The sensitivity of the “refugee question” is seen in a little-publicized controversy at U.N. headquarters in New York. The matter concerns the replacement for Thorvald Stoltenberg as U.N. HCR, following his leaving to join the new government of Gro-Harlem Brundtland in Norway. The first name put forward as his replacement was India’s Virendra Dayal, the chief of staff of U.N. Secretary General Javier Pérez de Cuéllar. Dayal is highly regarded within the U.N. as a loyalist to the U.N. system.

Despite such credentials, his appointment was vetoed by the United States and other donor nations. Dayal’s reaction was to accuse the advanced sector nations of racism, and to charge that he had been blackballed. The story received some media coverage for a couple of days, but was then hushed up, and today the U.N. bureaucracy will say nothing about it. To this day, there is no agreed-upon candidate for HCR, with 17 names under consideration.

Although no U.S., British, or other officials would say so publicly, Dayal is undoubtedly correct. Even if the U.N. HCR is yet another U.N. supranational institution whose functions would be better served through agreements between sovereign states, the Dayal case reveals the mentality of those who are fashioning the “new world order.” At a time when the Anglo-Americans are committed to North versus South resource-grab wars, when India is suffering from the consequences of the Persian Gulf crisis, and when India is known to be on the “target list” of southern nations facing destabilization, why would a dark-skinned Indian be allowed to carry out such a sensitive function?

On what side does Prince Sadruddin Aga Khan, whose family is from the Indian subcontinent, stand in this sordid affair?

Argentina's Menem wants opponents dead

by Cynthia Rush

Argentina's President Carlos Menem is determined to teach a lesson to anyone who might challenge his obedience to the Anglo-American political establishment. In the aftermath of the Dec. 3 military uprising, organized by Army nationalists who oppose his plans to dismantle the institution of the Armed Forces, Menem is demanding that the rebellion's leaders be quickly sentenced to death and other participants be punished with long jail sentences. Raúl Granillo Ocampo, legal and technical secretary to the President, stated on Dec. 9 that Menem wants "to destroy" the nationalist wing of the Army and see the death penalty applied. Not even religious objections will deter the President, Granillo Ocampo said.

On Dec. 18, Gen. Carlos Domínguez, the Army prosecutor who is hearing the testimony of the participants in the Dec. 3 action, requested the death penalty for Col. Mohamed Alfí Seineldín, the nationalist leader who took full responsibility for ordering the uprising, and for four other officers also considered to be its leaders. Seineldín, who testified before the Supreme Council of the Armed Forces for three hours on Dec. 15, has been charged with being the "leader and promoter of the crime of rebellion." General Domínguez additionally requested indefinite jail terms for other top officers involved, and sentences of between 3 and 22 years for lower ranking officers.

Kissinger Methods

Using the logic of Henry Kissinger, Carlos Menem is determined to make a "horrible example" of Seineldín as a way of smashing all patriotic resistance to his embrace of Anglo-American policies. A hero of the 1982 Malvinas conflict, the colonel had rallied both military and civilian opposition to the government's economic austerity policies, and the "restructuring" of the Armed Forces which is intended to transform it into nothing more than a national constabulary. As Mrs. Marta de Seineldín said in a Dec. 16 statement in defense of her husband, the colonel had no plans to overthrow the government, as Menem has charged. "It is the generals who want the coup. My husband wants neither a coup nor corrupt generals, who occupy positions and sit there and rob the country." In a letter directed to the President last October, Mrs. Seineldín explained, her husband warned of the hatred and resentment existing within the Army, and told Menem

that military grievances must be addressed. Menem did nothing.

Referencing the Dec. 3 events and his subsequent actions, Menem spoke to reporters on Dec. 10 of "the backing given us internationally by all the media and by President Bush's visit." Egged on by such backing, the Argentine President is oblivious to the consequences of his actions as he pursues the death penalty for his political opponents.

The crisis within the Armed Forces is by no means resolved. Rumors are circulating that a new rebellion could occur any time between the end of the year and March 1991. If Seineldín and others are actually sentenced to death, and the sentences carried out, this could unleash renewed violence or even terrorism directed against the high command. Gen. Martín Balza, the number-two man in the Army, is reportedly preparing to grant leave to two-thirds of all non-commissioned officers in order to relieve the tension which has built up following Dec. 3.

Menem's decision to deposit the proceeds from the privatization of tens of defense-related state companies into the national Treasury, rather than allocating them to the defense budget as he had previously promised, has not improved things. Much of the high command, which has otherwise sided with the President against the nationalists, reportedly opposes the recently announced plan to restructure the Armed Forces. The weekly intelligence sheet *El Informador Público* reported Dec. 14 that Adm. Enrique Ossés, head of the Joint Chiefs of Staff, has held a series of meetings with both non-commissioned as well as with higher-ranking officers in Córdoba and Buenos Aires to discuss opposition to the military reform announced on Dec. 7.

Menem is also doing battle with the nation's legal and constitutional institutions over the issue of which courts have jurisdiction to the participants of the Dec. 3 uprising. He told reporters Dec. 11 that he prefers military to civilian justice, because "military justice is faster and more expeditious, and . . . circumstances and presumption can lead to a harsh verdict quickly." The problem with civilian courts, he added, are that "they look for the real truth, and this can take a long time."

However, a Buenos Aires federal court ruled on Dec. 11 that civilian courts have jurisdiction to try the detained military personnel because the alleged crimes committed on Dec. 3 "transcend the narrow framework of military discipline" and did "grave damage to the Republic." As of this ruling, the Supreme Council of the Armed Forces, which has been hearing the participants' testimony, should have suspended its proceedings until the Supreme Court issued a ruling on the matter of jurisdiction. Since the council continued hearing testimony, according to *El Informador Público*, this gives defense lawyers the opportunity to demand impeachment of all testimony heard after Dec. 11 and move to have the proceedings transferred to civilian courts, where sentences are likely to be less harsh.

When Moro refused to abet Mideast war

by Umberto Pascali

In 1973, the European NATO countries, and Italy in particular, found themselves in a strategic situation very similar to the present one. The U.S. administration, through Henry Kissinger, had demanded that they do their part in the Yom Kippur War between Israel and the Arab countries.

Kissinger had asked the Italian government for the immediate use of military bases in order to resupply Israel, even if that would be understood by the Arab countries as an act of hostility. Contrary to today's situation, 17 years ago, the Italian foreign minister had the guts to say no. He was Aldo Moro, the statesman who was kidnaped and killed by the Red Brigades five years later, after having been threatened in no uncertain terms by Henry Kissinger.

Not a NATO crisis

In one of his last statements before he was assassinated in 1978, Moro dwelt on that incident. "Although risking frictions with our powerful ally, we explained that we refused the bases that were requested, above all because of no forewarning and no adequate explanation of why this was to be considered a NATO crisis. The new pro-Arab or at least more balanced orientation of Europe and Italy continued to be badly digested by the Americans who continued to interfere in the existence, the modalities, and the preconditions of the European-Arab dialogue, with the effect of somewhat slowing down the pace of that dialogue and partially emptying it of its content."

But Moro was not talking about Americans in generic terms. A few days before dying he pointed his finger at a precise individual. "This was in large part the position of Henry Kissinger who did not make a mystery of it and cultivated an animus against the Italian position and me personally. As it was explained to me by objective sources and as some very unpleasant episodes confirmed, I was portrayed as bent on an indiscriminate agreement with the Italian Communist Party."

Moro also revealed that Kissinger tried an overt coup inside the leadership of his party, the Christian Democracy (DC). He was excluded from very important parties at the American embassy in Rome "by directive of the then secretary of state" who tried also "with extreme simplicity and a

certain dose of rudeness" to replace the DC old guard ("the more traditional and unsophisticated group to which I belonged") with a younger set.

Mediterranean: lake of peace

It was the foreign policy of Moro, especially concerning the Mediterranean basin, and not the planted story that he was "a Communist agent," that provoked Kissinger's fury. The lesson of what happened is extremely useful now, when George Bush is forcing the Europeans to carry out a suicidal Middle East policy comparable to (or worse than) the Kissinger's diktats in 1973.

In those years there was still the possibility of overcoming the tragic conflict in the Middle East and the confrontation between Israel and the Arab countries. Moro was also establishing close contacts with Japan to implement a common economic plan for the area. In Moro's strategy, the Mediterranean had to become a "lake of peace," and Italy was supposed to be the bridge between Europe and Africa. Opportunities to develop the southern part of the Mediterranean were immense. An exchange of oil for technology would have been a powerful economic engine for all the parties involved.

Even more important, Moro was known as the politician closest—personally and politically—to Pope Paul VI, who was very outspoken in his desire to make out of that area a model of development and peace for the world. One of his most cherished initiatives was to turn Jerusalem into the living symbol of ecumenism among the three monotheistic religions: Islam, Christianity, and Judaism. The last 12 years have witnessed a progressive destruction of the potentialities which that strategy tried to actualize, including the existence of leaders who could respond favorably to that strategy inside Israel. Paul VI died a few months after Moro's assassination. He had tried every means to save his protégé, including a humiliating public appeal to the "men of the Red Brigades."

Mossad contacts Red Brigades

In this context, an interview released at the beginning of December to the Catholic magazine *Il Sabato*, by former Red Brigades terrorist Alberto Franceschini is of dramatic importance. Franceschini is one of the founders, with Renato Curcio, of the organization. Asked about contacts between the Red Brigades and intelligence services, Franceschini talks about meeting with Israeli secret services. "They said they did not want to steer us. What they told us is more or less this: 'We are going to help you as much as we can, your presence is helpful to us.' " The former terrorist stresses that his understanding was in fact that "they were trying to steer us."

Franceschini said that the Red Brigades were not strong or organized enough to be able to conduct the whole Moro operation—an elaborate kidnap that overcame a large armed escort and eluded police authorities for months while Moro was kept in captivity—without "outside" help.

Ershad arrested in Bangladesh

The interim government will do well if it keeps the lynch-mob at bay. Susan B. Maitra and Ramtanu Maitra tell why the arrest may complicate things.

On Dec. 11, a week after he had relinquished his post as President, Gen. Hussain Mohammad Ershad, who ruled Bangladesh for nearly nine years, was put under house arrest along with his wife and six-year-old son. According to senior government officials, if General Ershad is put on trial on charges of treason, he will face the death penalty.

The interim government, which was appointed following President Ershad's resignation and is scheduled to oversee the next parliamentary elections Feb. 27, has also issued arrest warrants for 19 prominent individuals including former Vice President Moudud Ahmed, Prime Minister Kazi Jafar Ahmed, and Foreign Minister Anisul Islam Mahmood. Two of Ershad's close associates, former Home Minister Mahmud Hassan and Deputy Prime Minister Shah Moazzam Hosain, have already been taken in.

The deposed President's arrest has come as a surprise, particularly since none of the top opposition leaders had voiced the demand when the movement to "oust Ershad" was launched on Oct. 10. Neither had the two top opposition leaders, Sheikh Hasina Wazed, head of the Awami League-dominated 15-party alliance, and Begum Khaleda Zia, leader of the Bangladesh Nationalist Party (BNP)-dominated eight-party alliance, demanded General Ershad's arrest when the latter stepped down on Dec. 3.

Student power

According to available reports, the so-called countrywide demand for Ershad's arrest came mainly from the student community centered in Dhaka University, the hotbed in Bangladesh's politics. The arrest demand was made after the deposed President stated after his fall that he would return to active politics by contesting in the coming elections and that he has nothing to apologize for. Chief Justice Shahabuddin Ahmed, selected by the opposition leaders as President of the interim government, caved in to the students' pressure.

The feud between Ershad and the students goes back to the 1970s when the late President Ziaur Rahman appointed Ershad commander-in-chief of the Army. Bangladesh's student community has been the epicenter of all political movements throughout Bangladesh's brief history as well as during the days when it was East Pakistan. The student body

consists of radical leftists, moderate Marxists, socialists, liberal democrats, and a large number of musclemen, and it is virulently anti-military. While President, Ershad had tried to establish a foothold among these highly polarized student groups by introducing his followers into the campuses. The effort backfired, only aggravating the anti-Ershad mood and underlying anti-military sentiment.

In 1986, exasperated by the relentless opposition to his regime, President Ershad publicly criticized student politics and urged members of Parliament to consider banning political activities inside college campuses. Ershad cited concerns expressed by parents and an "overwhelmingly majority" of students about the lawlessness on the campuses and its adverse effect on overall education. Like the earlier effort, Ershad's attempt to depoliticize the college campuses was for naught. The move was beaten back by the opposition political parties, most of whom have active student wings, and by the students themselves. In the process, Ershad earned the permanent wrath of the politicized student community. The student groups played a key role and were instrumental, among other things, in bringing Sheikh Hasina Wazed and Begum Khaleda Zia together to join the movement to oust the President.

The built-in instability

The arrest of General Ershad indicates that the vendetta and revenge which have burdened Bangladesh's political system following the reign of Sheikh Mujibur Rehman, Bangladesh's first President, will continue. On two prior occasions Army generals took over after allowing the civilian governments brief stints—Lt. Gen. Ziaur Rahman in 1975, and then General Ershad in 1982. The present political situation is as unstable and as confusing as it was in 1982.

The two top political leaders, Sheikh Hasina Wazed and Begum Khaleda Zia, are burdened with past resentments and have been at loggerheads for years. Sheikh Hasina Wazed had earlier accused Lt. Gen. Ziaur Rahman, husband of Begum Khaleda Zia, of being involved in the assassination of her father, first Bangladesh President Sheikh Mujibur Rehman. Former President Begum Khaleda Zia, on the other hand, has expressed suspicion that Sheikh Hasina Wazed

was involved in working out a "political deal" with General Ershad, whom she has accused of masterminding her husband's assassination in 1981. The two women leaders have repeatedly publicized their mistrust of each other, and there is no doubt that their sharp personal differences will emerge in the coming election battle.

The arrest of General Ershad, and perhaps more important, the emergence of the student community as the final arbiter of government policy, will make the Army uneasy. Given the student community's strong anti-military reflex, if the interim government lets itself play into their hands, the denizens of Savar, a divisional headquarters adjoining Dhaka, will surely get restless. But unlike its counterpart in Pakistan, Bangladesh's Army is not a monolithic institution. It is heavily politicized and, therefore, fragmented. In the 1970s the army was teeming with Maoists and other varieties of Marxists. But with the execution of Lt. Colonel Taher in 1975 and the subsequent executions of "red-army" officers in 1977, under the direction of General Ershad, the power went back into the hands of "right-wing" Army officers, and the rank and file distributed their allegiance to the major political parties.

Army factor

It is widely known that in 1982, prior to the bloodless coup—also perhaps the most open coup—that brought General Ershad to power, he was meeting regularly with six Dhaka generals to work out the logistics of the coup. One of the six is Lt. Gen. Nuruddin Khan, now Chief of the Army Staff. As President, General Ershad kept in close touch with the Army, and, besides weeding out those who were not considered his supporters, was planning to increase the Army's strength to 1.5 million recruits. It has also been widely reported that, before stepping down on Dec. 3, Ershad had wide-ranging consultations with his generals. Some say it was their advice which led to his resignation, preventing a showdown with an aroused population.

Following Ershad's resignation, opposition leaders nominated Chief Justice Shahabuddin Ahmed as the President of the interim government, but not without the approval of Lt. Gen. Nuruddin Khan. It is also telling that President Shahabuddin Ahmed sought the Army's help after his swearing-in to stabilize the situation. Whether Ershad's arrest is acceptable to the Army remains to be seen. Under the circumstances, however, any major effort "to weed out" the pro-Ershad Army officers would seem to be fraught with danger. Already two military intelligence officers, the head of the National Security Intelligence Maj. Gen. Mohammad Ashaf Hossain and the Commander of the Defense Forces Intelligence Brig. Nasiruddin Ahmed, have been relieved of their posts. Both officers were close advisers of General Ershad in recent days. A wholesale purge, coupled with the interim government's deference to the students, may bring the Army back into center-stage with a bang.

S. Korean diplomacy out on a limb for perestroika

by Lydia Cherry

The Asian country that has gone out on a limb the furthest based on the belief of the success of the U.S.S.R. becoming a "truly democratic and economically developed state"—as President Noh Tae Woo describes his vision—is unquestionably the Republic of Korea (R.O.K.). Just one week before Soviet Foreign Minister Eduard Shevardnadze on Dec. 20 announced his resignation because "there is a police state coming," President Noh Tae Woo stepped on Russian soil, the first time that a South Korean head of state had ever visited the Soviet Union.

In light of the chaos, collapsing economy, and growing police-state apparatus in the Soviet Union, President Noh's approach is to offer Mikhail Gorbachov what Noh sees as Moscow's best shot, an alliance with his country as part of the Asian-Pacific region, in exchange for Gorbachov's increased effort to "cool out" North Korea. With the U.S. increasingly pulling out of Korea, and Asia generally, South Korea perceives that without support from the Soviet Union and the People's Republic of China, it will be impossible to contain the heavily militarized hermit kingdom of North Korea.

"Two-thirds of the world's population live in the Asian-Pacific region," President Noh explained in his introductory remarks upon his arrival in Moscow. "The western littoral of the Pacific—from Korea, Japan, and the countries of Southeast Asia to Australia—is now becoming a new center that is playing the main role in world prosperity. . . . The Soviet Union, which has immense potential, and Korea, which possesses tremendous vitality for development, will be able to become fellow travelers in the Asian-Pacific region and thereby open up a new page in history on the path toward the 21st century." Stepping back to acknowledge the current reality of the Soviet economic and political situation, Noh continued that he was "sure that, although the Soviet Union is experiencing great difficulties, only through perestroika and glasnost will the U.S.S.R. become a truly democratic and economically developed state," and pledged his country's support to Moscow's quest for this goal.

Winter aid from Japan

During the same week President Noh was in Moscow, Japan, whose alliance with South Korea has become much stronger in the last six months, also moved further out on a limb, bending to pressure exerted by Japan's ruling party that it immediately extend economic aid to help the Soviet Union get through the winter. On Nov. 26, ruling party Executive Council chairman Nishio Takeoka proposed that economic aid immediately be extended, warning that, among other things, if Gorbachov's government collapses, the much-awaited solution to the Soviet-Japanese territorial dispute would be delayed considerably. Former Prime Minister Takeshita, head of the largest faction in the ruling Liberal Democratic Party, concurred with Takeoka, and within several days the Japanese policy change was implemented.

The Japanese government was quick to welcome the joint declaration signed Dec. 14 between Noh and Gorbachov, where Gorbachov, once again, assured Noh that the Soviet Union supported Korean reunification, and that this was to follow naturally from the reunification of Germany. President Gorbachov, as quoted by TASS Dec. 14, said that he and President Noh had agreed that "at some stage, in a new international situation, it will be possible to implement the aspiration of the Korean people—the reunification of North and South Korea. . . . I want the peoples of Korea to move quickly towards each other."

As a result of this meeting, said the Japanese Foreign Ministry, as reported by the Japanese news service Kyodo, "the closer relations between the Soviet Union and South Korea will help open North Korea's door and exert a favorable influence on inter-Korean talks and negotiations between Japan and North Korea."

What now for North Korea?

On the surface, North Korea's dialogue with both South Korea and Japan has grown by leaps and bounds. Japan and North Korea have edged closer to establishing diplomatic relations, and a rough agenda for normalization talks at the vice ministerial level will begin in Pyongyang, North Korea, in late January, and will continue in Tokyo and Beijing later.

The last round of talks between prime ministers of North and South Korea concluded Dec. 14, but the two sides only point of agreement was to meet again. In analyzing the disappointing result, the South Korean news agency Yonhap Dec. 14 concluded that Seoul's strong card was that "Pyongyang, badly in need of improved relations with Japan to save its ailing economy, is being pressured by Tokyo to continue the dialogue with Seoul," and that "China and the Soviet Union are major behind-the-scenes forces supporting Seoul."

South Korea's economic proposals and concessions to the North have been endless, and almost all have been turned down. Seoul, for example, dropped plans to apply for United

Nations membership this year, which had been a big point of contention between the two sides. On Nov. 27, Seoul proposed a model industrial complex to be jointly developed as an exercise in peaceful cooperation, joint development of oil fields, a joint economic system survey, and trade of agricultural products. On Dec. 2, it was announced that a communications and broadcasting satellite which Seoul will launch no later than 1995 could also be used by North Korea.

Reflecting what may be below the surface, however, North Korean Prime Minister Yon Hyong Muk blurted out, in the middle of the last batch of talks with his Seoul counterpart on Dec. 12: "There is no place in the world where such a great threat of war exists other than on the Korean peninsula." As South Korea clearly has no intention of starting such a war, one has to ask, to what was the North Korean prime minister referring?

In an unconfirmed report that tends to indicate possible disagreement, at least in Tokyo, about Moscow's continuing role with respect to North Korea, the daily Seoul *Sinmun* on Dec. 6 said that relations between the Soviet Union and North Korea have not cooled as has generally been reported. Quoting "reliable security experts in Japan," the newspaper claimed that the Soviet Union this year offered an enormous amount of military assistance to North Korea, including six ultra-modern MiG-29 and ten SU-25 fighter planes similar to the kind of A-10s which the R.O.K. possesses. The experts also claimed that the Soviet Union is also giving aid for expansion of nuclear facilities.

A U.S. military source told *EIR* that the Japanese report was highly unlikely, other than the possibility that certain military supplies had already been in the pipeline, after having been arranged several years ago. "If the Soviet Union had any money, they wouldn't invest it there," the source said.

In its role of promoting peace and development in the Asian region, the Japanese government has consistently voiced concern about the threat of a North Korean nuclear weapons capability. In the upcoming talks between Japan and North Korea on establishing diplomatic relations, North Korea will continue to press Japan to pay reparations for its colonial rule of the Korean peninsula from 1910 to 1945, and additional compensation up to the present. In return for this, the main issue which Japan will continue to seek satisfaction on is that North Korea must open its nuclear facilities to inspection by the U.N. International Atomic Energy Agency. As a Japanese source described it: "We want to talk about this and they do not."

Seoul's 1990 Defense White Paper includes the information that the North will be able to manufacture nuclear weapons by 1995, as it has already completed nuclear reprocessing facilities at a large-scale nuclear research complex in Yongbyong, north of the North Korean capital of Pyongyang. The facilities, which can extract large amounts of plutonium, are expected to begin full operation in one or two years.

Just why did Bush invade Panama?

The key U.S. prosecution witness says there is "nothing that incriminates Noriega" in the captured documents.

On Dec. 8, U.S. government agents raided the home of José Isabel Blandón and seized documents, computer disks, and a fax machine. The next day, according to the Dec. 9 *Washington Post*, they searched his safe deposit box.

Who is José Blandón?

Well, he used to be Panama's consul general in New York until he turned against Gen. Manuel Noriega in 1988. Since then, he has been the U.S. government's chief witness against Noriega, and the only one who is not a convicted felon . . . yet.

So why is the prosecution persecuting its own witness? Apparently, prosecutors suspect that Blandón was the one who leaked the tapes of the privileged conversations between Noriega and his attorneys to Cable News Network. The CNN broadcast of those tapes was the subject of a big brouhaha that went all the way up to the U.S. Supreme Court. Forgotten in the controversy about CNN's First Amendment rights to broadcast the tapes, was the violation of Noriega's Sixth Amendment rights that took place when the government monitored Noriega's calls with his lawyers.

Blandón told the Dec. 9 *Washington Post* that he was contracted by the prosecution to listen to the tapes (which were in Spanish). Blandón "provided a written summary of the tapes for Noriega prosecutor Patrick Sullivan," the *Post* reported. Blandón said that "the summary referred to several calls between Noriega and the office of his Miami defense attorney, Frank Rubino." Blandón also said he

personally "discussed this with" Sullivan.

This assertion contradicts claims made by the prosecution in a motion filed with Judge William Hoeverler on Dec. 7. The government then argued that Noriega was at fault for not following the procedure of telling prison officials he was calling his lawyers to discuss privileged legal matters (despite the fact that all of Noriega's calls were dialed by prison officials). Further, the prosecutors claim that they "took steps to ensure that they would not 'inadvertently obtain' calls between Noriega and his lawyers."

Miami criminal lawyer Neal Sonnett said that Blandón could be disqualified as a witness, reported the Dec. 14 *New York Times*. That would be an almost fatal blow to the prosecution, given Blandón's importance to the government's case against Noriega.

One of the names Blandón got from Noriega's taped calls was that of former Panamanian Defense Forces Lt. Col Luis del Cid, who pled guilty on Dec. 6 to delivering drug dollars to Noriega. Before copping the plea, Del Cid was facing a 70-year prison term. But the deal the government offered him was "very appealing," said his lawyer, Samuel Burstyn, who noted that the government has been offering to let drug traffickers go free if they offer any kernel of fact against Noriega. "It's the hottest 'Get out of Jail Free' card around," said Burstyn, who added that the prosecution does not have one witness that can tie Noriega directly to a drug transaction. The prosecution is so desperate for wit-

nesses against Noriega, he stated matter of factly, that "it's a sellers' market."

Blandón, who also reviewed thousands of pages of documents seized in Panama by the U.S. forces during their invasion on Dec. 20, 1989, says that "there is nothing that incriminates Noriega" in those documents.

It thus seems that George Bush slaughtered at least 4,000 Panamanians for nothing. The amount of drugs flowing through Panama to the United States has increased since Noriega was ousted. The "cocaine" found at Noriega's headquarters last year turned out to be cornmeal tamales, the traditional Christmas fare, and now, there is no "smoking gun" in the documents American GIs risked their lives to capture.

By raiding Blandón, the prosecution hasn't done much to increase his credibility. As the Dec. 10 *New York Times* describes him, Blandón is "a shadowy figure capable of hidden alliances and shifting loyalties." He is also a liar, as this news service has known since at least 1988, when Blandón told a U.S. Senate committee that *EIR* and its founding editor, Lyndon LaRouche, "supplied Noriega with reports on U.S. senators."

Undeterred by these blows to their case, prosecutors turned yet another seeming setback into an opportunity for a European junket. On Dec. 14, Judge Hoeverler again told the government to free some of Noriega's personal bank accounts to allow him to pay for his legal costs, otherwise the court might order a hearing into how much of Noriega's money came from U.S. intelligence agencies. Instead of following the judge's suggestion, a delegation from the U.S. Justice and State Departments took off on a tour of Austria, France, Germany, Switzerland, and other countries for meetings—at U.S. taxpayers' expense.

International Intelligence

Japanese more critical of U.S. role in Gulf

Japanese business influentials and Middle East experts are increasingly vocal in their opposition to Bush administration policy in the Persian Gulf.

On Dec. 11, the editorial in the *Japan Economic Journal* pointed out politely, but unmistakably: "There is no doubt that the massive deployment of U.S. troops in the Middle East, claimed to be the largest in the post-World War II period, reflects the country's own sense of justice and mission. This doesn't necessarily mean that such military deployment has been an appropriate response to the crisis."

The *International Herald Tribune* on Dec. 12 reported that despite Japanese official support for U.S. actions in the Gulf, the private consensus is fear and concern that the U.S. is overlooking the possibilities for compromise with Iraq.

Kazuo Nukuzawa, managing director of Keidanren, the largest and most influential business trade association in Japan, states: "The sentiment of business leaders is that the United States shouldn't be holding a gun to the head of Saddam Hussein. There are a lot of other ways to influence his behavior." The newspaper notes that "in Japan, the activities of big trading and industrial companies are often more influential than what the prime minister says or does, and the indications are that their concerns about the economic effects of war are rising."

According to Foreign Ministry official Yukio Okamoto, the view of business people in Japan is that the Arabs should be left to make a deal among themselves, and "so what if Saddam Hussein gets hold of the oil fields? He has to sell his oil somewhere."

One energy company owner who is close to President Kaifu says: "It would be best if some sort of inter-Arab solution were to be found, giving Saddam some concessions on territory or oil prices or freedom of waterways."

Shigeki Koyama, president of the Japanese Institute of Middle East Economics,

is also critical: "The American method of taking short cuts, behaving in an impatient way and pushing for direct reaction is making more and more people worry. People are beginning to feel that more calm, realistic measures are necessary."

Lithuania's Landsbergis rips moral capitulation

Lithuanian President Vytautas Landsbergis, a music teacher before his rise to political power during the recent democratic upsurges in Eastern Europe, gave an interview to the *Lithuanian Review* last May, describing the disaster that afflicts a nation when people accommodate themselves morally to the evil around them.

When asked about the spiritual and cultural destruction wrought in Lithuania by the many years of Soviet occupation, Landsbergis said, "It's hard to believe how bad things are there, until you read the statistics or hear the stories about how people in these broken communities are committing suicide. All these young men. . . . It seems unimaginable—people with their entire lives ahead of them, who could change something. But they drink, they kill themselves. It's . . . every day, like lemmings. And this has become very visible, and increasing, no longer stoppable by education or cultural means, a flood of evil.

"This was one of the reasons for the creation of Sajudis [the democracy movement], one of the reasons we realized that we had no choice, that waiting longer was impossible, regardless of whether someone else would come to our aid or not, regardless of whether someone would liquidate us next month or would let us speak out until we passed a certain limit, and would then liquidate us. The limit approaches, we cross it, and then see whether we will be liquidated or not. We have not been liquidated yet. But it is not possible for us to waver, to think—perhaps we should not go on, perhaps we should wait. We have nothing to wait for.

"I cannot imagine how one can live without a sense of responsibility for one's children and grandchildren. . . . What—you have a salary, enough to get by on, you finally have an apartment, and if you're careful to keep out of trouble, you can live out your days in contentment. . . . while everything around you is heading for disaster: There is no future for your grandchildren, but you still have some time for yourself. . . .?"

Serbian communist wins big election victory

Serbian President Slobodan Milosevic has won a big victory in the first multi-candidate elections in Serbia since before World War II, which were held on Dec. 9. Serbia is the most powerful republic in Yugoslavia.

With about half the vote counted, Serbian chauvinist Milosevic had some 64% of the vote, beating by a wide margin his anti-communist, but equally Serbian chauvinist opponent, Vuk Draskovic of the Serbian Renewal Party.

The vote is being widely played up as giving Milosevic a mandate to commence confrontation against the three republics of Yugoslavia lying to the west of Serbia, Bosnia, Croatia, and Slovenia. Milosevic has declared that should any of these republics renounce the current federation and move to declare an independent status in a confederation, then Serbia will respond by territorial annexations, creating a Greater Serbia.

On Dec. 23, a referendum will be held in Slovenia, which is expected to proclaim Slovenia as an independent state, wishing to be very loosely affiliated with a future Yugoslav League of Independent States.

Milosevic, who is also the head of the Serbian communist party, is a longtime friend of U.S. Deputy Secretary of State Lawrence Eagleburger, according to a profile in the *Financial Times*. Eagleburger was formerly president of Kissinger Associates, Inc.

The two met while Milosevic was an

official of the state-run bank Beobanka and Eagleburger was U.S. ambassador, and Milosevic cultivated the friendship during frequent trips to the United States. When Milosevic began agitating against the Albanians in Kosovo, Eagleburger defended him, and accused the Western media of exaggerating the havoc Milosevic was causing.

Israel's 'final solution' for Palestinian problem

Israeli leaders are demanding the wholesale deportation of Palestinians from Israel, at the same time as officially authorizing Army snipers to ambush and assassinate Palestinians "caught throwing stones."

Minister of Science and Technology Yuval Ne'eman, in a Dec. 9 radio interview, called for the expulsion of the 1.6 million Palestinians residing in the occupied territories. "I would like to meet someone who can tell me how we are objectively supposed to provide for the livelihood of 500,000 refugees in the Gaza Strip. . . . If someone wants them to be our manual laborers in Tel Aviv, that is another story, but the real solution . . . is the relocation of the Arab refugees of the 40 years since the establishment of Israel in 1948, in the Arab countries."

Ne'eman was quoted in the newspaper *Ha'aretz* the same day, saying that the Palestinian uprising "will force the Israeli Arabs into the same situation as that which developed in 1948 when the Arabs tried to foil the establishment of the state of Israel and, as a result, 700,000 of them became refugees."

On Dec. 7, *Ha'aretz* reported that a draft deportation plan has been approved by the cabinet.

Then on Dec. 13, Israeli Chief of Staff Dan Shomron announced to a Knesset (Parliament) committee the new policy authorizing Army sharpshooters to ambush "stone throwers," to "surprise them when they least expect it." Parliamentarian Yossi Sarid commented that "placing snipers at a distance to

shoot like hunters at wild geese, when self-defense is not an issue, is very questionable from the legal standpoint," and would have "monstrous" implications.

Endara uses tear gas on demonstrators in Panama

The U.S.-installed Panamanian government of Guillermo "Porky" Endara ordered tear gas used against protesters who took to the streets on Dec. 12 and vowed to continue demonstrations at least until Dec. 20, the first anniversary of the U.S. invasion. The several days of demonstrations, involving thousands of people, were led by the labor unions, protesting the illegal firings of hundreds of their members by the puppet government, to punish the workers for taking part in a 100,000-person march against the government that was held on Dec. 4.

The day after that march, U.S. combat soldiers were deployed again into the streets of Panama to put down an uprising of the police force, led by renegade Col. Eduardo Herrera.

The government has gone ahead with the dismissals, although Panama's Constitution protects the freedom of speech and assembly, and despite the fact that the workers staged their protest after working hours. A bill to legalize the dismissals after the fact, was submitted to the legislature, which approved it after a second reading, despite the fact that the Constitution also bars retroactive legislation.

This caused workers to hold a rally on Dec. 12 in front of the U.S. embassy and then to march to the Legislative Palace. Anti-riot police refused to stop the demonstrations that day, and instead joined the protesters, who were shouting, "You are part of the people!" But the next day, police used tear gas against the demonstrators when they showed up at the Assembly, wounding 18. The demonstrations continued on Dec. 14 and Dec. 17, when the workers were joined by their families.

● **THE SENIOR EDITOR** of the German weekly *Der Spiegel* worked for the Stasi, the East German secret service, for 30 years, according to testimony by three ex-Stasi officers. They charge that Diethelm Schroeder is the agent with the cover name "Schrammel" whom the Stasi planted in West Germany in the late 1950s. *Der Spiegel* has played a major role in slandering Lyndon LaRouche and his associates in Germany.

● **GERMAN POLICE** raided the offices of Oliver North's former Stasi business partner Alexander Schalck-Golodkowski, in a concerted operation in 15 cities on Dec. 4, on charges of money laundering and illegal transfer of funds of the communist party of former East Germany.

● **THE EUROPEAN** Community resolved to lift economic sanctions against South Africa honoring the efforts of President Willem de Klerk to promote racial reconciliation. The decision was made at the Rome EC summit meeting.

● **AFRICAN** National Congress President Oliver Tambo has called for a review of the sanctions against South Africa. "We should carefully re-evaluate the advisability of insisting on the retention of sanctions, given the situation domestically and abroad," he told an ANC conference.

● **THE PERMANENT** Conference of Latin American Political Parties (COPPAL) condemned the U.S. invasion of Panama, in a statement released in Peru on Dec. 7. It declared that the U.S. "aggression injured . . . Latin America's sovereignty and integrity. . . . The President of the United States' recent tour to some Latin American countries has been invalidated." COPPAL is dominated by parties affiliated with the Socialist International.

Baltic drive for freedom faces new Moscow hard line

by Our Special Correspondents

The situation in the three Baltic states—Estonia, Latvia, and Lithuania—seeking independence from the Soviet Union and restitution of their full national sovereignty, is presently heating up again in a dramatic fashion. In a situation of ever-worsening economic conditions, there is widespread fear, particularly in Lithuania, that Moscow might go back to a hard line vis-à-vis the state which had declared itself independent on March 11, 1990.

Lithuania's declaration of independence had been answered by Moscow with the imposition of an economic blockade. Even though the blockade was later lifted, politicians as well as ordinary citizens often underline the fact there is still critical undersupply of goods in some areas, especially of medical supplies. Now, there is additional fear that a new economic blockade might be imposed as Moscow hardens its line, both in words and deeds. Gorbachov addressed Congress of the People's Deputies on Dec. 17, with a report demanding the "constitutional" ratification of presidential emergency powers and that all republics commit themselves to sign the new Union Treaty. Given the fact that all Baltic states just recently reiterated their "no" to the new Union Treaty, this will mean that by Jan. 1, 1991, the confrontation with the Baltic states will be on.

Furthermore, many politicians express deep worry that the conflict in the Persian Gulf may influence their situation. Especially the period around Jan. 15, 1991, the day the United Nations' ultimatum expires, is regarded as extremely critical. It is feared that Moscow might give Washington the green light to attack Iraq, if Washington refrains from any intervention in the event Moscow cracks down on the inde-

pendence movement in the Baltic states and in other republics. Already, Soviet troops have come to blows with the population in Vilnius, Lithuania, where in mid-November, Army forces used water cannons and fired into the air to disperse demonstrations against the Soviet military draft, according to Radio Vilnius.

When the news was published on Dec. 2 that Soviet Internal Affairs Minister Vadim Bakatin—who was considered rather liberal—had been fired and replaced by Boris Pugo, the former KGB head in Latvia and a Stalinist hardliner, who will serve with Col. Gen. Boris Gromov, former military commander in Afghanistan, this caused reactions of fear, if not shock. "This may mean that we will all have to go to prison," said a professor from Vilnius University, visibly moved also by the memory of Stalin's mass-deportations of Lithuanians to Siberia after World War II.

The appeal for mediators

The carefully worded resolutions passed by the Second Joint Session of the Supreme Councils of the Baltic States, which took place on Dec. 1, 1990 in the parliament in Vilnius, Lithuania's capital, prove the desire of the Baltic governments and parliaments for a peaceful solution of the crisis with Moscow. In a resolution addressed to the Fourth U.S.S.R. People's Congress of Deputies, the Baltic parliamentarians both refute all slanders put against them by Moscow, and offer future economic cooperation. A resolution addressed to the parliaments of the world calls for third states to act as mediators between the Baltic states and Moscow in negotiations for independence and withdrawal of all Soviet



EIRNS

Lithuania's President Vytautas Landsbergis (far right) at a recent commemoration in Hungary. Next to him, from right to left, are the daughter of the martyred Hungarian patriot Imre Nagy; the president of the Hungarian Political Prisoners' association, Jenö Fonay; and Helga Zepp-LaRouche, the German leader of the Schiller Institute.

troops from Baltic states territory.

There is widespread concern among all political circles, that the threat to the Baltic states, above all to Lithuania, might not be correctly evaluated by the West. Similarly, one generally senses the danger that the food aid which is presently being massively shipped into the Soviet Union by the West, may not reach those who most urgently need it, but that the food aid might be turned into a political weapon by the *nomenklatura*, especially against pro-democratic forces. This does not, of course, mean that one should be opposed to food aid in general, which is badly needed right now.

Traditionally, the food and also general goods supply has been better in the Baltic states than in other parts of the Soviet Union. However, walking through stores in the city of Vilnius these days gives an idea of the worsening general supply: While bread is still available in sufficient quantity and quality, there are constant shortages of goods like milk, vegetable oil, and many other basic food items. Securing an adequate food supply for one's family is becoming more and more difficult and time-consuming. And, in fact, as everyone will confirm, the food situation in Moscow now is even more catastrophic.

In light of the disastrous economic situation of the Soviet Union and the tension around the fight for independence, there is great interest among Lithuanian politicians and intellectuals (which often is one and the same in Lithuania today), in the economic program of the "Productive Triangle" conceptualized by Lyndon LaRouche. Generally, the Baltic states are considered as one economic unit, to be integrated into a larger economic zone reaching from the Baltic through Belorussia into Ukraine and the Republic of Moldova. The need for infrastructure development is obvious, and underlined by dreadful daily experiences, in transportation and communications in particular. In the joint parliamentary debate, particular emphasis was put on the necessity to develop a "Baltic" infrastructure among the states.

Concerning the energy supply, there is great openness to develop nuclear energy, even though a nuclear plant operating in Lithuania, the Ignalina nuclear plant, is a source of great concern, as it is considered to be "at least as bad as the one in Chernobyl, if not worse." "During the time of the blockade, we understood that we do need an independent energy supply, because we were cut off from oil supplies from the Soviet Union. Again, there is general fear about a

cutoff from oil supplies, as no written contracts with the Soviet Union exist, and present deliveries could be stopped from one day to the other, causing industrial standstill as well as emergencies in heating during winter time," a professor of economics explained.

'Cautious optimism'

The openness and readiness to debate and consider political programs is stunning, but less surprising, if one considers the fact that many of the active politicians in Lithuania have no "professional" background in politics. Many of them are philosophers, scientists, and artists who, out of moral conviction, shouldered the burden of political responsibility in a very dangerous period. Unlike most Western intellectuals, these people know the works of the great classical European philosophers and artists very well. In Lithuania, a state with a long Catholic tradition, the writings of the great Cardinal Nicolaus of Cusa, the philosopher, scientist, churchman, and statesman, are definitely better known among politicians than among the politicians in his native land, Germany. (Whenever his name was mentioned in a political discussion, the reply was an immediate and spontaneous "Ah, Nicola Kusietes"—Cusa's name in Lithuanian.) For them, unity of politics and morals, as demanded so often by Lyndon LaRouche in his writings, is not exotic at all—contrary to almost all politicians and intellectuals in the West.

What will the future hold? There is, despite all the difficulties and dangers, at least a sense of "cautious optimism," both in leading political circles and in the Lithuanian population at large. Diplomatic negotiations between Lithuania and Moscow must be continued; however, the future of the Baltic republics now very much depends on what the West will do. If the West, particularly Western Europe, follows a policy combining offers of economic cooperation with Moscow with conditions that Moscow, in turn, allow these republics, which were incorporated into the Soviet Union in stark violation of all principles of international law, to regain their independence, then the fight can be won. This was the basic idea expressed by Lyndon LaRouche in his Kempinski Bristol Hotel speech in Berlin on Oct. 12, 1988, which focused on German reunification and Poland and proposed a Food for Peace program.

An exemplary move to support the Baltic republic has been made by the sister city of Vilnius: Duisburg, Germany. In early December, a convoy of five trucks full of medical supplies and food aid was leaving Duisburg, addressed to Vilnius, Lithuania, and not Soviet Union. The convoy is expected to arrive in Vilnius in mid-December. It will be most telling for Nobel Peace Prize-winner Mikhail Gorbachov's real intentions, whether or not these trucks will be allowed to cross the Polish-Lithuanian border. If not, then the West has all the more reason to support the cause of the Baltic states and demand from Moscow that it grant Lithuania's right for independence immediately.

Documentation

Baltic states appeal to world parliaments

Five resolutions were passed at the "Extraordinary joint session of the Baltic Supreme Councils" which took place in Vilnius, Lithuania, on Dec. 1, 1990. They were signed by the presiding chairmen of the joint session, the chairmen of the Supreme Councils of the three Baltic republics: A. Ruutel (Estonia), A. Gorbunovs (Latvia), and V. Landsbergis (Lithuania).

Appeal to the parliaments of the world

We, the deputies of the Supreme Councils of the Republic of Estonia, the Republic of Latvia, and the Republic of Lithuania, meeting in a joint session in Vilnius, the capital of the Republic of Lithuania

Agreeing to the fundamental principles of the Helsinki Final Act reaffirmed in the Paris Charter for a New Europe;

Regretting that Estonia, Latvia, and Lithuania participated on an unequal basis at the Paris meeting of the Conference on Security and Cooperation in Europe, as no other state possessed authorization to adopt decisions on behalf of the Baltic states;

Recalling that the Baltic nations, having led an armed resistance to occupation and annexation in the past, are now directing all their efforts to a peaceful and democratic restoration of their violated rights, but do not forget, however, their inalienable right to resist any aggression;

Stating that continuing threats by the Soviet Union to use force against the territorial integrity and political independence of Estonia, Latvia, and Lithuania directly contradict the Soviet Union's renewed pledges outlined in the Paris Charter and Joint Declaration;

Testifying that the Soviet Union has persistently violated the right of all nations, emphasized in the Charter, to determine their own future in accordance with the principles of the United Nations;

Emphasizing the fact that the Soviet Union, by avoiding genuine inter-state negotiations, is escalating the risk of open conflict with the Baltic states in this region of Europe, which, up to now, has remained at peace; and,

Adhering to the pledges of the signatories of the Charter to call upon third nations for the peaceful regulation of conflict,

Call upon the parliaments of the CSCE member-states to

fully apply their influence and contribute to assure:

1) that the Soviet Union end all threats as well as its policy of applying political and economic pressures, and begin, without delay, inter-state negotiations with Estonia, Latvia, and Lithuania on the realization of their independence;

2) the withdrawal of the U.S.S.R. Army from the territories of Estonia, Latvia, and Lithuania within the shortest possible time period, and until such time, its compliance not to interfere in the affairs of the Baltic states;

3) free, direct relations between Estonia, Latvia, and Lithuania and the world, primarily with Western countries;

4) the participation of third nations as mediators in inter-state negotiations between Estonia, Latvia, Lithuania, and the Soviet Union;

5) the inclusion, without delay, of the issue of the Baltic states, as one threatening constant conflict, in the deliberations of all the executive bodies of the Conference on Security and Cooperation in Europe.

Appeal to the Fourth U.S.S.R. Congress of People's Deputies

We, the deputies of the Supreme Councils of the Republic of Estonia, the Republic of Latvia, and the Republic of Lithu-

Landsbergis deplors Western indifference

While visiting London the week of Nov. 13, Lithuanian President Vytautas Landsbergis confronted British journalists with the disparity in Western policies toward the Iraq-Kuwait crisis on the one hand, and the Baltic situation on the other. As he told them, there has been no willingness on the part of Western governments to pressure Moscow to grant independence to the three Baltic nations, illegally occupied by Stalin's Red Army five decades ago.

"The difference is that the Soviet Union is much bigger than Iraq and we have no oil fields," Landsbergis told the Nov. 13 *Times* of London. When journalists said the comparison between the two situations seemed far-fetched, the Lithuanian leader replied that the only difference was that a half-century had passed in the case of the Baltic nations, whereas Kuwait was taken over only three months ago.

British duplicity was underscored by a report in the Nov. 13 *Times*, that British Foreign Office senior official William Waldegrave sent a letter to the Baltic Council (the umbrella organization representing Lithuania, Latvia, and Estonia) in October, to inform the council that Britain would *not* support the three states in their efforts to achieve observer status at the Conference on Security and Cooperation in Europe (CSCE) summit meeting in Paris later that month.

A Lithuanian-emigré associate of Landsbergis told *EIR* on Nov. 27 about reports that a deal had been clinched in November, between the United States and the Soviet regime of Mikhail Gorbachov, whereby the U.S. assured Moscow it would do nothing to hinder Moscow's freedom of action "as far as the Baltic states were concerned," in

exchange for a modification of the Soviet position on the Gulf, to be more accommodating to the Bush administration drive for military action. The arrangement, presumably established during U.S. Secretary of State James Baker III's trip to Moscow earlier in November, would have been reinforced during the CSCE summit. One concrete sign that a "deal has been struck," he claimed, was a recent U.S. Senate decision to stop \$10 million in humanitarian aid to Lithuania.

Soon after the Baker visit, the emigré source noted, Soviet Prime Minister Nikolai Ryzhkov began to noticeably harden Moscow's position in negotiations with a Lithuanian government delegation, which then broke down. According to reports, Ryzhkov threatened to impose a blockade on Lithuania far more damaging than that enforced by Moscow earlier this year, if Lithuania refused to comply with laws passed by Moscow.

On Nov. 16, Lithuanian Prime Minister Kazimiera Prunskiene announced that Lithuania would be halting all negotiations with the Soviet government because of Ryzhkov's "intransigence." She said that if Lithuania suffered another blockade, it would take far more resolute action than last time, according to a report by the news agency Interfax.

Landsbergis arrived in Washington, D.C. Dec. 7 on an emergency visit, but President Bush rejected his plea for help. According to the Dec. 11 *Washington Post*, Landsbergis "appealed to President Bush for strong public support of his republic's effort to gain independence from the Soviet Union. In return, he got a low-key restatement of longstanding U.S. policy that calls for self-determination for the Baltic states."

After his meeting with Bush, Landsbergis said his republic was being threatened by the Soviets with "economic catastrophe," and said he is seeking "some sort of political protection from the United States," and "some very clear statements in response to Soviet pretensions that they have a sovereign right over Lithuania."

ania, gathered in Vilnius, the capital of Lithuania, have resolved to adopt the following appeal to the Fourth U.S.S.R. Congress of People's Deputies.

We are being charged with various accusations without regard to our right to restore our states. Furthermore, advocates of a "united and indivisible" Soviet Union purposely fail to recognize the objectivity of the process of decentralization resulting from the strengthened positions of national liberation movements throughout the territory of the U.S.S.R. The existing system has brought your country to the point of a real threat of famine. The centralized command economy has proven its ineffectiveness. We firmly believe that while ethnic state interests are not taken into consideration, while nations are denied the right to resolve for themselves all issues concerning their existence and are not completely responsible for these decisions, a solution to this crisis is unattainable.

In the past we have recommended to the Supreme Soviet and the leadership of the U.S.S.R. to conduct negotiations on the restoration and realization of the independence of Estonia, Latvia, and Lithuania, and on the formulation of treaties of economic and other types of cooperation, but our repeated proposals have not received any response.

With the historical right of our nations and the clearly expressed will of our constituents as our foundation, we inform the U.S.S.R. Congress of People's Deputies that the Republic of Estonia, the Republic of Latvia, and the Republic of Lithuania will not join in signing a Union treaty that preserves a unitarian state and the fundamental elements of a unitarian economy.

We firmly believe that if we are allowed the opportunity to freely choose our own path and conduct close cooperation and neighborly relations with the U.S.S.R., we will be able to significantly help our neighbor resolve the crisis and contribute to the relief of food shortages in the Soviet Union.

We strongly protest against attempts to employ methods of economic pressure and threats of military intervention to force the Baltic states to sign the Union treaty, against the completely ambiguous presence of the Soviet Army on the territories of the Republics of Estonia, Latvia, and Lithuania, and against the interference by the Armed Forces of the U.S.S.R. in the internal affairs of our states.

We therefore recommend that the Fourth U.S.S.R. Congress of People's Deputies remove legal and constitutional obstacles and adopt a resolution to commence, without delay, inter-state negotiations on the realization of the independence of Estonia, Latvia, and Lithuania.

Position on relations with the U.S.S.R. Army

We, the deputies of the Supreme Councils of the Republics of Estonia, Latvia, and Lithuania, meeting in a joint session, resolve as follows:

The U.S.S.R. Army deployed in our countries is an occu-

pation army, and for this reason peaceful civil actions demanding its withdrawal are completely legitimate. Until a timeline and conditions for the Army's withdrawal are determined through negotiations, U.S.S.R. Army officers and their families will continue to be confronted with protests by citizens of Estonia, Latvia, and Lithuania. Military officers in the Baltic states seem to be becoming the hostages of the Kremlin's imperial policies, daily carrying the weight of their government's blame on their shoulders.

However, the equating of the U.S.S.R. Army with the Russian nation, purposely or unintentionally, would be a gift to the opponent's propaganda, creating a negative image of our states.

We believe that peaceful dialogue, demanding patience, offers greater opportunity than do harsh accusations, even when they may be legitimate, delivered at the gates of military facilities.

In demanding the withdrawal of the Soviet Army, we should not take actions that could create hardship for military families or violate their human rights.

At this opportunity, we also urge officers of the U.S.S.R. never to raise their weapons against our peaceful citizens. Any order to commit crimes is immoral and should not be followed.

On the establishment of an inter-parliamentary working committee

We, the deputies of the Supreme Council of the Republic of Estonia, the Republic of Latvia, and the Republic of Lithuania, having discussed opportunities for cooperation in a joint session of the Supreme Councils of the Baltic states, have resolved as follows:

1) to establish an inter-parliamentary working committee to develop the principles for cooperation between the Supreme Councils of the Republics of Lithuania, Estonia, and Latvia.

2) to appoint five deputies each from the Supreme Councils of the Republics of Lithuania, Estonia, and Latvia to this committee.

On ethnic communities

The deputies of the Supreme Councils of the Republic of Estonia, the Republic of Latvia, and the Republic of Lithuania have confirmed, in their joint session, their unwavering aspiration to establish state structures that guarantee the protection of the rights and peaceful mutual relations of all their resident ethnic communities, founded on the norms of international law as well as the respect for the tradition of various ethnic groups that has existed in the Baltic states for centuries.

We invite all ethnic communities to actively support the creation of new democratic institutions that will become the foundation of common welfare and progress in the independent Baltic states.

Food aid must be 'rigorously controlled'

Juozas Tumelis is a Lithuanian historian and the head of the department for old and rare prints at the Lithuanian National Library Martynas-Mazvydas in Vilnius. As are many of the leading intellectuals in Lithuania, he is now actively fighting for his country's independence from Moscow. Professor Tumelis is currently the chairman of the Council of the Lithuanian Independence Movement, Sajudis. This interview with EIR took place on Dec. 2, 1990 in Vilnius, Lithuania.

EIR: Professor Tumelis, yesterday, at the joint session of the parliaments of the three Baltic states here in Vilnius, several strongly worded and very important political resolutions were discussed and then passed by the deputies with an overwhelming majority, resolutions which are directed toward Moscow, but also toward the Western countries. Can you tell us, what is the significance of these resolutions in your view?

Tumelis: The road to these resolutions was long, and the resolutions simply sum up, and fix those things which had already been approved. This is nothing especially new, it's not surprisingly new, but nonetheless, it is a significant step.

Similar declarations have already been made by the Estonians, the Latvians, and the Lithuanians separately, but only rarely have such declarations been made together. And herein lies their significance; this way they affect the situation in Russia. Russia notices in these resolutions two things: those which are very convenient for Russia, and those which it is *made* to notice, forced to notice. It is not very convenient for Russia to notice these declarations, especially not in respect to the Western countries.

As far as the West is concerned, it is also not very convenient for the West to notice everything that is happening here in the Baltic countries. We know very well that the attitude of the West has changed since March 11. Initially, the West had expressed great joy; especially for the mass media, what happened seemed to be something very beautiful, something unexpected, something exotic. But when the Western countries realized that this is no play, but a serious thing, they started thinking twice.

EIR: What is the present state of Lithuania's fight for its independence?

Tumelis: Let's start with the dangers, of which there are many. First, the situation in the Soviet Union; then, the situation in the West—maybe not so much the situation, but the attitude and the behavior of the West. And last, but not least, the domestic situation in Lithuania; we could speak volumes about it.

These three dangers interact with each other. What will come out at the end? Well, I am a cautious optimist. I think it will end okay. The most important thing is to have patience, common sense, and keep a cool head; and that one thing should start prevailing in our minds, in our consciousness: The actual character of our actions should not be very important for us, but the *results*.

EIR: How do you judge the situation in the Soviet Union right now, especially in regard to the food crisis?

Tumelis: The easiest place to make a mistake is when we speak about the irrationality of the Byzantine. This is my answer.

Not long ago, I told the fish parable: You can feed a hungry man once with fish, another day with fish, and the third day with fish, but still it is much better to *teach* this man how to *catch* the fish. This parable I heard from my grandmother. You can feed a child, you can feed an old man, you can feed a sick man. But there is no need to feed a healthy, strong man capable of working. This holds true even more so when whole societies are concerned, and not just individuals.

Don't get me wrong; I am not saying that this, the sending of food, should not be done when winter comes. It is not the fault of the people here, or our society as such, that they find themselves in such a situation; they are not guilty. But I think that this help from Germany should be rigorously controlled, *very rigorously*. The control should be carried out by the Germans; the Germans should come here. Germany should send various organizations to the Soviet Union, and the food should be given to those social layers which are really in need of it. By no means should it be distributed by the *nomenklatura*.

EIR: By talking about organizations, do you mean the Red Cross, for example?

Tumelis: Yes, the Red Cross and other organizations which are in charge of collecting these things and sending it here. I also think that the good name of Germany can be restored this way. For 40 years or more, the good name of Germany was destroyed among those lower social layers in the Soviet Union; a big wave of propaganda was directed against Germany, so that now the name of the Germans is synonymous with that of the fascists.

EIR: There are reports that this food crisis was artificially

created by the Soviet *nomenklatura* to use it against the democratic forces.

Do you think these allegations are true?

Tumelis: Of course, if the food gets in the hands of the *nomenklatura*, it will be used against the democratic forces. Therefore, I think, the food distribution should be put into the hands of the democratic forces, at least they should be involved in it. The important thing is to distinguish the sheep from the wolves in sheep's skins.

One more thing: Abstain from giving money, or currency, because very easily it turns into rockets; so only food-stuffs, only material things should be sent, not money.

EIR: It is obvious that the economic problems are so enormous that they cannot be solved with the delivery of food and sending some materials. The American economic scientist Lyndon LaRouche has developed the concept of the "Paris-Berlin-Vienna Productive Triangle," the area of which, because of its high density in terms of infrastructure, production facilities, and qualified labor force could, if properly modernized and upgraded, function as the "locomotive" for the development of the whole European and, eventually also, the entire world economy. What do you think about such a concept?

Tumelis: I think we should expand this productive triangle to a hexagon, or even octagon, in the next five to eight years, with one angle pointing to the Baltic states, another to Ukraine.

You see, when we talk about the economic development of the Baltic states, we should actually not only think about the development of the area of the Republics of Estonia, Latvia, and Lithuania, but about the whole area stretching from the Baltics, through the Ukraine down to the Moldavian republic; and such an approach has a lot of support everywhere. Naturally, we are not only talking about an economic program, but as well about a political one, and, of course, a cultural one, too.

Concerning the development of Europe, I think that possibly, for some time at least, Europe will consist of three, or actually four parts. In the first place you have Western Europe, the classical Western Europe, of which, I think, after not a long time, also Central Europe will become part, with countries like Poland, Hungary, Czechoslovakia, and others; also Romania and Bulgaria, though I think, with Romania and Bulgaria it will take longer, they probably will remain, for some time, the "fourth part" of Europe. Then there is Russia, the "big" Russia, stretching as far as the Urals. But Russia is more than just the area up to the Urals, it is also the part behind the Urals.

I am somewhat suspicious about the concept of the "European House" that stretches as far as the Urals. There is the very real danger that Gorbachov wants to become the administrator of a "European House," which was demonstrated by his behavior and that of Shevardnadze during the Paris CSCE

talks. What allowed them to do this? The answer to this is obvious. Apparently the Western countries do not see the big danger, they think they don't need us. Most probably the West adheres to the Olympian principle *après nous le déluge*. And this is very dangerous.

The Russians *will* come to Western Europe if the Westerners are so light-minded about it; they will come. They will go from the Pacific as far as Paris and further, and they will come naked, hungry, and angry.

Interview: Vytautas Radzvilas

'Productive Triangle is the only solution'

Vytautas Radzvilas is a philosopher and chairman of the Department of Philosophy of the Vilnius Academy of Fine Arts, and also a politician, fighting actively for the independence of Lithuania. He is the vice chairman of the Lithuanian Sajudis Council, the executive body of the Lithuanian independence movement, Sajudis, and also the leader of the Lithuanian Liberal Union, a recently created political center party in Lithuania. EIR interviewed him on Nov. 30, 1990 in Vilnius.

EIR: Mr. Radzvilas, what are the most urgent problems Lithuania is now confronted with, and do you think your government, your parliament, can solve them? And if so, how?

Radzvilas: I think that Lithuania is capable of solving all the domestic problems and of building a normal civil society, which was destroyed 50 years ago. But many of our problems cannot be solved until our key problem is resolved, I mean our negotiations with Moscow.

In principle, the political situation in Lithuania is rather stable; a multi-party system is now starting to work, and it is likely that soon our young parliamentary democracy will be functioning on a normal level. But, of course, our perspectives are not clear, because Moscow is ready to exercise great pressure upon our government in order to force us to sign the new Union Treaty; a treaty, which is totally unacceptable for Lithuania, for its parliament and government, and first of all for the Lithuanian people. I think that in the near future a new economic blockade is possible, but I think that this time it will be done in a little bit different manner; i.e., that the

Moscow government will refuse to buy our goods and everything which we can produce for the Soviet Union, which is mainly food, despite the fact that it is especially food that the Soviet people now need very much. So it will be a sort of a new economic war.

EIR: What do you think the West should do in helping Lithuania? So far, the Western countries haven't come up with much help, at least not officially.

Radzvilas: I think that if Moscow starts the new economic war against Lithuania, or even installs some presidential regime here in our country, then the Western countries must demand from Gorbachov to open our borders.

For two reasons: First of all, if we are facing a new economic blockade, we must have open borders to guarantee that there is a minimum of necessary supplies for the Lithuanian population. Secondly, if Moscow installs a presidential regime in Lithuania, leading political figures of Lithuania must have the right to emigrate, if the scale of repression becomes too great. That is our desire, and probably the only thing that the Western countries can do in this situation.

Of course, the Western countries should also demand from the Soviet government that it expresses clearly its position concerning the fight for independence of the Baltic countries, because Moscow is still only playing around with the negotiations, but so far it doesn't have any desire to negotiate seriously.

EIR: Apart from the West, do you see any forces within the Soviet Union itself, which could be of help for your cause?

Radzvilas: I think that the economic blockade which was started by Moscow, i.e., by Gorbachov, actually helped the democratic forces in the Soviet Union, because many of the organizations and ordinary people from all over the Soviet Union helped us very much during those days. But of course, they couldn't do as much as they wanted to, because all railways were blocked by Soviet officials, for example.

I think that if Mr. Gorbachov refuses to negotiate seriously with Lithuania, the process of disintegration of the Soviet Union will become extremely rapid, and in this case, an absolute majority of the parliaments of the republics will reject the new treaty. That is the only help we can get from them.

EIR: The Western countries, especially Germany, are now engaged in overcoming the food crisis in the Soviet Union; huge shipments of food are under way, food packages are being sent, and so on. Here in Lithuania, there is talk among the politicians and the population at large, that this food crisis was artificially created, especially in certain parts of the Soviet Union, and that ultimately it is being used by Gorbachov and the Soviet *nomenklatura* to go against democratic forces. Do you have a comment on that?

Radzvilas: Of course. As far as we know, a special plan has been worked out by reactionary circles in Moscow, and it foresees the possibility to blockade all cities and regions of the Soviet Union, where democratic forces came to power. So I can agree that this crisis was artificially created by Mr. Gorbachov and some people who are supporting his strict course.

But in addition I have to say, that such supplies might be useful in any case, on the condition they are being sent to private organizations, and that the official Soviet authorities are not involved in the distribution of the food. Otherwise, the greatest part of this help will never reach ordinary Soviet citizens; of this we are sure.

EIR: It is quite obvious that the problems in Eastern Europe and the Soviet Union are of such a big magnitude, that they can only be overcome by a huge economic construction plan. Now, there is such a plan on the table; it was drafted by the American economic scientist Lyndon LaRouche and is called the "Paris-Berlin-Vienna Productive Triangle," with the emphasis being on what Leibniz termed "physical economy," especially its *infrastructure*.

This Productive Triangle presently has the highest density concerning infrastructure—transport, energy, etc.—industry, technology, and qualified labor force of any region anywhere in the world. If this region is infrastructurally and industrially fully developed, and then linked by "fast rail corridors" to the many already existing and future production sites all over Europe, East and West alike, it quickly could become the "locomotive" for the economic development of all of Eastern Europe and the Soviet Union, and obviously also that of the three Baltic states. What do you think about such a big economic plan?

Radzvilas: Such a plan is totally acceptable for Lithuania, because we consider ourselves as Europeans; in terms of our cultural tradition, we always belonged to Europe. Unfortunately, Lithuania was separated from Europe 50 years ago, and this long period of 50 years of separation meant great losses in all fields of our life. I think that for us to participate in this process of creating such a triangle is the only way to change our life and to go back to the European community. It is the only solution.

EIR: Do you have any message to the Western countries in this situation?

Radzvilas: I would like to say only one thing: We here in Lithuania know very well that the process of separation between politics and morality started some centuries ago, but any policy which is not based on certain moral principles and which is only a pragmatic policy, or which is only *Realpolitik*, has no future, and it will lead the world to total catastrophe. It is our warning to the Western people, because we Lithuanians are facing this catastrophe even in the physical sense of this word.

Chicago teach-in begins new phase of anti-war movement

by the EIR Intelligence Staff

An anti-war teach-in called by the international Schiller Institute drew student leaders from at least 46 colleges around the United States, to two days of deliberation in Chicago Dec. 15 and 16. Together with other political activists at the more than 350-person meeting, the students committed themselves to escalate anti-war activity in the month coming up to Jan. 15, 1991, the date after which the U.N. Security Council has authorized the use of military force against Iraq.

What is at stake in the threatened war in the Persian Gulf was laid out dramatically in the keynote presentation by Schiller Institute founder Helga Zepp-LaRouche. Speaking by videotape, Zepp-LaRouche located the Bush administration's war drive as part of the Anglo-American campaign for a neo-pagan New World Order that would lead to genocide against non-white Third World people. The only alternative to the horror of a Gulf war that could easily lead to World War III, are the economic development policies of my husband, she explained. But to implement those policies, Lyndon LaRouche will have to be freed from his political imprisonment.

By the conclusion of the teach-in, the participants overwhelmingly endorsed what will be called the Chicago Manifesto, which outlines immediate political demands for ending the war. The Manifesto demands the "immediate and unconditional withdrawal of all U.S. and allied military forces from the Gulf region," as well as the "launching of a new Marshall Plan for the economic reconstruction and development of the Middle East in the interest of all nations in the region."

The Manifesto also calls upon the "United States Congress to terminate funding for the Gulf expeditionary force at once, and to ready the sanctions of impeachment and the 25th Amendment against outlaw acts by the administration,

should Bush take the unconstitutional actions he threatens."

The call for impeachment if Bush proceeds with war without congressional approval, was also raised by a teach-in sponsored by former U.S. Attorney General Ramsey Clark's Committee to Stop Intervention in the Gulf, meeting in southern California on Dec. 16.

The urgency grows

An angry political mood against the administration is being fed by the increasing signs that President Bush intends to ignore all constitutional considerations in his drive for war against Iraq's Saddam Hussein. Not only has the President put stumbling blocks in the way of discussions with the Iraqis, but he has repeatedly stated that he will not be deterred by domestic opposition from striking Iraq.

Meanwhile, Bush and Secretary of State James Baker are leaning on U.S. international allies to join in demanding unconditional surrender from the Iraqis. The capitulation of states which have consistently insisted on negotiations, such as Germany, underscores the fact that it is the American population which must take the leading role if Bush's genocidal war against the Third World is to be stopped.

Lunacy of war

The lunacy of the war drive was underscored by the first panel of the teach-in, which featured the cultural attaché from the Iraqi embassy, Dr. Mayser Y. al-Mallah. Dr. Mallah had to speak to the audience by videotape, since the State Department arrogantly refused to give him permission to travel from Washington, D.C. to Chicago (see p. 36).

Dr. Mallah told the crowd that Iraq did not want war, but that the Bush administration seemed to be committed to it.

He then challenged each of the U.S.'s rationales for moving to war.

Dr. Mallah began with the issue between Iraq and Kuwait, explaining that Britain had severed Kuwait from Iraq back in 1913-14, and describing how Kuwait had been waging war against Iraq over the past two years, by means including the seizure of territory and economic war. Iraq has had a longstanding claim to Kuwait, he said, and in fact, Iraq's military action was leading to negotiations on the issues—when the U.S. intervened to prevent the Arabs from solving the problem among themselves.

The Iraqi representative showed the ludicrousness of all Bush's rationalizations for war. Iraq has no problem with the Saudis, he said. It wants to sell oil to the U.S. in exchange for agro-industrial goods. A Middle East oil cutoff does not hurt the U.S., but rather Germany and Japan. Iraq's military power is a counterbalance to Israel in the area, but does not threaten anyone.

Webster Tarpley, U.S. president of the Schiller Institute, then spoke about the strategic insanity of launching war in the Gulf. Tarpley explained how a military confrontation would create the political repercussions that would lead to a global conflict, and how Israeli intervention could well lead to an atomic-biological-chemical warfare confrontation. The least damage that would result from the war, Tarpley said, is an Arab oil embargo that would mean the "end of world civilization as we have known it."

Food for Peace researcher Marcia Merry then highlighted the lunacy of the war drive from another perspective—the feasibility of creating peace in the Middle East through economic development. She used slides to demonstrate the way in which the water resources of the area could be developed in order to make oases in the desert, and provide for prosperity.

Building a movement

The third session of the teach-in was devoted to the questioning of organizing a movement in the United States, drawing heavily on the expertise of the civil rights movement.

Setting up the discussion were two investigators into government operations, who gave the audience a shocking view of what they were up against. Gene Wheaton, a criminal investigator and professor of criminal justice at the University of California in Orange County, dropped a bombshell by telling the participants that the reason why the Gander, Newfoundland air crash of December 1985 occurred, was never discovered because *the belly of the plane contained arms being smuggled to the Contras!* Wheaton is pursuing the case for the Families for Truth about Gander, Inc. Two hundred and forty-two soldiers were killed in the explosion, which was attributed to "ice on the wings" in Washington before the plane stopped burning.

Wheaton was followed by investigative journalist Sherman Skolnick, who described an ongoing attempt by the Justice Department to close a company that had also been

involved in Iran-Contra. Shockingly, the company—Wire Cloth Products, Inc.—is now the only supplier of military filters and nozzle seals which are needed for the Gulf deployment.

Four of the next five speakers were veterans of the U.S. black movement, who posed the tasks of the current situation as they saw them. First was Mrs. Amelia Boynton Robinson, a veteran of the Selma, Alabama civil rights movement and colleague of Martin Luther King, Jr., who is now a leading member of the Schiller Institute. Mrs. Robinson laid out a perspective for building an international peace movement against Bush's racist Gulf deployment, with the centerpiece being freedom for U.S. political prisoner Lyndon LaRouche.

Civil rights organizer Rev. James Bevel then addressed himself to the students in the crowd, confronting them with their own hesitancy to get involved in changing the world. Referring to LaRouche, he said, "If you allow a righteous man to be in jail, there's something wrong with you." He presented the hideous case of child sex abuse in Nebraska as a test case, and the necessity for immediate action to free the children from the "white homosexual power structure." "Homosexuals can't run democratic institutions because they can't come to grips with who they are," Bevel argued. "You can't live like a civilian while our children are under attack. You've got to be a soldier."

Panamanian professor and former diplomat Onofre Alphonse then confronted the audience with the crimes of the Bush administration against his nation. Alphonse used the United Nations Charter and the Nuremberg Tribunal proceedings to argue that the U.S. government was in violation of law. The first casualty of war, he said, is truth—and we must restore that first. "We should demand that Neil Bush be sent to the front lines in Saudi Arabia, along with Dan Quayle and the children of wealthy congressmen," he concluded.

Dr. Charles Knox of the International Human Rights Association of American Minorities presented the content of his campaign for city clerk of Chicago on the LaRouche slate with Sheila Jones and Mark Fairchild. Knox tore into the idea of the "lesser of two evils" and insisted that LaRouche had to be freed. "LaRouche has a plan," he said. "He has a plan to prevent war. He has a plan to industrialize Africa. He must be allowed to implement that plan, because we need it."

Nation of Islam calls for unity

Abdul Wali Muhammad, the editor of *The Final Call*, the newspaper of the Nation of Islam, gave the final presentation on this panel. Muhammad said that Minister Louis Farrakhan, leader of the Nation of Islam, opposed the war, because it is a war to destroy the Third World both inside and outside America. In his view, the U.S. government is seeking to exterminate black people.

Muhammad urged the audience to, above all, seek the

truth. Minister Farrakhan has been lied about in the press, he said, and threatened by groups known to be run by the FBI. What the Nation of Islam appreciates about LaRouche and his associates, is that they seek to get people to think, and learn the truth. When we unite, he said, we will unite on the basis of truth.

The basis for freedom

The fourth panel of the conference brought together representatives of various freedom movements, which have been abandoned by the Anglo-Americans, and left to face genocide and repression. They were joined by U.S. Club of Life president Nancy Spannaus, who presented the programmatic basis to defeat this evil.

Dr. Mohammad Said, a Palestinian-American from Washington State, gave his presentation as a representative of the Arab-Americans against U.S. Military Intervention in the Gulf. He described his trip to Kuwait in late August and early September, where he discovered that the U.S. government and media were just plain lying about the Iraqi occupation of that country. It is a lie that infants were ripped off incubators, he said, and he brought back a videotape to prove it.

Dr. Said also enlightened the attendees on the operations of the Anti-Defamation League and other sections of the Zionist lobby against the Democratic Party, and urged the audience to stand up against the small crowd which is trying to drive U.S. policy toward war. He urged those present to participate in his group's international actions in mid-January—fasts in front of legislative offices on Jan. 10 and demonstrations Jan. 12.

Said was followed by a Chinese student leader who wishes to remain anonymous. He spoke in place of Dong Wei, the president of the Canadian Association of Chinese Students and Scholars. Wei was unable to attend because he had chosen to return to China in an effort to stop the show-trials against student leaders. His replacement gave an emotional appeal for solidarity with the freedom movement, and greatly encouraged the audience with reports on the spread of LaRouche's writings in China. He even reported that, ironically, the Chinese communists have begun to use LaRouche's imprisonment as an "answer" to U.S. complaints about their human rights violations.

The Chinese issue provoked considerable discussion through the rest of the conference, including calls on the body to send observers to try to stop the show-trials. In the final plenary session the full body passed a resolution condemning the Bush administration's China policy, condemning and demanding an end to the trials of the democracy movement's leaders, and calling for full economic and diplomatic sanctions until China shows respect for human rights.

The right to progress

Colonel Ho Tren, the former director of counterintelligence for the Republic of South Vietnam, then addressed the

audience on the crimes of Henry Kissinger. Colonel Tren presented himself as a supporter of Lyndon LaRouche, and an ardent opponent of Henry Kissinger, whom he blamed for destroying his country, and for plotting to destroy the world with this new war in the Gulf. The colonel said he is often asked whether a Gulf war would be a new Vietnam. He answers: "No. Then, 2,000 body bags a month reached American shores. This time, it will be 2,000 body bags an hour. It is high time that all men of good will drive Kissinger completely out of policymaking."

The final panel presentation developed the economic policies consistent with the sacred quality of human life—in particular the Productive Triangle policy which LaRouche has developed for Central Europe, as an engine for reversing the world depression.

Stopping genocide

The final four presentations dealt with the issue of genocide through International Monetary Fund (IMF) conditionalities and free trade, particularly the General Agreement on Tariffs and Trade's (GATT) policy of destroying agricultural production. Former Guyanese Foreign Minister Fred Wills, European Food for Peace director Rosa Tennenbaum, Sudanese representative Shingeiti, and Australian farmer John Koehler all gave devastating indictments of the current financial system which is destroying the means of sustenance.

Tennenbaum spoke of her recent tour of the American Midwest as well as giving an overview of the success of the cartels in putting farmers out of business. The family farmer will be wiped out, she argued, and you will be slaves of food control, unless you fight politically to save the family farmer.

Documentation

The Chicago Manifesto

Conference participants endorsed the following call to action:

We call on the American people and persons of good will everywhere to take immediate political action to prevent the outbreak of an atomic-bacteriological-chemical war in the Gulf that would initiate World War III. We condemn the war psychosis gripping the Bush administration. We reject the Kissinger balance-of-power doctrine and other demagogic arguments for military adventurism offered by a psychologically unstable President. Bush's Gulf buildup is an act of incalculable folly undertaken in the service of a bankrupt

policy of imperialism and colonialism. This policy has been inspired by the degenerate British oligarchy in order to promote the racist slaughter of non-white populations.

We warn in particular of the danger of terrorist provocation and sneak attack by Israel against Iraq, Jordan, and the Palestine Liberation Organization in an attempt to force the United States into war. We urge peace-loving governments to act at once to restrain the insanity of the Anglo-American ruling elite. We call upon the United States Congress to terminate funding for the Gulf expeditionary force at once, and to ready the sanctions of impeachment and the 25th Amendment against outlaw acts by the administration, should Bush take the unconstitutional actions he threatens. Congress must also investigate the existence of chattel slavery in Kuwait and Saudi Arabia.

We demand the immediate and unconditional withdrawal of all U.S. and allied military forces from the Gulf region. We repudiate the United Nations Security Council policy of genocidal economic blockade and military intervention. The Gulf crisis must be solved peacefully through a mediation of the Arab states undisturbed by outside threats of force. An international peace conference must be convoked to resolve the questions of creating a Palestinian state, of restoring the sovereignty of Lebanon, and above all of launching a new Marshall Plan for the economic reconstruction and development of the Middle East in the interest of all nations in the region.

A catastrophic economic depression is now devastating the world. The Soviet Union is experiencing a famine and economic breakdown, with increasing signs of a neo-Stalinist Tiananmen Square crackdown. Such breakdown in a superpower again raises the spectre of general thermonuclear confrontation. The Soviet military now threatens to crush the Russian democratic movement as well as the freedom movements in Lithuania, Latvia, Estonia, Armenia, Azerbaijan, Georgia, Ukraine, and other republics. The economic situation in Asia, Africa, and Ibero-America continues to deteriorate.

We support emergency measures for world economic recovery and war avoidance, centering on the LaRouche Paris-Berlin-Vienna infrastructural triangle, with technology transfer to the Third World. The triangle policy is the prerequisite for effective emergency relief for Eastern Europe and the U.S.S.R. In addition, we must end the evil policies of GATT, and stop attempts to control world food and raw materials. The Reagan-Bush economic policy of usury and speculation must now be abandoned in favor of the LaRouche program to fight the depression. This program is premised on the universal principle that all men and women are created in the living image of God. LaRouche himself must be freed from illegal political captivity. Permanent world peace can only be founded on independent sovereign nation-states sharing a community of purpose in scientific and technological progress.

Helga Zepp-LaRouche rips population wars

Excerpts from a videotaped address delivered on Dec. 15 to the Chicago anti-war teach-in "Civilization is at stake," by the chairman of the Schiller Institute in Germany, Helga Zepp-LaRouche.

The key problem of the strategic picture today, is that the two superpowers are both economically collapsing: Both the Soviet empire, as well as the Anglo-American empire, are undergoing a collapse of their physical economy. . . .

The Soviet system, of course, is in a much more difficult position at this moment, than the Anglo-American empire, and . . . the Anglo-American power elite, whom Bush represents, are trying to use what they regard as a window of opportunity, to establish an Anglo-American world empire, in which, in their view, the Soviet Union is supposed to play the role of a junior partner. I can tell you: the arrogance of power reflected by this view . . . is a very dangerous miscalculation—exactly of the kind of which world wars then develop.

Bush is calling this, as Thatcher did before she was ousted, the "new world order." In Brazil, at his recent trip, he even talked about the "dawn" of a new order. . . . *The last time there was talk about a new world order, was exactly 50 years ago, in Nazi Germany.* . . .

The Gulf crisis—and this has to be clearly understood—has nothing to do with Iraq, or with what Saddam Hussein did, who clearly was manipulated into his action. What is happening in the Gulf right now, is that the Anglo-Americans are carrying out a policy which was already clearly visible in the 1970s. It's what Kissinger had worked out in 1975, namely, the division of Lebanon, with Lebanon to be divided up into Greater Syria and Greater Israel, and the state of Jordan, according to Kissinger's plan, was to disappear. . . . It was also in 1975 that the American ambassador to Saudi Arabia, James Akins, warned that Kissinger had plans for a permanent military control of the Saudi oil fields through the U.S. forces. . . .

The new order we are seeing right now is also the policy of the Trilateral Commission of the 1970s, of the "Project 1980s," as they called it then. This was the idea that they wanted to have, according to their own neo-malthusian policies, what they called a "controlled disintegration" of the world economy, which basically was the idea that no Third World country should ever have the right to industrial

development. . . .

The new world order is based, on the one side, on the idea of a post-industrial society in the North, which really means a pre-industrial society; it means no more working class, no more middle-level industry, no more knowledge, no more science. . . . In the modern form of this feudal society, the control works . . . through the rock-drug-sex counterculture.

A population which is hooked on rock, or drugs, or pornography, for sure is apolitical, and will never be a challenge to the oligarchical elite. The rock-drug-sex counterculture also was designed . . . to cause what they call a paradigm shift. It was supposed to destroy the Christian values of Western Europe and the United States, which the oligarchical elite of the Anglo-American Establishment regarded as the absolute precondition to push through their vast reduction programs of people of color in the developing countries.

The policy of vast reduction of people with colored skins: That's what's called generally the North-South conflict. There is right now in major circles a violent discussion about the use of NATO against the Third World: the so-called NATO out of area deployment, to use the military of the North, for population wars against the South.

The policy is basically to use NATO to seize raw materials such as the petroleum of the Middle East, or minerals in South Africa, or soon it will be the Amazon of Brazil, for the entire advantage of the North—not the entire people of the North, but the elite of the North. . . .

The resistance movement

There are opportunities for resistance against this terrible danger of a new world fascist dictatorship, provided people are aware of the danger, and they really wake up, and mobilize against it. . . .

One of the best ways of helping to build a resistance movement, and to resist dictatorship, is to help the victims of injustice. I ask you therefore to help me to build a movement to free my husband Lyndon LaRouche, who is right now the most prominent political prisoner in the United States, and who is sitting innocently in jail, for nearly two years, and has been forced into incredible circumstances, not fitting his age at all.

I must tell you, that it is the economic policies of Lyndon LaRouche, which at the same time also represent the only way out of this crisis. From prison, he has made a proposal which is called the "Productive Triangle" linking Paris, Berlin, and Vienna, through a high-speed train system, encompassing the largest industrial area which can have the quickest growth rate. And, Lyn has defined that this triangle must become the centerpiece of a market of 500 million Europeans, so that not only the Soviet Union can be stabilized, but also that this area can become the locomotive for breaking out of the world depression, and to establish a just new world economic order. . . .

Court rulings incite clamor for killings

by Linda Everett

On Dec. 13, a Michigan judge threw out a murder charge against Dr. Jack Kevorkian, a physician who administered lethal drugs to a 54-year-old woman with Alzheimer's disease, killing her. The Oakland County, Michigan prosecutor thereupon also dropped the murder charge and said he would forgo further attempts to prosecute Kevorkian on any criminal charges.

Kevorkian was a man charged with murder one day, but free the next to "work with the medical profession" to turn his Hitlerian-utilitarian program into legal medical protocol. The Michigan Department of Licensing and Regulations has taken not one step, other than investigation, toward suspending Kevorkian's medical license. Kevorkian told the press, "There is finally a ray of hope" for the terminally ill and elderly.

Hours earlier, Jasper County, Missouri Circuit Court Judge Charles E. Teel, Jr. ruled that a pencil-thin feeding tube, the only "technology" upon which the life of a 32-year-old severely brain damaged woman depends, can be removed, as per her family wishes. The media now boldly reports that the patient, Nancy Beth Cruzan, will be starved and dehydrated to death, a method which was Hitler's physicians' preferred form of extermination of the infirm and incompetent—a "natural death," the Nazis called it. Cruzan will die a "natural death" sometime between the last days of Hanukkah and Christmas.

The Cruzan family petitioned Judge Teel in 1988 to stop all feeding. Judge Teel agreed, but Missouri's Supreme Court said the state had an interest in preserving life and overruled his decision. The Cruzans then appealed to the U.S. Supreme Court which ruled last June that everyone had a "constitutional" right to die, but that states could demand "clear and convincing" evidence of an incompetent patient's wishes before withdrawal of care or food was allowed. The Cruzan family then petitioned Judge Teel in September to stop their daughter's feeding, using new evidence that she would not like to live "like a vegetable." On Dec. 14, Judge Teel ordered the hospital to comply and, as the family watched, Nancy Cruzan's feeding line was removed and her slow starvation begun.

Inciting self-extermination

These court cases are skillfully being used to incite Americans to clamor for the explicitly Nazi solutions used

on the same populations the Nazis regarded as a burden to the state. Sick people saying they “want” to die, is now considered a reason to kill them, and a defense for their murderers. As one gerontologist characterized the situation: “We are talking people into self-extinction.”

In early June, Janet Adkins, 54, traveled from Oregon to Michigan reportedly to have Kevorkian use his “suicide machine” on her after her husband spent months planning the event via telephone with the Michigan doctor. Despite the fact that Kevorkian used his capability as a physician to procure drugs, used his medical training to build a device that administers lethal drugs intravenously at the push of a button, and had advertised his “services” to terminate “anyone who’s in distress or who thinks he is,” Judge Gerald McNally of the 52nd District Court in Clarkston, Michigan ruled that Oakland County Prosecutor Richard Thompson failed to prove that Kevorkian planned and carried out Adkins’s death.

One of the items shown during the preliminary hearing was a videotape taken by Kevorkian to protect himself. In it, Mrs. Adkins tells Kevorkian that life is “too taxing” and she “wants out” because she does not want to become a burden to her family. A note purportedly written by Mrs. Adkins states that her decision “is taken in a normal state of mind and is freely considered.”

This is debatable. Alzheimer’s disease causes progressive states of deterioration in ability to think. Dr. Jacob Chason testified during the hearing that of the more than 10,000 brains he has autopsied during his career, only one other showed more deterioration from Alzheimer’s disease than Adkins’s brain. Also, there is considerable medical evidence proving that patients with serious diseases have drastically impaired cognitive and reasoning capacity and are vulnerable to manipulation. Both Adkins and her husband were members of the Hemlock Society, a group working to legalize suicide-on-demand and euthanasia. Society already characterizes Alzheimer’s patients as burdensome, but Mrs. Adkins may have been further manipulated into “wanting” to die for Hemlock’s cause.

Judge McNally concluded that Mrs. Adkins “wanted” to die, therefore murder was not an issue. He noted that Michigan had no specific law against assisting a suicide and said Michigan legislators must clarify that issue. Prosecutor Richard Thompson also dropped all charges and said that the debate over euthanasia must be fought out in the legislature. Both Dr. Marcia Angell, executive director of the *New England Journal of Medicine*, and Derek Humphry, founder of the Hemlock Society, said they were “extremely pleased with the ruling.” Kevorkian certainly did not commit murder, they claimed. Now, Kevorkian has announced he will work with the medical establishment to form ethical guidelines for his proposals which include killing anyone who wants to die or is “about to die” (or anyone who can’t fight back, like the comatose, the incompetent, and live fetuses), using lethal

injections, experimentation, and harvesting their organs.

A bill was already introduced into the Michigan state legislature last September, that would make anyone assisting a suicide guilty of a felony, punishable by not more than four years imprisonment or by a fine of not more than \$2,000. The new 1991 version of the bill will distinguish between legal *passive* euthanasia, where the patient is killed by removing or withholding food or treatment or by an overdose of pain medication, and *active* killing, such as Kevorkian’s actions. This hypocrisy has already led to massive killings through “acceptable” medical protocols in nursing homes and hospitals in the United States.

There can be no more *active* killing than what is right now going on at the Missouri Rehabilitation Center where Nancy Cruzan, disabled from a car accident in 1983, is being murdered by starvation.

What dying by starvation really means

In 1985, Massachusetts Judge David H. Kopelman ruled against killing Paul Brophy, who, like Nancy Cruzan, was said to be in a “persistent vegetative state” and whose family wished him starved. Judge Kopelman detailed exactly what death by starvation entails:

“If food and water are withheld . . . prognosis will be certain death from starvation, or more probably from dehydration which would occur within . . . five days to . . . three weeks.

“During this time, Brophy’s body would be likely to experience the following effects from lack of hydration and nutrition: a) His mouth would dry out and become caked or coated with thick material; b) His lips would become parched and cracked or fissured; c) His tongue would become swollen and might crack; d) His eyes would sink back into their sockets; e) His cheeks would become hollow; f) The mucosa (lining) of his nose might crack and cause his nose to bleed; g) His skin would hang loose on his body and become dry and scaly; h) His urine would become highly concentrated, causing burning of the bladder; i) The lining of his stomach would dry out causing dry heaves and vomiting; j) He would develop hyperthermia, very high body temperature; k) His brain cells would begin drying out, causing convulsions; l) His respiratory tract would dry out, giving rise to very thick secretions, which could plug his lungs and cause death; m) Eventually his major organs would fail, including his lungs, heart, and brain.

“The above-described process is extremely painful and uncomfortable for a human being. Brophy’s attending physician was unable to imagine a more cruel and violent death than thirsting to death.”

Finally, Judge Kopelman said, “A society which rejects euthanasia, the selective killing of the unfit, insane, the retarded, and the comatose patient is morally obligated to sustain the life of an ill human being, even one in a persistent vegetative state.”

LaRouche testifies for the defense in Roanoke political frameup trial

by Warren J. Hamerman

Lyndon H. LaRouche, Jr. took the stand for the defense in the trial of three of his associates in Roanoke, Virginia on Dec. 13, telling the court the history of the political movement that he founded and explaining the reasons behind the years-long harassment of him and his associates by his enemies of his world outlook.

Laurence Hecht, Paul Gallagher, and Anita Gallagher are on trial on trumped-up charges of "securities fraud." LaRouche, a victim of the conspiracy against him that he described on the stand, is held political prisoner by the Bush administration in the Federal Medical Facility in Rochester, Minnesota.

LaRouche began his testimony by describing his candidacies for President, the U.S. Labor Party in 1976, and the Democratic Party in 1980, 1984, and 1988. Numerous national, state, and local office candidates have run for election in association with him. The greatest number of those candidates were coordinated through a political action committee known as the National Democratic Policy Committee. These citizen candidates associated themselves in large part with LaRouche's program and philosophic orientation, and most came to be known as LaRouche Democrats. In total, 4-5,000 have run on slates with him.

LaRouche then described the forced government bankruptcy against firms associated with him, in 1987. At the time of the forced bankruptcy, over a quarter million citizens in this country were regularly receiving publications associated with his philosophic and political views.

When asked if he was guilty of any of the charges for which he had been convicted, LaRouche answered, "absolutely not."

Principles of the LaRouche movement

LaRouche described his involvement in forming the political association of which the three defendants are members. The National Caucus of Labor Committees (NCLC) is a philosophic association in the same sense as Benjamin Franklin's American Philosophical Society. It is committed to the point of view best articulated by Gottfried Leibniz and, in economics, what George Washington's administration knew as the American System of Political Economy, which was in

opposition to the British East India Company-Adam Smith conception of colonialism.

The views of the National Caucus of Labor Committees are to foster the traditional values of Western civilization, in opposition to the rock-drug-sex neo-malthusian counterculture. The NCLC fostered these views through activities which were cultural, scientific, economic, and political, and these activities radiated the basis of the American System and Western Judeo-Christian values. He reported that these values were threatened by the events of the 1960s, especially the creation of the counterculture.

LaRouche considered this as one of the most dangerous efforts, if not the most dangerous, to destroy Western civilization. Since the counterculture was targeting college-layer youth opposed to the Vietnam War, he tried to get involved and take on the poison being fed to them, since by creating a positive alternative for this world, they could not help but reject the countercultural poison.

LaRouche stated that his basic philosophic view, which has gotten him into a great deal of trouble, is that our nation was founded as a fight against the colonialism of the British, Adam Smith's free market economics. Today, we have become the heirs of King George III. We do today, in brutal terms, to developing countries, worse than the British imperialists did to us at our founding. We must commit our nation again to the philosophic orientation it had when it was founded.

We are headed into a depression, despite whatever relative good President John F. Kennedy's administration had done; we are on a course to destruction. We need to export capital goods to develop food for a hungry world, and these ideas could only work if they involved support from the average working stiff, whose life was ruined by the economy. People have a right to jobs; they need a high-technology capital boom. We have to export to Africa. This is good for our nation—it creates jobs and income. And it's good for them—it raises their standard of living.

LaRouche said this was not a radical idea, but a traditionalist idea, which developed over 2,500 years of Western civilization, commencing with Solon of Athens, through Socrates and Plato, but especially through Christianity.

Christianity is the dominant force of our civilization, he said. The Christian idea is based on the fact that there are no races, that each and every individual on the face of this Earth, has within himself or herself the divine spark of reason. All persons living on this Earth are in the living image of God, and there is no better way for the living image of God to be exercised, than for each and every individual to utilize their creative powers to the full extent that they can. They have to use their creative powers in classical culture, science, and the arts, in order to create and foster a better world for their children and grandchildren.

Economic and foreign policy role

LaRouche discussed the accuracy of his economic forecasts, and his role in developing foreign and strategic policy initiatives with world leaders, including the Strategic Defense Initiative (SDI). This, he said, brought him into conflict with such figures as former Secretary of State Henry Kissinger and the Anti-Defamation League of B'nai B'rith.

In 1973, there was a period of economic crisis in the world, the oil crisis: There were long lines at gas stations; the standard of living fell and hardship for the developing sector was very acute, especially for black Africa. At that point, LaRouche focused on getting involved in the Non-Aligned nations group, and began working with countries like Peru and Guyana, for a proposal for a New World Economic Order, which was adopted at an August 1976 Conference in Sri Lanka.

In April 1975, LaRouche was invited to Iraq, for a conference of the Ba'ath Party. He remained there for two weeks, met with many Iraqi and other Arab officials, including a brief meeting with Saddam Hussein.

LaRouche believed that there was a basis for Arab-Israeli common interest. Israel was facing an economic crisis, and the Arab world was facing an economic crisis. If they could jointly have a development perspective, there would be peace.

LaRouche went to Bonn, West Germany. He gave a press conference, which was then repeated in Milan, Italy, for his proposals for international reform known as the IDB, or International Development Bank. He then contacted every representative he could of the PLO or of the Israelis, and said, Let's get this policy moving. In November 1975, LaRouche was supposed to address a major diplomatic conference in Paris, France, involving Arabs, Saudis, and French Gaullists. The U.S. government intervened to break up that meeting. This was at a time when he had been vocal in opposition to the policies of Henry Kissinger.

LaRouche testified about his various meetings with heads of government and state, including President José López Portillo of Mexico at the end of May 1982. The context was a warning that debt relations were about to explode. LaRouche advised Mr. Portillo that the international banking authorities would take his country apart piece by piece by

September. Then LaRouche proposed specific economic defenses, and these were announced at a press conference arranged at the Presidential Palace. Other nations then asked for a special report on LaRouche's recommendations and discussions, and this led to the presentation in book form of a report known as *Operation Juárez*. This report was then sent to the U.S. National Security Council, to virtually every government of South and Central America, after its publication during the first week of August 1982.

LaRouche testified about his meetings with Indian Prime Minister Indira Gandhi, that he met her twice, once in 1982, a second time in July 1983. They met to discuss world economic policies, and various other matters. He described his efforts to realize Operation Juárez in work with the governments of Peru, Guyana, India, Somalia, the Arab governments—20-30 governments in all, which all saw a common interest in global economic reform.

Then, things changed radically. In February 1983, just before the SDI was announced by President Reagan, Soviet spokesman Shershnev offered a representation from his government, that 1) the Russians agreed completely that the SDI was technologically feasible; 2) they agreed on its economic spillovers, but 3) they would never tolerate a joint proposal, a) because they would never negotiate military policy with an adversary, and b) their fear that they would be outmatched in a direct competition.

LaRouche believed and had evidence that the Soviets had been assured by the highest levels of the Democratic Party that LaRouche's policies in support of an SDI policy would be blocked. In March 1983, after President Reagan announced the program on TV, the Soviets abruptly broke off relations with LaRouche, and a violent and vicious Soviet press campaign against him commenced.

Adversary relation with the ADL

LaRouche described the adversary relationship of the Anti-Defamation League of the B'nai Brith (ADL). He characterized the ADL as a non-membership organization, which purports to be tax-free, whose purpose was to engage, from his personal knowledge and observation, in character assassination, mud-slinging, and lying. Since May 1978, he and his associates have been victims of the ADL's activities.

LaRouche testified about the Illinois primary in March 1986, and how, when the victory of two of his associates was announced, there was a vicious character assassination story put out, that he had been the intellectual author of the assassination of Swedish Prime Minister Olof Palme, that this slander had been coordinated by the ADL and NBC-TV. Irwin Suall, the director of the ADL's Fact-Finding Division, was specifically involved.

These efforts culminated in the Oct. 6, 1986 paramilitary raid on offices of his associates in Leesburg, Virginia. That raid, and ADL-directed slanders about fundraising, led directly to the trumped-up charges involved in this trial.

Judge protects Ollie North, ADL cronies

by Bruce Director

With the Roanoke, Virginia trial of three LaRouche associates entering its seventh week, Judge Clifford R. Weckstein continued to cover up for his cronies in the Iran-Contra “secret government” and the Anti-Defamation League of B’nai B’rith. Dropping all pretense of impartiality, Judge Weckstein quashed subpoenas for Oliver North and three Virginia ADL officials who had attempted to bribe Weckstein himself, who were being called as hostile witnesses by the defense.

The defense attorneys sought these witnesses’ testimony in order to prove that defendants Anita Gallagher, Paul Gallagher, and Laurence Hecht, accused of “securities fraud” by the Commonwealth of Virginia, were in fact soliciting legitimate political loans that could not be repaid because of a “political enemies” operation run by a “Get LaRouche” task force which wielded U.S. government resources for its private evil ends.

North had been subpoenaed to testify about how he, as a staffer of Reagan’s National Security Council, engaged in covert actions against Lyndon LaRouche and associates because they opposed North’s illegal Contra supply operation. North’s attorneys moved to quash the subpoena asserting North’s Fifth Amendment rights against self-incrimination. They said North was still under investigation for possible criminal prosecution concerning the very activity he was being asked to testify about. Defense attorneys had demanded that North at least be required to take the stand and invoke the Fifth before the jury, but Judge Weckstein refused.

Taking the stand for the defense, Richard Morris, a former aide to former National Security Adviser William Clark in 1981-83, testified that LaRouche and his associates provided the National Security Council with valuable information on various areas of national security. Morris said that it was LaRouche’s opposition to the Contra policy which generated hostility among the Project Democracy group in the NSC. Morris named Walter Raymond, Roy Godson, and Kenneth deGraffenried as LaRouche’s main antagonists. He said that it was then-Major Oliver North who ran the covert operations for Project Democracy.

Weckstein also quashed subpoenas for Murray Janus, a National Commissioner of the ADL, Ira Gissen, the Virginia regional director of the ADL, and John Lichtenstein, Janus’s law partner and a family friend of Judge Weckstein. All three were involved in the now-infamous effort by the ADL to

bribe Judge Weckstein. In his opening statement, defense attorney Don Randolph told the jury they would hear testimony about the ADL’s bribe offer, but Weckstein didn’t want the jury to hear a word of it.

More ADL dirty tricks

Meanwhile, Weckstein has gone outside the courtroom to get help in keeping the anti-LaRouche railroad on track. On Dec. 14, a Jewish cemetery in Roanoke was desecrated by an unknown person. It is a well-known tactic of the ADL to sponsor such anti-Semitic activities. The desecration occurred the same weekend as the international Commission to Investigate Human Rights Violations began circulating a leaflet in Roanoke which exposed Judge Weckstein’s corrupt links to the ADL and the *Roanoke Times and World-News*. On Dec. 18, the newspaper ran an editorial linking the graves desecration with the leaflet attacking Weckstein. The editorial claimed that “amid paranoid fantasy” the leaflet “contained more than a hint of anti-Semitism” because it attacked the ADL and accused Judge Weckstein of usury. Weckstein denied the defense attorneys’ request to question the jurors to determine if they had been biased by the newspaper editorial.

The Commission on Human Rights Violations issued a response, which states in part:

“Is it a ‘paranoid fantasy’ that Judge Weckstein married the daughter of *Roanoke World News* editor John Eure? That Weckstein’s brother-in-law Robert Eure is a political reporter for the paper? That the Eure family is still part owner of the paper? Perhaps the Judge would like to produce a divorce certificate, or show that the family has disowned him?”

“Did [*Roanoke Times and World News*] reporter Douglas Pardue not go to Bolivia in the Caballero dope case, with Weckstein’s partner Bill Cleaveland? Did he not give the Caballero family a clean bill of health in his reports? What deal was arranged between the U.S. government and the Bolivians?”

“The leaflet describes the Anti-Defamation League as gangster-led, and says the ADL bribed Judge Weckstein in the LaRouche case. The judge admitted the bribe attempt on the record. Does the *Roanoke Times and World-News* deny that? Why didn’t they report it when it happened, or later?”

“The leaflet says the *Roanoke Times and World-News* has carried on a propaganda war for seven years against the LaRouche political movement. Do they deny publishing those dozens of attacks? Will they try to collect back issues from the public libraries and burn them? . . .

“They claimed that the leaflet ‘accuses Judge Clifford Weckstein of usury.’ The leaflet quite precisely stated the facts on Weckstein’s relations with the Lichtenstein family, and the unsavory nature of the Lichtenstein family business. Will someone deny this? Since the question of the ethnic or religious background of the usurers in question did not come up, why should the ‘WASP’ Roanoke newspaper bring it up?”

Fact sheet details lies behind Bush's countdown to war

The Dec. 28 *New Federalist* newspaper has released a second fact sheet explaining the politics and policies behind George Bush's drive for war in the Persian Gulf. While much of the material in the fact sheet has appeared in previous issues of *EIR*, bringing it all together in a compact form will give Americans a powerful lever to reverse these policies. As with the first fact sheet, *New Federalist* intends to release this one separately as well, with a total circulation reaching upwards of a million people.

The fact sheet details the orchestration of a series of lies beginning with casting the responsibility for the Persian Gulf crisis onto Iraq. The truth is that Iraq was manipulated into its present stance by a deliberate series of provocations by the Kuwaitis, the British, the Israelis, and the U.S. government. U.S. troops are not in the Gulf to protect the national integrity of Kuwait, but, as the fact sheet documents, the present troop deployment was foreshadowed in the 1982 Malvinas War. Since then, step by step, the policy of NATO out-of-area deployment has been implemented, along with a shift from East-West confrontation to North-South population wars.

The intention of this policy is to give the Anglo-American Establishment complete military and economic control over the territory, resources, economies, and populations of all developing sector nations. This policy has been most closely associated with the Canadian publishing company the Hollinger Corp., with Henry Kissinger and his associates, and prominently includes the controllers of the present Ariel Sharon-led war government in Israel. Key to inciting Iraq to move into Kuwait was the installation, in the first week of June, of that Israeli government. This was seen by the Iraqis as a direct threat against them, considering that the Israelis and the British were threatening to target alleged new military installations in Iraq.

The fact sheet recounts how the U.S. government deliberately misled Saddam Hussein into believing that the United States would not take sides if the Iraqi dispute with Kuwait were escalated, and that in fact the U.S. government sympathized with Iraq's claims against Kuwait. On July 25, 1990, U.S. Ambassador to Iraq April Glaspie met with Saddam Hussein to discuss possible U.S. responses to an Iraqi move into Kuwait. The interview was released in an Arabic tran-

scription which was translated into English by ABC News, and also published by the *New York Times* on Sept. 23, 1990.

U.S. gives green light for invasion

In the course of the discussion, Glaspie reported: "Mr. President, not only do I want to say that President Bush wants better and deeper relations with Iraq, but he also wants an Iraqi contribution to peace and prosperity in the Middle East. President Bush is an intelligent man. He is not going to declare an economic war against Iraq." And later: "I know you need funds. We understand that, and our opinion is that you should have the opportunity to rebuild your country. But we have no opinion on the Arab-Arab conflicts like your border dispute with Kuwait. I was in the American Embassy in Kuwait during the late 1960s. The instruction we had during this period was that we should express no opinion on this issue, and that the issue is not associated with America. James Baker has directed our official spokesmen to emphasize this instruction."

At that time, Glaspie was under instruction to determine Iraq's intent vis-à-vis Kuwait. She left the country Monday, July 30, two days before the invasion. She has been kept incommunicado by the Department of State ever since. She has never been called to testify before any congressional committee, and the ABC-*New York Times* revelations have been conveniently forgotten. The issues then under discussion included: a) the border between Iraq and Kuwait; b) economic warfare directed against Iraq, involving theft of oil, financial warfare—conducted in the form of a credit blockade—and extortion around the country's debt incurred during its eight-year war with Iran. These were the matters over which Iraq invaded Kuwait and upon which Glaspie reported, relayed as instructions from her boss, U.S. Secretary of State James Baker: "We have no opinion on the Arab-Arab conflicts like your border dispute with Kuwait."

Another bombshell in the fact sheet relates to an intelligence memorandum written by Kuwait's former security chief, Brig. Gen. Fahd Ahmed Al-Fahd, to the member of the Kuwaiti royal family responsible for covert operations and internal security, Minister of Interior Al-Salim Sabah. The document was recovered from the files of the security

bureau after the Aug. 2 invasion. Iraqi Foreign Minister Tariq Aziz has demanded the U.N. investigate, but an investigation has not been forthcoming. It reports on a secret meeting between General Al-Fahd and CIA director William Webster at the CIA headquarters in Langley, Virginia on Nov. 14, 1989.

The document describes a U.S.-Kuwaiti plan to “exploit and benefit from the deteriorating economic situation” of Iraq. Paragraph 5 of the document reads: “We agreed with the American side that it was important to take advantage of the deteriorating economic situation in Iraq in order to put pressure on that country’s government to delineate our common border. The Central Intelligence Agency gave us its view of appropriate means of pressure, saying that broad cooperation should be initiated between us, on condition that such activities are coordinated at a high level.”

CIA spokesman Mark Mansfield has denounced the Iraqi-released memo as a “fabrication.” He did admit that the meeting of the spy chiefs took place, but insisted that it was a mere “courtesy call.”

The grab for Iraqi oil

On Oct. 31, 1990, the Iraqi government released a top-secret intelligence memorandum. Despite the fact that Iraq was considered to be acting on behalf of U.S. interests in its war against Iran, they have received no economic assistance to help them in defraying the costs of that war. Furthermore, a policy of credit blockade had been launched on Aug. 20, 1988, the day a ceasefire was declared in the war against Iran. The fact sheet quotes from an editorial in the British Establishment mouthpiece, the *Economist* magazine, to show that there was a deliberate Anglo-American policy of destroying Iraq’s economy. The cited editorial, entitled “Out of the Gulf’s Rubble,” gloated that Iraq faced a devastating vulnerability because of its vast postwar debt. “About half of this debt is owed to Saudi Arabia and Kuwait, which may forget it; perhaps \$10 billion to Russia and Eastern Europe, which will not. Nor will the West’s commercial banks, which have lent Iraq \$26 billion,” it stated. The paper asserted that credit to finance the postwar reconstruction of Iraq would be forthcoming only if Iraq “turned over its oil reserves of 100 billion barrels—second only to Saudi Arabia—and rich deposits of other minerals like sulfur, phosphates and bauxite.”

Thus, immediately at the end of one war, Iraq had been set up as one of the principal targets of the next, the war to establish what George Bush calls the “New Order.”

The third factor in the setup of the Gulf war, which is extensively documented, was the formation of the Sharon-dominated government of Israel out of the wreckage of the preceding national unity government, in the first week of June 1990. The Iraqi invasion of Kuwait has been used as a pretext for war. But the policy behind the pretext is called NATO “out-of-area” deployments. The Cold War being over, the argument goes, as evidenced by the Malta summit

on Dec. 2-3, 1989, military operations must be shifted against Third World populations. The little nation of Panama was the first target. In the American invasion on Dec. 20, 1990, more than 4,000 civilians were butchered by U.S. troops—human sacrifices to the New Order.

‘Carter Doctrine’ paved the way

Under Jimmy Carter, the same policy provided the secret underpinnings of the Camp David agreements negotiated with Egypt and Israel. The hidden commitment surfaced in November 1979, when Edgar Bronfman of the Anti-Defamation League proposed the formation of a Middle East Treaty Organization, to include Israel, Egypt, Saudi Arabia, and Jordan. It was incorporated in the so-called “Carter Doctrine” laid out in President Jimmy Carter’s State of the Union address of 1980, under which the Persian Gulf was declared, in the wake of the Soviet invasion of Afghanistan, a zone of U.S. strategic interest, and the Rapid Deployment Force, out of which General Schwartzkopf’s Central Command evolved, was formed as the military capability to be deployed.

Schwartzkopf laid out the political and military mission of his command to the Senate Armed Services Committee chaired by Sen. Sam Nunn (D-Ga.) on Feb. 8, 1990. Schwartzkopf told the committee that, “in the time I have commanded the United States Central Command, these facts have become clear to me: The economies of the U.S. and its European and Pacific allies are increasingly dependent on the uninterrupted flow of Persian Gulf oil; the greatest threat to U.S. interests in the area, is a spillover of a regional conflict which could endanger American lives, threaten U.S. interests in the area or interrupt the flow of oil, thereby requiring the commitment of U.S. combat forces.” Schwartzkopf went on: “Three mutually supporting strategies are required for the region: one for peacetime, one for regional contingencies, and one for global warfare.”

The out-of-area deployments policy was incorporated into U.S. military planning during the early 1980s as a result of Carter’s genocidal “Global 2000” project, which put forward a blueprint for dealing with what Carter and company considered the threat represented by growing human population and finite resources. Gen. Maxwell Taylor, a member of the genocidal Draper Fund, took the point in this, sponsoring an effort which culminated in the August 1981 publication in *Military Review* of an article by Lt. Col. John G. Wilcox entitled “The Military Implications of the *Global 2000 Report*.” Taylor told *EIR* on April 14, 1981, “I have already written off 1 billion people. These people are in places in Africa, Asia, and Latin America. We can’t save them. The population crisis and the food supply question dictate that we should not even try. It is a waste of time.”

Clearly, the cited documentation must be considered in the ongoing congressional hearings. As the impact of the two fact sheets spread across the United States, the pressure should mount to halt the drive to war.

FBI, DEA challenged on Lockerbie coverup

by Jeffrey Steinberg

A congressional committee has revived questions about possible U.S. government complicity in the terrorist bombing of Pan Am Flight 103 which exploded over Lockerbie, Scotland on Dec. 21, 1988, leaving 270 dead.

In mid-December, Rep. Robert Wise (D-W.V.) chaired hearings of the House Government Operations Subcommittee on Government Information, Justice, and Agriculture, probing the FBI and the Drug Enforcement Administration's (DEA) recent internal investigations into allegations that a drug enforcement "sting" operation may have inadvertently helped terrorists bypass security procedures at Frankfurt Airport in Germany and plant the bomb aboard Flight 103. Both probes whitewashed any involvement of DEA personnel or informants in the tragedy.

One day before the hearings, *Barrons* magazine published a report in its Dec. 17, 1990 issue stating that both government and private investigators had corroborated critical details of a September 1989 investigators report prepared for Pan Am, indicating that CIA personnel operating in Frankfurt had helped a notorious Syrian terrorist and narcotics trafficker, Mansur Al-Kassar, in the Pan Am massacre. The original Pan Am report was prepared by the New York City-based Interfor, a private consulting firm headed by a former Israeli Defense Force and Mossad officer, Juval Aviv.

Barrons reporter Maggie Mahar wrote that several active duty and retired U.S. intelligence officials had confirmed that the Aviv report contained accurate details about the bomb plot which have been covered up by the Bush administration.

On Dec. 14, attorneys for Pan American World Airways filed a third party suit against the U.S. government in federal court in Brooklyn, New York, charging Uncle Sam with responsibility for the massacre.

The Pan Am papers charged that "commencing in or about 1987, the United States established an operation, through one or more of its agencies, including the [DEA], designed to identify, arrest, prosecute and convict persons involved in illegal drug activities in the United States. . . . In order to facilitate the operation, the United States utilized known criminals, terrorists, terrorist organizations and terrorist sympathizers. . . . The United States knew that United States flag air carriers, including Pan Am, were targets of terrorist attacks and knew or should have known that by utilizing Pan Am passenger flights, by relying upon known criminals, terrorists, terrorist organizations and terrorist

sympathizers . . . the operation seriously jeopardized and endangered Pan Am passengers, crews and aircraft."

The lid is beginning to blow, despite the best efforts of the Bush administration to cover up the complicity of U.S. intelligence agencies, and the Syrian government of new-found ally Hafez al-Assad, in that heinous act.

Wise blasts the FBI

Wise opened the public part of the hearings on Dec. 18 by tearing into the FBI for refusing to provide a witness or any information requested by the subcommittee despite the fact that Deputy Attorney General William Barr issued a press release on Dec. 4 proclaiming that the FBI had completed its probe of possible DEA complicity in the Pan Am 103 bombing and had given the agency a clean bill of health. While the FBI was being "totally uncooperative," the DEA was stonewalling the probe by withholding documents and refusing to make any DEA field agents or station chiefs available to the committee. Instead, assistant administrators David Westrate and Steven Greene claimed that the DEA had searched over 1,600 case files, had questioned agents, informants, and other personnel, and had concluded "1,000%" that the "scenario" presented in recent news accounts, that a DEA sting at Frankfurt Airport had helped terrorist bypass security and place a bomb aboard the plane, was "impossible."

Before the committee was reconvened in a closed-door executive session, Greene and Westrate admitted that no fewer than three suspected narcotics traffickers and/or DEA informants or sub-sources were onboard when Flight 103 went down. The revelation was made in the context of the DEA officials' denial that a particular passenger, Jafar, who had been named in an NBC News story as the bomb courier and a DEA informant, had ever worked for or had any contact with the agency.

Sources report that congressional investigators already have evidence showing that Greene and Westrate were lying under oath on a number of critical issues, and that one purpose for having them appear in public session was to lay a perjury trap.

With Pan Am's lawsuit now filed, with the Wise subcommittee scheduled to hold more hearings in January, and with several private investigations still ongoing, it is a sure bet that the Lockerbie scandal will not die.

Earlier this year, syndicated columnist Jack Anderson reported that one of President Bush's first actions in January 1989 was to work out a coverup of the Pan Am scandal with Prime Minister Margaret Thatcher.

Investigator Aviv is convinced that eventually the Lockerbie scandal will land at Bush's doorstep. He recently told North New Jersey *Herald* reporter David Kelly, "If we are right—and we are right—this will lead all the way up to the White House. I hate to be the one to make Dan Quayle the next President—but the chips will fall where they may."

National News

Bush drags feet on money laundering law

The Bush administration has failed to reach agreement on measures to curb money laundering with 20 countries, as mandated in a 1988 law, a classified study by the Treasury Department conceded to Congress, the Dec. 16 *New York Times* reported. The law requires that the administration exclude from the U.S. financial system any country that does not agree to report U.S. dollar transactions of over \$100,000.

"The report is another indication that the administration refuses to make the tough choices needed to fight a real war on drugs," declared Sen. John Kerry (D-Mass.), who sponsored the 1988 legislation. "Any time they have a policy failure, they classify it so that the American people won't find out."

NDPC condemns *Inquirer* push for Nazi eugenics

Twenty organizers and supporters of the National Democratic Policy Committee (NDPC), the political action committee representing the Lyndon LaRouche wing of the Democratic Party, rallied outside the offices of the *Philadelphia Inquirer* Dec. 13 against an editorial which pushes a policy of Nazi eugenics against minorities and the poor. Protesters were joined by employees from the paper.

The editorial, which appeared in the Dec. 12 *Inquirer*, was entitled, "Can Contraception Reduce the Underclass?" It began with a reference to the U.S. Food and Drug Administration approval of Norplant, a contraceptive that can keep a woman from getting pregnant for five years, and a story on black poverty. "Dare we mention them in the same breath?" the *Inquirer* asked. "To do so might be considered deplorably insensitive, perhaps raising the specter of eugenics," it admitted. "But . . . it's very tough to undo the damage of being born into a dysfunctional family. So why not make a major effort to reduce the number of chil-

dren, of any race born into such circumstances?"

The NDPC delegation demanded that the *Inquirer* repudiate the editorial and any suggestion of endorsement of the practice of eugenics, repudiate the idea that poverty is due to too many children, run a commentary from the NDPC, and that it investigate the railroad of Lyndon LaRouche who is a leading figure in the fight against genocide.

The Dec. 14 *Inquirer* reported on the rally, and its editorial board has reportedly agreed to run an NDPC reply.

Physicians with AIDS urged to tell patients

Dr. Howard M. Spiro, a physician who is a professor at the Yale School of Medicine, has urged his colleagues infected with the AIDS virus to go public. He first made his call in the February issue of *Drug Therapy*, a medical journal, and recently reiterated it in November in a Boston newspaper column.

He has found no support except among hospital employees who are not doctors, and in some cases, has received strong condemnation from his peers. One responded: "Doctors crazy enough to tell their patients that they have AIDS will lose any chance of making a living."

Dr. Spiro stressed the importance of doctors coming forward to break "the conspiracy of silence" around the AIDS infection "that keeps it mysterious and shameful and surely contributes to its spread." Dr. Spiro challenged his colleagues, saying that if they truly believe that AIDS is not spread by casual contact, then they should be willing to be open about their own infection.

ADL and Hollinger: truth is anti-Semitic

The Anti-Defamation League (ADL) and the Hollinger Corp.-owned *Jerusalem Post* have attacked CBS "60 Minutes" anchor Mike Wallace for his Dec. 2 segment on

the Israeli massacre of Palestinians at the Temple Mount in Jerusalem (see *EIR*, Dec. 21, p. 70).

On Dec. 6, the ADL issued a press release and a fact sheet targeting the Wallace show as "biased" and failing to "meet accepted standards of journalistic responsibility." The ADL gives full support to the Israeli military's shooting of the demonstrators, blaming the rock-throwing youths for inciting the incident and dismissing the threatened march by Temple Mount Faithful fanatics as a mere excuse for the alleged Palestinian attack against worshippers at the Wailing Wall.

The international edition of the Hollinger-owned *Jerusalem Post* for the week ending Dec. 15, carried an "Eye on the Media" column by David Bar-Illan attacking Wallace as "not your run of the mill anti-Semite." Unable or unwilling to refute any of the "60 Minutes" story, the *Post* reverted to a personal smear against Wallace.

Powell withdraws from King Day parade

Joint Chiefs of Staff chairman Gen. Colin Powell "decided not to serve as grand marshal" of the Martin Luther King day parade in Atlanta, Georgia "after some civil rights leaders questioned his selection," the Dec. 16 *Washington Post* reported.

Powell, the first black selected to be chairman of the Joint Chiefs, wrote a letter to Coretta Scott King, stressing that he felt his presence might detract from the Jan. 21 event. Mrs. King accepted the withdrawal, adding she is strongly opposed to U.S. military involvement in the Persian Gulf.

Powell's decision to withdraw followed protests by several black civil rights leaders, including Amelia Boynton Robinson, to Powell's participation.

"On Jan. 15, General Powell will be responsible for the direction of a war, authorized to begin as early as that date, in which thousands of young Americans will be killed," Mrs. Robinson wrote Coretta Scott King in a letter dated Dec. 11. "These young men and women are being groomed as human cannonballs for the purpose of destroy-

Briefly

● **THOMAS CLINES**, the Iran-Contra operative, has been sentenced to a 16-month prison term for tax violations relating to his arms deals with Oliver North. Clines had been a decades-long aide to Thomas Shackley, a former CIA official who had been Bush's 1980 speechwriter and reputed architect of the Iran-Contra policy.

● **ARMAND HAMMER**, a years-long Soviet agent and "guru" for Britain's Prince Charles, died Dec. 11 on the day of his planned bar mitzvah. Through a spokesman, Ted Turner, who had been chosen to head the bar mitzvah ceremony despite his professed paganism, said: "We just learned of Dr. Hammer's death, but we hope to continue with the ceremony anyway."

● **THE PERSIAN GULF** deployment could cost \$30 billion in fiscal year 1991, double the figure projected by Defense Secretary Cheney in October, the Dec. 11 *Washington Post* reported. The new figure does not factor in the cost of fighting a war.

● **THE ENVIRONMENTAL** Protection Agency wants to impose gas rationing in 1995, according to a recent EPA "option" memo cited in an editorial in the Dec. 11 *Wall Street Journal*.

● **MOBIL CORP.** has begun to attack the Clean Air Act amendments in an ad which argues that they are "remarkably unscientific, and terribly expensive for the minimal gains they would achieve." It points out that the mandated oxygenated gasoline is one not available in large supply and too highly polluting itself.

● **THE BUSH** administration has not yet submitted the Conventional Forces in Europe (CFE) Treaty signed Nov. 19 to the U.S. Senate for ratification for fear it will be rejected, the Dec. 17 *Washington Post* reported. The Soviets moved much of the equipment that was to be destroyed, east of the Urals to avoid treaty limits.

ing others in the Persian Gulf. It would make a terrible mockery of all Dr. King stood for and destroy the meaning of the past and present struggle of our great leader, were the King Center to honor General Powell on the day that he is set to commence a senseless, greedy, inhuman war," she wrote.

"I feel it wise to explain to General Powell why there has to be a change. If we succeed in stopping this war, the Martin Luther King Center can invite him next year to be Grand Marshal. If we fail to stop this war, we must answer to the masses of poor, unemployed and (particularly) African-American people who will be killed fighting against other people of color."

House committee seeks delay in SDI deployment

The House Government Operations Committee argued for a delay in the deployment of the Strategic Defense Initiative (SDI) Phase I, in a report issued over weekend of Dec. 15-16. The report was opposed by 9 of 15 Republicans on the committee, the Dec. 17 *Washington Times* reported.

The panel's report was based largely on a Government Accounting Office study completed in July that concluded that the shift in emphasis to "brilliant pebbles" had changed the architecture of the first phase SDI system and that this had produced "chaos." The report predicted that SDI testing would not be completed in time for the President to make a deployment decision in 1993, as is now mandated.

The report referenced a March 1990 study by scientists at the Lawrence Livermore National Laboratory, which concluded that "brilliant pebbles" is "highly unlikely" to be "cost effective." Lyndon LaRouche has argued that SDI must be based on advanced physical principles, and that the kinetic energy weapons systems upon which "brilliant pebbles" is based, are inferior and will not provide the full screen against intercontinental ballistic missiles (ICBMs) envisioned in President Reagan's original adoption of LaRouche's SDI plan.

'Odd' Boyden Gray, Bush relationship spotlighted

White House counsel C. Boyden Gray was the subject for attack by Neil Lewis in the Dec. 12 *New York Times*. Lewis's denunciation of Gray, in part, implicitly drew on material publicized by *EIR*.

"Boyden Gray, White House counsel and personal favorite of President George Bush, is a man who inspires people to come up with new and inventive ways of saying 'odd,'" Lewis wrote. After recounting an incident in which Gray snatched a piece of paper out of the hands of Bush cabinet member William Coleman, and tore it up, he wrote that Gray is the principal theorist behind Bush's veto of the recent congressionally approved civil rights bill, and the argument that Bush need not consult Congress if he decides to go to war with Iraq.

In describing the strange relationship between Bush and Gray, Lewis notes, "It is a relationship . . . born of what Mr. Bush might call 'the class thing,'" and adds that Gray is the "guardian of what may be Mr. Bush's most precious official secret: his behavior in the Iran-Contra scandal."

As counsel to then-Vice President Bush, Gray played a major role in the government operations against Lyndon LaRouche.

Professor warns of 'myth' of brainwashing

University of Virginia sociologist Jeffrey K. Hadden warned against "the myth of brainwashing" in the United States, speaking at a conference in Poland in mid-December, the Dec. 16 *Richmond Times-Dispatch* reported.

Hadden criticized "the myth of brainwashing because of its potential abuse as a legal clinical diagnosis and also because it provides a powerful metaphor which is ready-made for abuse in stereotyping and labeling unpopular groups and their leaders." He scored "anti-cultists" who used strategies of coercion against those who had joined what were considered "offbeat" religious groups.

Soviet shakeup: LaRouche was right

You read it first in *EIR*. As early as 1983 we identified the emergence of a nationalist tendency in the Soviet Union, which was intent on transforming the Soviet Union to conform to the desire to see Russia as a Third and Final Roman Empire. Now, with the resignation of Soviet Foreign Minister Eduard Shevardnadze, even the most wishfully blind fools are having to face the fact that their illusions around perestroika, were just that: illusions.

Under the umbrella of the Soyuz group, or in related groups associated with people like Dmitri Likhachov, whom we have identified repeatedly over the years as a nationalist of the blood-and-soil imperialist sort, this "Third Rome" tendency has now surfaced openly in Moscow. These are the people who look back in Russian history to the model of the Tsarist regime of Ivan III, rather than the more obviously terrifying Ivan the Terrible.

The present turn in the Soviet Union was forecast by LaRouche over a 10-year period. This did not mean that this was the only direction which the Soviets could take, once the bankruptcy of the communist regime was admitted by them; what LaRouche said, was that this was the direction in which they would go unless we in the West provided them with a viable, positive alternative. The policies of Thatcher rather than LaRouche prevailed, however, and events bore out the accuracy of LaRouche's forecast.

By forecasting, we do not mean predicting the future in the sense of outguessing blind chance. We are talking about human beings and institutions composed of human beings, capable of making decisions. We can anticipate these decisions, when we understand the circumstances under which they will be made.

Although the process of relations within the Soviet Union, and in East-West relations, has taken many detours which we and LaRouche did not and could not foresee, between 1983 and the present, nonetheless, the situation has ended up exactly where we said it had to end up if the U.S. continued the kind of policy which the Anglo-Americans have continued.

The crucial element in this was the wrong decisions

made by the Anglo-Americans respecting both the British and the American economies. Both have been brought to the point of bankruptcy by the fostering of deregulation and rampant speculation—under the guise of free market ideology. While the U.S. and British economies were collapsing, insult of insult, through the medium of the International Monetary Fund and the like, the Anglo-Americans are trying to impose this debacle on the nations of Eastern Europe and on the Soviet system itself. Bad as things are within the Soviet Union, the Soviets are unwilling to accept this sure road to disaster, which not incidentally would put an end to any Third Rome imperial ambitions as well. So the Soviets are in the process of making a turn toward a military dictatorship.

We were right and our enemies were wrong in their estimate of the situation, because we think in the proper manner about the world. When we discuss economics we look at real processes in the physical economy; when we discuss politics we see events from the vantage point of the underlying major cultural tendencies which are unfolding behind them. Thus, for example, we found an identity between the vicious, self-confessed paganism of Britain's Prince Philip, and the rejection by the Russian Orthodox Church of the Western Christian doctrine of man in the image of God—the issue of the *Filioque*.

Even despite the abundant confirmation of LaRouche's "Third Rome" thesis, his forecast is not "written in the stars." If, in fact, the policies which he is now putting forth are adopted, this dire situation could be turned around. Take for example, the case of Germany. Much of what the German government is doing is absolutely correct, in terms of attempts to stabilize the Soviet situation, and efforts toward building up infrastructure, railroads, and so on. But they are unwilling to finance this in the right way with public credit. They want to compromise with the Anglo-American free marketeers.

Let us hope that in the new year, men of good will begin to recognize just how right LaRouche is. Then perhaps we can have peace on Earth.



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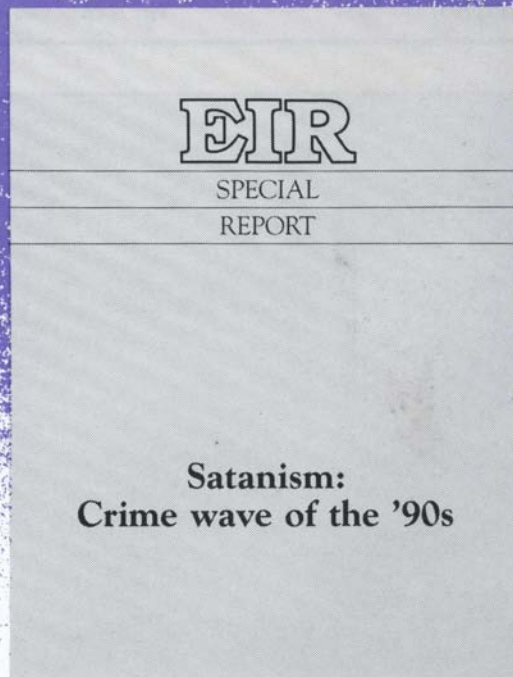
Crime Wave of the '90s

Who is right?

New York Archbishop Cardinal John O'Connor has denounced heavy metal rock as "a help to the devil" and said that "diabolically instigated violence is on the rise." (March 4, 1990)

But the Federal Bureau of Investigation's expert, Kenneth Lanning, claims: "Far more crime and child abuse has been committed in the name of God, Jesus and Mohammed than has ever been committed in the name of Satan." (June 1989)

Read the definitive study by *EIR*'s investigative team, including: The Matamoros murders; Manson; the Atlanta child murders; the satanic roots of 'rock.' Plus, "The theory of the satanic personality," by Lyndon H. LaRouche, Jr. Learn the extent of the satanist epidemic, who its high-level protectors are—and why some officials want to cover it up. 154 pages.



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