

# EIR

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European economists urge LaRouche Triangle now!  
The danger of a new Thirty Years' War  
Gaviria and Bush side with narco-terrorism

**The collapse of the U.S.  
consumer market basket**



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Is America still the land of "liberty and justice for all"? Or, are we heading into a totalitarian police state, like Nazi Germany or Soviet Russia? Read this book, and learn the truth about what happened to justice in the United States.

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## U.S.A. vs. Lyndon LaRouche, et al.

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Judge Albert V. Bryan was the judge who finally accomplished what a federal government "Get LaRouche" Strike Force had been attempting to do since 1983. That task force swung into motion using the resources of the FBI, CIA, IRS, and private agencies, at the instigation of Henry Kissinger, who bragged in the summer of 1984 that "we'll take care of LaRouche after the elections."

The first federal case against LaRouche and his associates, held in Boston before Federal Judge Robert Keeton, backfired on the government. A mistrial was declared, and the jury said they would have acquitted everyone on *all* charges.

But in Alexandria federal court, the "rocket docket" did the job. Judge Bryan hand-picked the jury in less than two hours, excluded all evidence of government harassment, and rushed the defense so rapidly that convictions were brought in on all counts in less than two months from the indictment.

LaRouche was sent to jail for 15 years, on January 27, 1989, a political prisoner. The conviction and imprisonment have provoked protests of outrage from around the world. In this book, you'll see why.

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# EIR

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## From the Editor

This week's *EIR* pivots around two, diametrically opposed economic policies. Which one prevails, will determine whether the carnage and injustice of "Desert Storm" is brought home to the United States, as President Bush urges; or whether, instead, the wealth generated by an economic boom, centered in a newly freed and reunited Europe, can be used to make the deserts bloom.

In *Economics*, you will read a first report on the Schiller Institute's conference in Berlin, one of the three cities designated as vertices of an irregular "Triangle" (the other two are Paris and Vienna), to be linked by high-speed rail transportation, in a 1989 proposal by Lyndon LaRouche. The Berlin meeting drew economists, intellectuals, and political activists from all over Eastern and Western Europe to debate the details of implementing such a plan, now that the free-market liberalism of Adam Smith and the communism of Karl Marx have both dramatically failed. In *Strategic Studies*, read LaRouche's message to that conference.

The world looks to LaRouche and his movement to stop the holocaust George Bush has set into motion. Our *Feature* outlines some basic reasons why the U.S. economy cannot recover without LaRouche's program. Bush, in his March 5 speech to Congress, pushed bringing Desert Storm home to America's cities. Our youth are troubled, our schools wretched, and our products are shoddy—the few we still produce. These ills will not be cured by yellow ribbons and demagoguery, as long as monetarist debt collection policies are enforced.

Speaking for the International Progress Organization at the U.N. Human Rights Commission in Geneva on Feb. 28, Warren Hamerman denounced the persecution of LaRouche for "his political and philosophic beliefs" before the same U.N. which is being used by the Anglo-American oligarchy and their Soviet allies to promote a fascist "new world order." The U.S. government, significantly, failed to exercise its right to contest the charges put forward by Hamerman for the IPO, and must officially answer to them. In this issue, we reprint the U.N.'s release on the event and the full text of the Declaration upon which the Hamerman speech was premised.

A third angle from which to brighten the present dark world picture was opened at a conference in Algiers; an exclusive report appears in *International*.

Nora Hamerman

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## European economists want LaRouche Triangle now!

by Rainer Apel

Over 100 economists and political activists from east and west Europe, meeting in Berlin on March 1-3 at a conference of the Schiller Institute, passed a resolution appealing to the governments of Europe to implement Lyndon LaRouche's "Productive Triangle" program as rapidly as possible, and indeed to make it the "centerpiece of their government policy." Only in this way can the gains of the revolutionary developments in Europe of the past two years be secured, and world peace and progress be made possible, they declared.

"Peace Through Development: Infrastructure for a Free Europe," was the theme of the conference, which discussed LaRouche's plan for a triangle of high-technology development in the area from Paris to Vienna to Berlin. This, the industrial heartland of Europe, must become the focal point of intensive development, radiating outward in "spiral arms," and providing the motor for worldwide economic recovery. Vital issues of the East European struggle for freedom, the recent calls by Pope John Paul II for a moral revival in world politics, and George Bush's project of a "new world order" were also the focus of attention of the conference, which was well attended by senior representatives of the anti-Kremlin movements in the former East bloc.

Among those attending were nine leading members of the Lithuanian Sajudis movement, eight officials of various ministries in Czechoslovakia, representatives of six political associations in Hungary, representatives of four Polish institutions, a member of the Latvian parliament, and six city council members from Armenia. There were also conference guests who held offices in state and local governments of the

five states of eastern Germany. This combination of guests guaranteed a lively, controversial debate.

A message was read to the conference (from jail) from Lyndon LaRouche, who showed how the evil character of Bush's "new world order" is plunging the world into a Thirty Years' War. (See the full text of LaRouche's address, pages 34-36.)

### **LaRouche Triangle, or Bush's imperial order**

The president of the Schiller Institute in Germany, Helga Zepp-LaRouche, outlined in her opening address how a reasonable debate following the cessation of hostilities in the Persian Gulf should proceed. The question is whether this senseless war is "an adventure without return," in the words of Pope John Paul II, the opening shot in a Thirty Years' War between the developed North and the underdeveloped South, Mrs. Zepp-LaRouche said, or whether it will spark a worldwide rebellion against the New World Order project of the Anglo-American elites. Mrs. Zepp-LaRouche explained that the elites in London and Washington had cooked up the Gulf war as a "nice little war" in order to strangle the 1989 revolution in the cradle.

She pointed at the decline of the industrial economies, with the ensuing cracks in the speculative monetary systems of the United States and Great Britain, as the prime motive behind the new bellicosity of Anglo-American policy. She called for the creation of a broad international movement to resist this policy shift, which would link up to the best heritage of the great historic phase of industrial and political

progress of late 19th-century Europe. This requires the continuation of the policies for rapid industrial and agrarian development of the German economist Friedrich List, Count Szechenyi of Hungary, Minister Hanotaux of France, and Witte and Stolypin of Russia.

She stressed that peace is only possible if it is based on real development: development of transport, infrastructure, science, and industry; development which includes the moral imperative of developing the Third World and liberating it from the economic dictates of the International Monetary Fund, and which considers the dignity of the human being as its prime objective. Only on this basis are "the best-laid plans of tyrants foiled by human freedom," as the leading mind of the German Classics, Friedrich Schiller, put it 200 years ago.

### **Infrastructure for Europe**

Jonathan Tennenbaum, representing the working group which has elaborated LaRouche's "Triangle" proposal, read a speech by Ralf Schauerhammer of the Fusion Energy Foundation, on the Transrapid/ICE rail system and the high-temperature reactor as two key areas for Europe's future economic development. Modern railways, functioning as central transport arteries for the building of industry, especially medium-sized productive industry, are just as important for the eastern part of Germany and all of Europe, as is nuclear power for the Triangle's success. The high-temperature reactor is, because of its high energy density, small size, and wide range of applications involving enhanced process heat, all based on a relatively simple technology, well-suited not only for Europe, but also for the Third World, Tennenbaum explained.

This point sparked off a lively debate which somewhat reflected the "Chernobyl syndrome" and related fears on the issue of nuclear power, but also produced a clear commitment for the development of the Third World, as is reflected in the final declaration (see Documentation).

One guest from Warsaw asked how much time would be needed to realize the Triangle. Helga Zepp-LaRouche answered that time is pressing, as one can see, for example, from the fact that just now 1 million mine workers have gone out on strike in the U.S.S.R., with the included demand that Mikhail Gorbachov resign from office. If the Soviet President were to attempt to crush this strike by force, there would be an immediate danger of civil war. The political heads of the eastern European reform movements should jointly take the Triangle program and present it to the West.

Tennenbaum added that there already exist elaborated proposals in Poland, for example, for the construction of new stretches of high-speed railway, and all that is lacking now is the political commitment and the credits to implement them. Responding to a question about the feasibility of a modern telecommunications system in Poland, Tennenbaum

declared that the Gulf war has just demonstrated how such a system can be mobilized very rapidly; if the politicians decide they want it done.

### **U.S. economic decline**

As for the situation in the land of the "victorious power in the Gulf war," the United States, Webster Tarpley—identified as "the LaRouche campaign's shadow secretary of state"—provided insight into the internal collapse of that country after 25 years of wrongheaded economic policy. Virtually nothing is left of the mobilization of American industry under Presidents Roosevelt and Kennedy, Tarpley said. President Johnson's "post-industrial" policy orientation in 1964 was the first great setback, and today, after years of rampant speculation in the banking sector, the United States is for all intents and purposes bankrupt.

It is on this basis that the Americans' induced war psychosis developed—the ideology of "Rambo against the rest of the world." The reality, on the other hand, is the collapse of industrial regions which once led the world, such as the Great Lakes region and New Jersey, into piles of rust. The reality is the drought in California caused by the lack of water supply systems, the homelessness of 5-6 million Americans, the fact that American workers' real wages are currently below 1966 levels, and the fact that almost all of the country's 14,000 banks are on the brink of collapse. In this situation, the United States is reverting to a policy of blackmailing other countries in order to force them to make up for the U.S. deficit. The Gulf war, Tarpley said, has much to do with this extortion: It is the nature of Bush's new world order.

In remarks concluding the conference's first day, Helga Zepp-LaRouche emphasized that the real task is to finish the uncompleted revolutions in eastern Europe, and to defeat the "structures of sin," the economic policies of the banks in London and New York's Wall Street. But, she warned, it is a race against time, since there is very little latitude left to avert the collapse of the world economy, and along with it, the danger of a new world war.

### **'No' also to the Kremlin's new order**

On the second day of the conference, discussions concentrated on the reforms in the former East bloc. A panel composed mostly of representatives of the East European institutions attending the conference showed that there will be no let-up in their struggle for liberation from the Kremlin. While the independence movements in the three Baltic republics—Lithuania, Latvia, and Estonia—are willing to cooperate with the neighboring Russians, they wouldn't make concessions to the power structure controlled by the Kremlin. "We want to extend our hands for cooperation to the Russians," a Latvian representative said, "but the hands will be extended across a recognized border between our states."

This was said in response to a Russian conference guest,

a former Soviet diplomat with a 25-year record in the Kremlin's service, who had charged the Baltic movements with "grave tactical mistakes," alleged discrimination against the Russian minorities (including the Soviet Army stationed there), and presented other arguments that seemed to be borrowed from the mouth of Gorbachov and the KGB.

The debate also showed clearly that in the formerly socialist East, people are following the war events in the Persian Gulf with great concern. The West's military adventure in the Gulf has led to a flagging of interest in progress and consolidation of the still young democracies in the former East bloc, and therefore fears were expressed by the Poles and Czechs, for example, that they could once again lose their newly won freedom.

One guest from Czechoslovakia voiced strong criticism of the International Monetary Fund (IMF), which, following Czechoslovakia's joining that institution, has already been wielding considerable influence in its domestic economic policies through political measures. Just as Moscow had done previously, now it is the IMF which is dictating the course of events. It became clear in the course of presentations from guests from the Baltic and eastern European countries, that if this is a new world order, then it will find no friends in the great majority of eastern Europe's population—irrespective of their inclination, otherwise, to orient toward the West. Presentations by Czech, Hungarian, and other East European representatives especially addressed the problematic course of the post-communist economic reforms which have so far produced a classic "scissors crisis"—western levels of high consumer good prices, but a continuation of low eastern levels of incomes. The degeneration of the first reform impulse of late 1989 over the past year, has made western economic practices highly unpopular in the East, including the eastern part of the newly unified Germany.

A return (as the Kremlin clandestinely hopes and works for) of eastern Europe and the three Baltic states to the previous system of Five-Year Plan economies, run under the control of Moscow, would be totally unacceptable, however. For those who liberated themselves from the "old world order" of the Kremlin, the "new world order" of the Anglo-Americans is not at all attractive, and those who oppose the liberal economists of the West, don't see the alternative in the new chaos produced by Gorbachov and the KGB under the guise of "controlled economic reform." This is why the interest in the LaRouche "Triangle" concept has grown very deep in eastern Europe over the past few weeks.

*EIR* published a book-length report on the Triangle project in the German language in 1990. Extensive extracts of the program appeared in *EIR* magazine last year, including: "The economic geography of Europe's 'Productive Triangle,'" No. 31, Aug. 3, 1990; "Toward a renaissance of nuclear energy in Europe, No. 32, Aug. 10, 1990; "High-speed railroads will transform Europe's economy," in Nos. 34, 35, and 36, (Aug 31, Sept. 14, and Sept. 21, 1990.)

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## Documentation

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*This declaration was voted up on March 3, 1991 by 100 citizens from Germany, in particular from the new German states, from Hungary, Czechoslovakia, Poland, the Baltic states of Lithuania and Latvia, Russia, Armenia, Bulgaria, Croatia, as well as from Sweden, Denmark, France, Italy and the U.S.A., who took part in the Schiller Institute conference:*

Europe had hardly won its freedom in part when the old continent was confronted again with new dangers. The Gulf war, in which hundreds of thousands of people died, was used by Moscow, to renew its repressive policy against the Baltic states. As a result of the lack of economic development, the chance for completely reshaping East-West relations was lost. Now, huge amounts are supposed to be paid for the costs of the Gulf war, which are urgently needed for the reconstruction of eastern Europe.

Following the failure of communist planned economies, there are aggressive attempts being made by liberal capitalism to occupy the vacuum in eastern Europe and the former G.D.R. The result is economic devastation, without any new productive firms growing. The ruin of developing countries and the deepening economic depression in the English-speaking world make clear that the system of Adam Smith is no more capable than that of Karl Marx to provide a solution to the economic misery of eastern Europe.

What is required is a "grand design" of European policy, which not only masters the task of reconstruction but simultaneously contributes to world development and peace. Such a plan is Lyndon LaRouche's proposed "Productive Triangle" program, which foresees the construction of infrastructure Europeanwide, including the territory of the Soviet Union. It is a plan for peace in Europe through development.

We call on the governments of eastern and western Europe, to make the "Productive Triangle" program the centerpiece of their government policy, and to make their intention fully clear, to implement the following crucial measures:

- 1) Construction of a Europeanwide high-speed rail network 12,000 kilometers long for freight and passenger transportation, which links up conventional high-speed trains to the more advanced magnetic levitation technology, and reaches from the Atlantic to the Soviet Union.

- 2) Construction of European waterways, above all, completion of the Main-Danube canal.

- 3) Replacement of the technologically obsolete and environmentally dangerous nuclear plants in eastern Europe and the former G.D.R. with the construction of inherently secure, environmentally sound nuclear power plants, like the HTGR.

- 4) Increase in the percentage of those employed in research and development to at least 5% of all employed. Priority efforts



in the fields of laser and particle beams, fusion and plasma processes, materials research (superconductors, etc.), optical biophysics, AIDS research and manned space travel.

5) A corresponding educational reform, which combines the Humboldtian education ideal with the fostering of creative thinking in the realm of modern natural science.

6) Encouragement of a productive small and medium industrial force (*Mittelstand*) in industry and agriculture through tax incentives and generous tax deductions.

7) Two-tiered credit system: low-interest (2-5%), long-term credit for investment in construction, trade, and production; high-interest credit for non-productive purposes.

8) New credit creation in the form of bonds from European national banks in the order of several billion DM per year, which are earmarked exclusively for productive investment in capital intensive areas, and therefore not inflationary.

A unique historic opportunity, like the one opened by the disappearance of the "iron curtain," demands unusual steps, as, for example, in the F.R.G., the change of Bundesbank laws regarding private credit monopoly.

If Europe's governments actually put this program into effect, they will create the conditions for immense private investments. The numerous unemployed, in part highly skilled labor, can be productively employed once again. The living standard and technological level in eastern Europe would not only reach that of western Europe, but utterly new branches of production would come into being. So, too, on a private economic basis, would a new economic miracle occur.

The realization of the "Productive Triangle" is not only the sole means to reconstruct the economy of eastern Europe and the new German states; it is also the only possibility of putting the peaceful transition from totalitarianism towards a free society in the Soviet Union on the right track, without causing civil war.

At the same time, an economic miracle in Europe is the only thing which will pull the world economy as a whole out of the depression and transform the decades-old promise of "development for all peoples" finally into reality.

In place of the "new world order" proclaimed by the Anglo-Americans, which is supposed to emerge from the war, we strive for a just, new economic order, which secures peace, in that all peoples are given the same opportunities for economic and social development. For, development is the name for peace.

*The conference also unanimously passed a resolution that called for LaRouche's immediate release from prison:*

We consider it a loss which mankind can no longer tolerate, that the author of this program, Lyndon LaRouche, is in jail, innocent, as a political prisoner in the United States. We therefore appeal urgently to the Pope and the United Nations Human Rights Commission, to stand up for the immediate release of Lyndon LaRouche.

## France pays price of its mendacity

by Jacques Cheminade

*This has been translated and adapted from an article written for the French newspaper Nouvelle Solidarité.*

After the military phase proper of the Gulf war, we are now entering the economic phase. This will no longer be between the "coalition" and Iraq, but, fundamentally, between the United States and Great Britain, and the rest of the world. Europe will particularly find itself targeted, as François Périgot, the president of CNPF, the French employers' association, has already pointed out.

The most idiotic illusion will have been for France to think it could be assured a seat at the victory feast, by pleading that it contributed its troops to the "coalition" effort. Illusions aside, French President François Mitterrand will receive no better portion than his friend Mr. Hosni Mubarak of Egypt.

The United States will use the lever of its military "success" in order to impose trade and monetary warfare within the Group of Seven industrialized countries, just as it did at the recent "Uruguay Round" of the General Agreement on Tariffs and Trade (GATT). In fact, the American machine is so deeply in the grip of its financial priorities that it can no longer itself produce the substance by which it assures its future; it seeks, hence, to take it from others by economic and military means.

### Economic phase of war

As indicated by an article by Robert Graham in the *Financial Times* of London, which found its way into the French-language *Courier International* of Feb. 21-27, Iraq is being required to ante up somewhere around \$200 billion, the sum of its previous debt plus reparations for war damage. In the language of the *Financial Times*: "The anti-Iraqi coalition has a strong chance of achieving, in conducting economic warfare, the objectives it was unable to attain during battle."

The poor "allies," such as Syria and Egypt, certainly benefited from having some debts canceled, but are unlikely to reap any increase in the infrastructural investments they sorely need to overcome their poverty.

As for the "rich" allies (the Emirs, Saudi Arabia), they

will have to pay the price of their protection, like common grocers to some mafia godfather. Even Saudi Arabia had to borrow \$3 billion on the international markets for this. For his part, Saudi Prince Alwaleed Bin Talal had to make a \$590 million injection into the largest American bank, Citicorp, which is on the edge of failure. Emir Jaber al-Sabah of Kuwait, in turn, will be beseeched to hand over the "reconstruction" of his country, which was flattened by American bombers, against payment, of course, to American corporations.

Who will pay? The countries that have made Kuwait, the United Arab Emirates, and Saudi Arabia "rich,"—wealth siphoned off by the Anglo-American financiers—by paying their bills for petroleum. And which countries are these? Essentially, the non-oil-producing countries, which means continental Europe and Japan.

### French economy in free fall

Already, France's industrial production is in a free fall. Between September and December—i.e., in four months of the military buildup in the Gulf—French overall industrial production fell 4.8% and its manufacturing production 6.4%. The INSEE index of industrial production, where 1985=100, fell from 113.5 in October to 111.2 in November, and 109.6 in December. Even this figure may be deceptively high, as it factors in the energy sector, which leaped upward because temperatures were below the seasonal average. The rollback of purely manufacturing production (outside of energy) is even more significant: From 113.6 in September and October, the index plunged to 106.3 in December.

The contribution of overseas trade to growth became, at the same time, negative. Already weakened, French industrialists were struck full force by the drop in the dollar, which reduced their export competitiveness, and which the Bush administration used as a means of cutting into markets at the expense of Europe and Japan. Hence, France's balance of trade in January registered a deficit of close to 10 billion francs, about \$1.1 billion after seasonal adjustments. The balance for manufacturing goods alone was the most weakened, with a deficit of \$1.80 billion.

The indirect cost of the American war can be easily understood in economic terms, where it is translating into a strong drop in business profits and an increase in unemployment.

In gross figures, unemployment rose 1.4% in one month (0.4% seasonally adjusted). More significant, the average length of time spent before finding a new job is now 216 days—10 days more than it was one year ago. Finally, the number of days compensated for part-time unemployment witnessed an explosion which indicates the breadth of the crisis: They increased a whopping 232% above last year.

In budgetary terms, the rollback in production will translate into disaster. In fact, the "direct" cost of the war (\$1.9-2.2 billion, of which \$1.1-1.3 billion is for the army) is not the most important. It is rather the fall in the tax revenue

base, due to the declining profits of companies, and to enormous deficit of the French Company for Export Aid and Credit, (Coface), which was forced to back up unsettled or non-performing Middle East contracts, which makes up the highest real cost. This is estimated at least to be \$4.76 billion.

The money has to be found somewhere—whence the debate between Finance Minister Pierre Bérégovoy, who wants to cut spending, and others, who would rather have a "war tax" or a "forced loan."

### Wage-gouging

In reality, as we see in the case already with Air France—but also with Air Inter or the banks—it will be blue collar workers who will foot the bill for the stupid decisions of their government. The decision has been made not only to freeze wages for 1991, but also to limit benefits paid out to hourly workers for short work to \$1.96, no matter how much or how little the government compensates them. (Note that the cost of living in France is marginally higher than in the United States.) "Socialist" businessman Bernard Attali, brother of presidential economic adviser Jacques Attali, refuses to give any more under the pretext that "national [government-owned] companies have not adhered to the 1968 convention," which stipulated that the employer had to pay 50% of the previous hourly wage in compensation for jobless hours when workers were given short work.

Hence, after 10 years of Mitterrand's presidency, the wage-earners will take it on the chin for a morally inadmissible and politically unjustifiable war. But the worst is not what will have been lost, but what ought to have been gained.

One year ago, France and Germany, in the spring of 1990, were facing the prospect of a twofold "Marshall Plan," to invest in the futures of the newly freed countries of Eastern Europe as well as in the countries of Africa and West Asia.

Today, these opportunities are fast slipping away. In the East, the Soviet Union is once again the prey of its demons, and the military is claiming its own, while a large part of the American and French troops were pulled out of the European theatre. In the South, the countries of the North African Maghreb are building up resentments against France, and the rest of Africa is beset by economic and health disasters. So many responsibilities have been abandoned, so many markets lost.

In this morass, the last straw for any French patriot is to see French Budget Minister Mr. Charasse pat himself on the back for the \$1 billion gratuity the Emir of Kuwait wished so much to bestow on France after Prime Minister Michel Rocard's visit. "Worse than a mistake, a failing," a major French business newspaper, the *Tribune de l'Economie*, had to acknowledge.

What a farce: A country whose government does everything to lose its influence in the world, receives, as compensation for its terrible lack of seriousness, 30 pieces of silver from a lackey of Washington.

# Malaysia's Mahathir fears U.S. may use force to back up economic aims

by Lydia Cherry

Malaysian Prime Minister Mahathir bin Mohamad, in a speech delivered in Bali, Indonesia March 4, called for intensive collaboration among developing sector nations. He discussed in detail his proposal for the "East Asian Economic Group" (EAEG), an initiative that has been severely criticized by the United States since the idea was announced last Dec. 10. Such "creative" collaboration, he explained, "must go beyond our ASEAN subregion, beyond the region of Southeast Asia, beyond East Asia, even beyond the Pacific region." He made clear that the stakes were very high, because the United States is not beyond using military force to back up its economic intentions.

Although Dr. Mahathir, in the lengthy speech, never mentioned the Anglo-Americans' destruction of Iraq, he left little room for confusion. "There are a host of problems for the world arising out of the structural weaknesses of the world's biggest economy and biggest debtor nation, the United States. . . . There is the sole American giant, with immense problems at home and no longer driven by the imperative of the Cold War abroad. We must surely expect a more demanding United States."

Just in case anyone has missed the point, he became more explicit: "We see a situation today of a dramatic rise in the political, diplomatic, and military clout of the United States and a severe erosion in its economic position and welfare. We can expect the application of that enhanced political, diplomatic, and military clout to shore up the economic position and to enhance the U.S. economic welfare. The increased pressures will be political and social as well as economic. Military adventures cannot be excluded."

Dr. Mahathir has established a reputation as being one of the most trenchant critics of the Anglo-American policy of keeping the underdeveloped nations in perpetual backwardness. He heads an Islamic nation in which, two decades ago, the poverty rate was 49% of the population; last year it was measured at 15% of the population. He often explains that Malaysia must strive to become a developed country at par with those of Europe and North America. In his Bali speech, however, he made clear that this vision was not just for his country.

"We must of course be aware of our limited weight in the international arena," he said, noting that "there is every reason for humility. But the corruption arising from a sense of powerlessness is as bad as the corruption of power. If we do not in our own modest ways try to shape history, then we must not bemoan our fate later." On two different occasions in the speech, he quoted Thucydides' Conclusion: "That in the affairs of states, the strong will demand what they will and the weak must yield what they must." The prime minister insisted that "We must work together to make sure that the United Nations is reinvigorated and will serve to deny this Conclusion."

About his East Asia Economic Group initiative, he noted that, because of the group's market size alone, "the EAEG will be listened to. But it will also have the knowledge, the technology and the skills which can become bargaining counters. . . . Membership of the Group by developing countries should serve to remind the other members of their responsibility to the developing world. A concerted effort can then be made to boost the economic growth of the weaker members."

Under Mahathir's proposal for EAEG, the six countries of the Association of Southeast Asian Nations (ASEAN)—Malaysia, Thailand, the Philippines, Singapore, Brunei, and Indonesia—would add to their ranks Japan, China, South Korea, Taiwan, Hong Kong, Vietnam, Cambodia, and Laos. Mahathir's proposal from the outset was in contradiction—and clearly intentionally so—to the existence of another Asia-Pacific economic group, in which the United States, Australia, Canada, and New Zealand play leading roles. The Anglo-American-controlled "Asia-Pacific Economic Cooperation" (APEC) came into existence in 1989. APEC officials met in Seoul during the same week as ASEAN convened in Bali, and it is expected there was discussion on how to sabotage the Mahathir plan. Thailand's *Bangkok Post* reported officials saying that the United States wanted to develop APEC into a broader cooperation meeting including regional security issues, adding that the Soviet Union, Mexico, Peru, and Chile sought to take part in the APEC also.

Two days after Dr. Mahathir delivered his speech, U.S.

Ambassador to Japan Michael Armacost, also in attendance at the Bali meeting, slammed the proposal. As reported by the March 7 issue of the *International Herald Tribune*, Armacost said the plan could fan disruptive economic rivalry between Japan and the United States. Armacost said that the formation of the group would "diminish" the Asia Pacific Economic Cooperation forum, which includes the U.S., Canada, Australia, and New Zealand as well as East Asian nations. Armacost also said that the U.S.-Canada Free Trade Agreement had reduced obstacles to trade between the two countries "without creating a single new trade barrier for outsiders." He said that the Asia Pacific region would remain the dominant trading area for the United States. Armacost stated that his comments had been approved in Washington.

When asked, Dr. Mahathir will explain quite directly that "Malaysia's views were not sought" by President Bush when he announced Feb. 5 that the U.S., Mexico and Canada will pursue a free trade agreement. Likewise, he explained, he didn't plan to consult with America over his brainchild, according to the *Bangkok Post*. Malaysian officials, however, have spent numerous occasions trying to talk rationally to the Bush administration. Clearly it hasn't been easy. Malaysian daily, the *New Straits Times*, for example, on Feb. 9 quotes Vice President Datuk Abdullah Admad Badawi: "U.S. interference will not be in its interests. . . . I think the United States should stop playing the role of trying to supervise everybody. . . . Why should the United States try to sabotage Malaysia's genuine efforts to help achieve this objective especially when countries in the Far East are responding positively to Malaysia's initiative?" he asked.

The Malaysian Islamic Youth Movement, quoted by the same newspaper, was even more direct: the U.S. attempt to undermine the formation of EAEG once again reflects America's "arrogance."

### **Enthusiasm from neighbors**

Early on, the bloc idea made sense to fellow ASEAN countries, especially Singapore's new Prime Minister Goh Chok Tong, who seems to be pushing the idea almost as strongly as is Mahathir. South Korea made its position known on Feb. 20, when South Korean Ambassador to Malaysia Hong Soon-Young welcomed the plan. "We need such a grouping to increase regional trade and regional peace," the Korean ambassador said. He made the remarks after delivering a talk on "Korea and Malaysia in the World Community" at a Rotary Club meeting in the Malaysian capital, Kuala Lumpur.

The government of the Republic of China in Taipei has also expressed support for the plan. The Ministry of Economic Affairs announced Feb. 20 that it supports "the spirit of the Malaysian proposal." The ministry noted that the Asia-Pacific region was the fastest growing economy in the world in the 1980s, but that it has not yet become as fully integrated as other regions. If the Malaysian proposal could provoke an

Asian "sense of togetherness" and strengthen cooperation, it would be "good news," Taipei news service CNA quoted the ministry.

### **ASEAN must contribute to peace**

Dr. Mahathir in his Bali speech, hit the tactics of the industrialized countries: "The countries of Europe and America have a reputation for economic arm-twisting, though not always by governments. Thus 'human rights' records, trade unionism, exchange rates, media treatment, environmental protection, 'democratic practices,' and a host of other issues are used for the suppression of the economic growth of potential competitors. The action taken against the so-called NICs [newly industrializing countries] are illustrative of this. Alone and bereft of friendly support, these countries are not in a position to even protest. Indeed open protest might invite even more severe punitive pressures."

The Mahathir speech was clearly a call to "batten down the hatches" in light of upcoming world turmoil. "Our world cannot afford two generations of turmoil. And ASEAN must contribute to the collective peace, through balanced economic development worldwide," he said. He noted the severe economic recession in the United States, in Canada, in Australia, New Zealand, and the United Kingdom, "democracy and the free market notwithstanding." "We would be foolish to predict our future on a vigorous and fast growing world economy," he notes. He predicts that real commodity prices will continue their downward trend and will offer no relief to heavily indebted developing countries that are still dependent on the exports of agricultural and other raw materials. "The global debt crisis too will not go away."

### **The situation in East Europe**

The situation in the East bloc is even less optimistic, he said. "We must expect continuing and serious instability in the previously tightly controlled states of the Soviet Socialist Republics and Eastern Europe." About East Germany's moves toward democracy, he noted: "In espousing democracy and free enterprise, nations are finding that it is easier to declare the intention, or to overthrow authoritarian regimes even, than to obtain tangible benefits from democratic freedom and the market economy. . . . It is easier to overthrow allegedly corrupt governments than to materialize a government than can rehabilitate the nation. Democracy must not be an end in itself! . . . To succeed, democracy has to become a culture of the people. Its shortcomings must be recognized and accepted and circumspection must be applied to it as with every system of government. The universal acceptances of liberal democracy are to be welcomed, but the dividends can only come if we appreciate the need to organize and arrange a system that will replace confrontation. There will be no dividend if in the affairs of nations the Thucydides' Conclusion still apply: 'That the strong will demand what they will and the weak must yield what they must.' "

# Tokyo braces for new round of Japan bashing

by Jeffrey Steinberg

*The author just returned from a two-week tour of Japan, where he lectured on the Gulf war, and met with Japanese political and business leaders.*

Although both houses of the Japanese parliament have passed the \$9 billion aid pledge to the United States to finance the just-ended Gulf war, the prevailing view in Tokyo is that relations with the Bush administration are about to take a turn for the worse. The *Sunday Mainichi* of March 3 bluntly observed: "The voices of those who say the end of the Gulf war will herald the beginning of a war between the U.S. and Japan are growing louder. This time, however, the war will not be military, but economic."

The same week, the *Yomiuri Shimbun*, Japan's largest daily newspaper, editorialized: "U.S. dissatisfaction with Japan's response to the war, combined with the economic recession, has caused more complex economic problems than ever before between the two nations."

Privately, Japanese business and political leaders are even more worried. Some admit that the war was not about Kuwait, but about control over the flow of Mideast oil and other raw materials; and that the American-led action was directed as much against Germany and Japan, the United States' two great perceived economic rivals, as against Saddam Hussein.

The Japanese elites recognize that the \$14 billion pledged so far to the American Gulf adventure is merely a down payment on a long-term mortgaging of Japan's resources to Pax Americana. When this author predicted to several leading Japanese think tankers that Ambassador Michael Armacost would be back again on April 1 demanding the next installment of money to finance the latest U.S. military adventure, they agreed without hesitation. In effect, Japan is being asked to finance a war that was directed in large measure against Japan itself.

The latest \$9 billion payout to the Bush war chest came close to bringing down Prime Minister Toshiki Kaifu's government. After weeks of behind-the-scenes deal-making, the ruling Liberal Democratic Party reached an agreement with the two largest opposition parties, the Buddhist Komeito Party and the Social Democratic Party. In return for their votes for the \$9 billion pledge in the upper and lower houses of parliament, the LDP agreed to take some of the costs of the pledge out of Japan's defense budget, to hold off on any new personal income taxes, and to support a joint candidate

with the two other parties in the upcoming elections for the governor of Tokyo Prefecture.

Although the deal forestalled a government crisis, it also signaled that Japan's ruling elite is not ready to take on the Bush administration. Rather, it appears that Japan will continue to placate the Americans while attempting to blunt the impact of the ongoing extortion and economic warfare against the Japanese economy. In intelligence parlance, this is called "damage control."

## Global Infrastructure Fund

Some of Japan's leading industrial groups continue to push an alternative policy, far more in keeping with their long-term economic and security interests.

On Feb. 28, the *Japan Times* gave prominent coverage to an upcoming international conference in Tokyo of the Global Infrastructure Fund, a plan launched in the late 1970s by the Mitsubishi Research Institute. The GIF plan calls for a series of large-scale infrastructure development projects, like the Kra (Thailand) and Second Panama Canals, and massive fresh water and hydroelectric development in Central Africa, Egypt, and South America. Under the terms of the GIF proposal, an annual development fund of \$13 billion would be put up by the major industrialized and oil-producing countries to transform the world's infrastructure and fuel economic growth on a global scale.

In September 1990, the Japanese government formally endorsed the Mitsubishi Research proposal and set up the GIF Research Foundation. GIF research director Norio Yamamoto told the *Japan Times*, "GIF's macroprojects should be carried out as a crash program, just like the U.S. Apollo Program in the 1960s." The article continued, "Yamamoto said the proposed GIF fund should be separate from existing international organizations, such as the United Nations and the World Bank, because these bodies have become a scene of international conflicts of interest and are unsuited for the GIF philosophy."

Yet, there are no signs that the Japanese are about to make a serious intervention to force the plan into implementation. One critical test of Japan's willingness to change the rules of the Anglo-American-rigged global game is the upcoming summit meeting between Prime Minister Kaifu and Soviet President Mikhail Gorbachov on April 16-18. Moscow is desperate for infrastructure development, a point at least temporarily grasped by Germany's Chancellor Helmut Kohl when he met with Gorbachov last summer in Moscow. Kohl pledged German long-term economic assistance; in return, Gorbachov dropped resistance to rapid German reunification. The Gulf events blunted the potential of that Kohl-Gorbachov accord. But the idea has been around for a century, that a European-Russian-Japanese economic development alliance could form the core of a new world economic order that would bring genuine peace and stability to the world.

# Chicago heartland being destroyed to 'please bond-raters out East'

by Brian Lantz

The imminent demise of Chicago, once the "workshop of the world," is a sad matter to consider. Chicago is the soul of the "American Heartland." Without it, the United States as a productive economy can't work. A beautiful city set by Lake Michigan, Chicago has served for a century as the link between West and East, a scientific, industrial, transportation, and processing hub. But for two decades, Chicago has been sliding down the slippery slope of the Second Great Depression. Two and a half decades of "post-industrial" kookery and flea-market speculation mean that without a major shift in the policies of our nation, Chicago, last of the great American cities, will be gone.

According to 1990 U.S. Census figures, Chicago has lost 7% of its population—225,000 people—in the last decade. With junk bonds displacing steel in the U.S. economy, at least 130,000 Chicago manufacturing jobs were lost. The evidence is everywhere evident: the vacant Southworks steel facility on the Southside, once the largest in the world; empty railyards; and the homeless, 35,000 souls by city estimate, including 11,000 women and their children. Black and white Chicagoans, if they can afford it, flee this brutish environment. The city has lost 1 million people since the 1950s.

As Chicago's remaining business and industrial base crumbles under the current depression, so goes the city's revenue base. Sears, Roebuck and Co. has announced 9,000 additional layoffs, bringing the total to 33,000 over recent months. The Sears Tower, famous as the world's tallest building, is now up for sale. Midway Airlines, anchor to Chicago's Midway Airport, has halted aircraft loan and lease payments. Some 5,700 employees are holding their breaths in anticipation of cutbacks.

Real estate isn't doing any better. The Chicago "office bust" has created a soaring occupancy rate in downtown. State Street, the center of Midwest commerce, now features vacant storefronts. The housing stock of the city *dropped* an estimated 5% last year. In sections of the formerly industrial Southside, arson is becoming the preferred means of disposing of heavily mortgaged property. Following the national pattern, almost every real estate developer is in trouble. First National Realty and Development Co., a major shopping mall developer, faces multiple foreclosure suits. Desperate

Chicago area municipalities are panicking, because they floated public bonds in the 1980s to attract and build these sorts of projects.

## Gambling all on one spin

While Chicago's elite families still fly off to Aspen, New York, and the Caribbean, they are satisfied leaving Mayor Richard Daley in charge. With the old Chicago Democratic machine in shreds, the son of "Boss" Richard M. Daley has turned the city over to Chicago and New York bankers. Instituting a New Age technocratic regime at City Hall, Daley is being relied on to institute budget cuts, "efficiency," and "privatization." Moreover, he is spending in advance state tax dollars he does not have and may not receive. With a gap of \$1 billion between revenues and expenses projected within two to three years, the mayor is gambling everything on one spin of the wheel: a proposal for a third regional airport—in addition to O'Hare and Midway—costing \$5 billion.

Anyone driving down Chicago's streets, or riding the Chicago Transit Authority rail system, knows the city is in an advanced state of decay. But to solve the revenue crisis, Daley is counting on the Lake Calumet Airport project to revive Chicago's Southside and become a magnet drawing new industrial parks and jobs. In the context of Democratic presidential primary candidate Lyndon LaRouche's emergency economic program to finance the reconstruction of the national industrial and agricultural base, a third Chicago regional airport, as part of a rebuilt, integrated transportation grid, makes sense. Under the current economic finesse of Bush Democrats, running the national party, the airport project will crash before takeoff.

## High school dropout rate at 41%

In a city which was home to the World War II Manhattan Project and boasts one of the largest concentrations of colleges and universities in the nation, more than one-half of its high school students now score in the bottom 1 percentile on college entrance examinations. The public school dropout rate stands at 41%, and graduates include a significant number of Chicago's estimated 600,000 illiterate adults.

In the past, many high school graduates turned to Chica-

go's City College system for advancement into skilled jobs and four-year colleges and universities. Today the 80-year-old City Colleges of Chicago system grants diplomas and certificates to only 3% of its students yearly. The system, operating with inadequate plant and classroom resources—including books!—has instead become the educator of last resort in basic literacy and GED high school diploma equivalency classes. While struggling to fulfill this important role in dank basements, storefront churches, and community centers, the City Colleges system has become a shadow of its former self. Part-time faculty are paid \$12 an hour and have no health insurance benefits.

Even the current anemic funding levels of Chicago's schools are now dependent on an as-yet-unrenewed 20% state income tax surcharge. But Illinois Gov. Jim Edgar has announced that public schools will get even less, due to the emerging state budget crisis. More ominously still, property taxes, which have served as the basic funding source for Illinois schools, will be "capped" this year—the California "Proposition 13" treatment of a decade ago. To make ends meet, the Chicago school system's building fund and teachers fund have been looted to pay teachers' wages. The Chicago schools are already selling 14-22 year maturity "college bonds" to raise current operating funds.

### **Exploding AIDS cases, prison population**

To round out this unforgiving picture, the plight of social services was ignored in the recent city election campaigns, contributing to the lowest voter participation since 1971.

- Eleven percent of Illinois citizens receive financial assistance, the largest number since the Great Depression. The number increased by 12% in 1990 alone. Illinois' new governor has only in the last days made public \$1 billion in required budget cuts, including in General Assistance. General Assistance pays \$165 a month per person, enough to provide "cigarettes, food, an occasional hotel room, and clothing."

- A dozen Chicago hospitals have closed during the 1980s, victims of chiseling Medicare reimbursements that drove hospitals into the red. With the AIDS epidemic out of control, Cook County hospital, the Chicago area's main hospital for the poor, is threatened with \$90 million in Medicare and Medicaid funding cuts. The reason: an antiquated facility without even minimal fire safety systems.

- The Illinois prison system led the nation in 1990, with a 21% jump in the prison population. State officials project that 13 new prisons would be required to handle this spiraling result of societal breakdown. In Cook County (Chicago), the jail currently houses 1,100 inmates on the floor. Such figures mirror the fact that the United States currently incarcerates more of its citizens than any other nation in the world.

Governor Edgar had made his position clear: "The budget that I propose . . . will answer the questions of the bond-raters out East. . . . It will not please a lot of people here in Illinois."

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## South America

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# IMF policies cause holocaust of disease

by Cynthia R. Rush

Although the Peruvian government has announced that "only" 54,000 people are infected with cholera, experts from Peru's own Health Ministry are estimating that the real figure could be as high as 150,000. In the northern coastal city of Chimbote, where the first outbreak occurred, a second wave of the disease is sweeping the city. Bishop Luis Bambarén reports that there are 500 new cases per day there, and over 100 deaths—compared to the government's report of 250 deaths nationwide. Two hundred cases of malaria and 50 cases of a relatively new and painful infectious disease known as uta have also been reported in the same area. In the port city of Callao, near Lima, there are 60 new cases daily, up from an average of 23. The Peruvian press is reporting that the disease is now "uncontainable."

Initially restricted to Peru's coastal areas, cholera has now crossed the Andes Mountains and reached the inland jungle city of Iquitos, where 11 cases have been reported. Iquitos is just a few hours by ship from the Brazilian city of Tabatinga in the Amazon, and Brazilian Health Minister Dr. Alcení Guerra has admitted that Tabatinga could be the disease's port of entry into Brazil. Twenty cases of cholera have also now been reported in Ecuador, to the north of Peru, most likely carried there by Peruvian fishermen. Ecuadoran Health Minister Plutarco Naranjo denied that these cases constituted a national emergency—"at least not yet."

The Feb. 18 issue of the Peruvian magazine *Caretas* reported that cholera is really the "eighth plague," appearing in the wake of seven others, including dengue fever, malaria, yellow fever, Chagas', tuberculosis, and uta. Tens of thousands of people die of these diseases each year.

Why Peru? Bombs have not fallen there the way they have on Iraq. But the destruction produced as a result of years of the International Monetary Fund's austerity policies very much resembles what's left when the bombers get through. IMF-dictated budget cuts and "adjustment" programs imposed by the free-marketeers who think paying the foreign debt is more important than protecting human life, have devastated infrastructure, energy resources, sanitation, and health services, making it impossible to prevent or adequately treat cholera or any of the other diseases.

In 1980, per capita calorie consumption in Peru was 1,600 daily. A decade's worth of neoliberal economic austerity has lowered that figure dramatically, making the malnourished population even more vulnerable to any disease. Only 55% of Peru's houses have piped drinking water, and only 48% are served by sewage systems. Cholera has spread quickly because untreated sewage carrying the bacteria flows into Lima's inshore coastal waters, contaminating water and fish which are, in turn, consumed by humans. Fifteen cubic meters per second of untreated sewage pours from five large outlets around Lima into these inshore waters.

"Such an epidemic of a preventable disease augurs ill for the future welfare of Latin American countries like Peru," London's *Financial Times* reported on Feb. 28, noting that all these nations "have sustained a decade of large public spending cuts and collapsed infrastructure."

In Peruvian jungle towns like Tingo María, where there are no funds for spraying the mosquito that carries dengue, local authorities have resorted to training school children to search out and physically destroy the mosquito larvae instead.

### **An evil policy**

Despite Peru's poverty and the destruction of infrastructure, President Alberto Fujimori is committed to imposing the same IMF economic policies, so anxious is he to please foreign creditors. Desperate to give the impression that the epidemic is under control, and to encourage Peru's trading partners to start buying its exports once again, Fujimori and his wife ignored the warnings of several Peruvian and international experts and produced television ads in which they both consumed raw fish, and told citizens it was safe to do so. Raw fish is a key ingredient in many traditional Peruvian dishes, and is one of the means by which cholera is being transmitted.

Dr. Eduardo Ayala Bravo, chief of epidemiology at the Daniel Alcides Carrión Hospital in Callao, blames Fujimori's propaganda for the increased number of cases. "People believe these authorities' reports," Dr. Ayala Bravo complained angrily, "and no longer follow the Health Ministry's recommendations, consuming raw fish with abandon, without following even the minimal norms of hygiene. Now, all the prevention campaigns and efforts we've made and expense we've incurred to try to control the disease have gone to the devil."

If Fujimori's actions are the result of criminal stupidity, the U.S. government's behavior represents something even worse. The Bush administration knows full well that its policies mean genocide for Peru, yet it insists that the Fujimori government will only be deemed creditworthy if it adheres strictly to the IMF's austerity regime and adopts Bush's free market "anti-drug" policies—which are no anti-drug policies at all. Washington has just announced that it will hold up a \$94.9 million assistance package for Peru,

charging that the Fujimori government has not acted aggressively enough to curb the drug trade. Sixty million dollars of that aid package—a pittance in terms of what Peru actually needs—was economic assistance intended for a variety of purposes.

The March 6 *Christian Science Monitor* reported statements by Norman Gall, executive director of the São Paulo-based Fernand Braudel Institute of World Economics, who predicted that the foreign aid sent to Peru to help with the cholera epidemic won't be enough to save the region as a whole. "People are writing off the Third World," Gall said, "and these countries have to help themselves to gain credibility. Only then may, I repeat, may they get some outside help."

### **No country is safe**

Virtually no Ibero-American government is equipped today to provide proper treatment and services to those who become ill—let alone to prevent diseases from breaking out. A recent occurrence of malaria in the Pacific coast region of Colombia was attributed by health authorities to the fact that mosquito-spraying programs had been suspended six months earlier. The collapse of Ibero-America's urban infrastructure is causing outbreaks of tuberculosis, leprosy, meningitis, dengue, and malaria.

Baldur Schubert, president of Brazil's National Commission to Combat Cholera, admits that it will be difficult to prevent cholera's entry into his country. It was hoped that the Andean Mountains would have served as an obstacle to the disease's transmission inland to Iquitos; since this failed, there is every likelihood that it will quickly move through the Amazon region, to the port of Manaus, probably borne by human carriers into Brazil's impoverished Northeast, where it will spread rapidly. Two suspected cholera cases have already been reported in the industrial center of São Paulo.

On March 1, the director of the Pan-American Health Organization, Dr. Carlyle Guerra, warned from Guatemala that cholera is now moving toward Central America. "It's necessary to underscore that the poverty and unsanitary conditions which exist in Peru are similar to almost all of Latin America," Dr. Guerra warned, adding that he is particularly worried about Guatemala, because its severe economic crisis has devastated health infrastructure.

The Mexican newspaper *La Jornada* on March 2 charged editorially that with an epidemic of a "medieval" disease such as cholera, "the last decade doesn't represent 10 years of misery and looting, but 100 years of backwardness. Cholera, as a disease of the last century, tends to express that crude reality."

*La Jornada* placed the blame for this crisis squarely on the industrialized nations' banks and financiers, who squeeze capital out of the underdeveloped sector for debt payment, but who "haven't wanted to give the importance required to our nations' great social problems, including public health."



# Thirty states listed in critical condition

by H. Graham Lowry

Even the "best case" scenarios currently proposed for the collapse of state and local budgets now presume a worsening depression. The National Governors' Association has put 30 states on the critical list, and the remedies entail hideous suffering under prevailing policies.

New York Gov. Mario Cuomo's administration released a report March 1 predicting multibillion-dollar budget deficits for years to come. The Empire State of New York is plunging into the dark ages, and Cuomo has presented a budget for 1991-92 which accepts that fate. His revenue projections assume that another 150,000 jobs will disappear statewide during the next 12 months, while private forecasters put the figure at a *quarter of a million!* On performance, even those staggering figures may be off by a million jobs or more. A year ago, Cuomo's experts estimated the deficit for the coming fiscal year at \$1 billion. They now place it at \$6 billion.

The state's once flourishing dairy and farm lands have been flattened. New York City's largely "service" economy was losing 7,000 jobs a month by late last year. Construction has collapsed along with the New York real estate market. Downstate, manufacturing accounts for only 1 job in 10, and just 2 in 10 Upstate. The budget projects that non-agricultural employment will drop nearly 2% this year, as will personal income; but the rate of decline in revenues is already far beyond that.

## Compounding the problem for cities

Cuomo's plan to cut \$4.5 billion from the state budget will only compound the problems at the local level. New York City, slated to lose \$500 million in state aid, now faces a deficit of over \$3 billion, double the figure projected in January. The city's Transit Authority reported Feb. 20 that the transit deficit alone more than *tripled* in the first seven weeks of the year—from \$70 million to \$215 million!

Soaring unemployment and constant fare increases have cut ridership to the point that expected receipts for the year have already been reduced by \$38 million. Transit Authority executive director Mortimer Downey projects that figure, assuming "a mid-range on the ridership loss. . . . If everything went to the downside, it would be a larger number." To make matters worse, Downey has proposed another fare increase, to "more than \$1.25."

The "downside" is virtually guaranteed, since the city already plans to eliminate 25,000 municipal jobs. "In New

York City in particular, there's going to be a much more prolonged feeling of being at the bottom," says Peter Radford of National Westminster Bank. He also expects worsening conditions in the city to result in "something of a population slide," which could lead to a "slump" for years to come.

There is already a terrible human toll. The record homeless population has spread to every neighborhood in the city, and health officials reported March 1 that new cases of tuberculosis rose by 38% last year, almost four times the previous year's rate of increase. New cases among children nearly doubled, and the TB rate citywide has reached 49.8 per 100,000—five times the national average. The rate in Central Harlem was 233.4, twenty-three times the national figure. Much of the increase is among the homeless, but also reflects the spreading AIDS epidemic. Of the TB cases surveyed at city clinics last November, 35% were also found to have AIDS.

## Governor threatens to shut down Massachusetts

In bankrupt Massachusetts, where evictions in Boston rose 10% last year, new Republican Gov. William Weld threatened Feb. 26 to shut down the government for the months of May and June. Weld's monarchical threat came in response to the legislature's rejecting his proposal to force every state worker to take an unpaid, two-week furlough. "I'll tell you one thing," Weld said. The shutdown "will make the furlough plan we put on the table look extremely mild by comparison."

The blueblood bankers' boy also plans to lay off 7,600 state workers, and ultimately cut the \$44 million-a-week Massachusetts payroll by more than half. On top of a three-year wage freeze, thousands of state employees recently were informed by the State Board of Retirement that pension deductions from their paychecks were mistakenly figured below the required level for years. The bills have been sent to the workers to pay for the difference—in some cases more than \$10,000.

Scrambling to impose \$2.6 billion of austerity over the next 15 months, Weld has to deliver almost \$1 billion to the banks by June 30. Debt payments due in February and March alone total over \$470 million. Massachusetts State Treasurer Joseph Malone said Feb. 12 that the state will be out of cash by the end of March if it meets its debt repayments and other bills on time. The *Boston Globe* intoned the next day, "Looming in the background is the continued threat from Wall Street bond rating agencies that the state balance its budget quickly and cleanly or face dire consequences among lenders, who have propped up state finances through three years of deficit spending."

On March 4, the State Senate granted Weld authority to proceed with a "workfare" program for welfare recipients, including mothers with dependent children. It also gave him the power to impose further restrictions on welfare eligibility as he sees fit, and to force nursing home patients under Medicaid to count their own homes as assets in paying the costs.

# Rush to approve Norplant cloaks eugenicist motives

by Linda Everett

On Dec. 10, 1990, the U.S. Food and Drug Administration (FDA) approved Norplant, the long-term implantable contraceptive, for distribution in the United States. While the drug's developers, the Population Council, were celebrating, radio talk show hosts and some newspaper editors were already proposing to have every girl implanted with it at first signs of puberty. Columnist Ellen Goodman complained that this otherwise wonderful drug was being seized by those who want "to cap social problems by getting a lock on the womb."

Norplant represents almost an "ideal" social control technology from the standpoint of the masterminds of the New Age rock-drug-sex counterculture. Any battle to restore a concept of love and morality to sexual activity is given up in advance; youth, especially the socially disadvantaged, who have little hope for a better future, will be encouraged to indulge in drug abuse and sexual promiscuity—because now, society won't have to pay the price of raising the poor and often disabled children who could result from such activity. As an "improvement" on existing contraceptive techniques, Norplant, once implanted, will require no forethought on the part of the woman, no cooperation on the part of the partner, and—in the explicit intentions of certain newspaper editorialists, judges, and the developers of the drug—could leave the issue of conception entirely in the hands of an outside force, an Orwellian "Big Brother."

## Medical safety questions persist

Norplant, which will be marketed in the United States by Wyeth-Ayest Laboratories in Philadelphia, consists of six silicone rubber, matchstick-sized rods which release a continual dose of the synthetic hormone levonorgestrel, an active ingredient in some oral contraceptives. Once surgically implanted under the skin of a woman's upper arm using local anesthesia, the rods become immediately effective in preventing pregnancy for almost five years. "Almost as good as sterilization," boast proponents.

Although a half-million women in 46 countries used Norplant, no large-scale, long-term *independent* study exists. The fact that the Population Council spent 25 years and more than \$20 million to develop and market Norplant, makes it all the more appropriate that an unbiased agency without such an investment take up such a study.

The case of another "revolutionary" birth control product, the chemical abortion drug RU-486, underlines the point. In their rush to support it, the American Medical Association, Planned Parenthood of America, and a host of feminist and depopulation groups as well as several city governments and leaders all propagandized the deceptive study results and misrepresentations of its French developer, Roussel-Ulcaf. But after its own studies, the French government sent out warnings to all health facilities regarding the deadly dangers involved (which will be the subject of an upcoming *EIR* article).

Even the National Women's Health Network, a feminist pro-abortion group of 500 member organizations, has criticized the FDA for bypassing the normally required pre-marketing surveillance of Norplant's long-term effects. They opposed Norplant's approval because of the lack of data showing its long-term safety in normal use and use in lactating women. The Council did not follow infants exposed to Norplant beyond three years. Nor are the long-term effects for children who were breast fed while their mothers used Norplant known. Has FDA forgotten how diethylstilbestrol (DES), another "approved" synthetic hormone, caused ill effects to thousands of women who used it, and induced cancer in some of their daughters later as well?

Some groups feel that politically powerful environmentalists will force Norplant's use in "overpopulated" countries to "save the environment." There are also concerns that Norplant will not be removed when women demand it, as was reported to occur in one of the pilot projects in Brazil. Also, with doctors notoriously lacking in undeveloped countries and poor areas of the United States, who is going to guarantee that any physician will be available to monitor the insertion or Norplant's side-effects and potential risks of strokes, blood clots, cancer, liver disease, and bleeding? One is also entitled to doubt that health clinics serving indigent women will insist they be thoroughly screened for their medical history before using Norplant.

Indeed, the slipshod neglect of standard criteria in this rush-to-approve by FDA would suggest to very suspicious minds, that proponents of Norplant would not mind getting rid of a few potential "underclass" mothers along with their future offspring.

## Cheap way out

Proposals to use Norplant to temporarily sterilize welfare mothers, drug or alcohol abusers, or teenagers, which cropped up in the *Philadelphia Inquirer* and the *Virginia Roanoke Times and World News*, and elsewhere, all focused on a quick, cheap way out of solving social problems. Thus, when a California judge orders a woman convicted of child abuse to use the implant for three years as a condition for probation, he is really saying society has no intention of helping her, but “offers” the “choice” between forced contraception or four years in prison. Debt-strapped states are considering similar “offers” for women needing costly social programs states intend to cut.

Oregon’s State Task Force on Pregnancy and Substance Abuse, which identifies women with drug-affected babies for treatment, seeks less “financially demanding” pilot projects using Norplant, surgical sterilization, and the chemical abortifacient RU-486. Drug- or alcohol-affected babies make up 8-11% of the 40,000 children born every year in Oregon and are considered “a massive financial cost.”

Jackson Memorial Hospital in Miami is exploring the use of Norplant to cut the number of drug-addicted or premature infants “jamming” its neonatal intensive care unit. Jackson has over 18,000 births a year, the majority of which are to women unable to pay or who are on Medicaid. One hospital director, Peggy Bieley, said the program would save millions of dollars. The Dade County Public Health Service is also considering a similar program.

In Kansas, Republican state legislator Kerry Patrick introduced a bill to pay a \$500 incentive to any mother on welfare who uses Norplant—the same proposal made by the *Philadelphia Inquirer* in its recent controversial editorial. Patrick, who has profiled himself in the past as “pro-life,” said it costs the taxpayers of Kansas more than \$205,000 to provide basic public assistance for each welfare child from birth to adulthood. “Something must be done to reduce the number of unwanted pregnancies, and this type of voluntary program, where the public welfare recipient is given a strong financial incentive to use a safe, reversible contraceptive device that has a useful life of five years, represents the best way to prevent them.”

All these proposals say the implantation of Norplant would be completely “voluntary.” Think so? Part of Oregon’s health care rationing plan for Medicaid or uninsured patients would assure that services like abortion, sterilization, and contraception are given top priority. But life-saving or life-sustaining medical interventions for premature infants and chronically ill children—as would likely be needed for children born to crack cocaine-addicted mothers—will not be covered.

## Financial coercion

The Population Council cites several organizations such as the Rockefeller Foundation, the United Nations Popula-

tion Fund, and the Population Crisis Committee, which all contributed to the research and development of Norplant. It ought to give pause that each of these groups was involved in Communist China’s horrifying one-child-only program, in which forced abortions (even of late-term fetuses) and sterilizations were central to the “success” of the program. Less overtly gruesome, perhaps, but just as potentially fatal to the life and dignity of the individual, were China’s heavily punitive social and financial “disincentives” to families with more than one baby—where parents faced the prospect that if the forbidden child were born, they would literally not be able to feed it.

Outside China, the Population Council has given such economic coercion an approximation of a “democratic” face—until you look at the real content. The council endorsed programs in Indonesia which rewarded poor couples for not having children, by offering low interest loans (otherwise unavailable) and free trips to Mecca—in some cases the only way they could fulfill the religious requirement of every Muslim to make that pilgrimage during his lifetime.

One member of the Population Council board of trustees, Meechai Viravaidya of Bangkok, Thailand, also plays the card of such economic “incentives,” tantamount to blackmail for credit-starved villagers. In his programs, such as “non-pregnancy farm credits,” if a woman does not get pregnant for the term of the loan, the interest on the loan is cut in half. If the woman is sterilized, the loan is doubled; if the husband has a vasectomy, the loan is quadrupled.

## Nazi roots of the Population Council

All of these repugnant procedures are justified on the basis of the preposterous theory that there is an equation between the rate of population growth and a nation’s “carrying capacity,” independent of economic development. Although most of targeted nations are in fact *underpopulated* from the standpoint of population density—compared to any advanced industrialized country, such as Germany—this has not kept this malthusian justification from being vigorously promoted.

A look at the personnel and history of the Population Council, which brought Norplant into the world, points to the sinister motives behind this scientific fraud.

**McGeorge Bundy**, the self-styled dean of the Eastern Establishment, is the chairman of the Population Council’s board of trustees, and of four of the council’s six committees: the Executive Committee, Finance Committee, Nominating Committee, and Salary Committee. Bundy, as national security adviser in the early 1960s, was architect of the depopulation scheme known as “strategic hamlets” in Vietnam. He went on to head the Ford Foundation, where he funded similar schemes for major U.S. cities, including the “community control” hoax designed to foment race war between black parents and Jewish teachers in New York City during the 1968 teachers’ strike.

The Population Council was founded in 1952 by **John D. Rockefeller III** with several depopulation experts and pre-war eugenicists. Funding from the Rockefeller Foundation, Rockefeller Brothers Foundation, Ford Foundation, and the U.S. Agency for International Development permitted the council to become *the* catalyst in all aspects of international "fertility control."

One of the co-founders was **Frederick Osborne**, then president of the American Eugenics Society. Osborne was the Population Council's first vice president under Rockefeller, and in 1957, succeeded him as president. In the postwar era, eugenics had a bad reputation, and with good cause. Osborne himself had been treasurer of the 1932 Third International Congress of Eugenics which unanimously voted Dr. Ernst Rudin the president of the International Federation of Eugenics Organizations. Rudin was the architect of Hitler's T-4 program and trained the personnel who killed 400,000 mental patients in the first extermination program. If Osborne was not a Nazi, it is hard to imagine who would be.

In no way were Osborne or his wealthy sponsors deterred by the Nazi horrors from pursuing the anti-scientific eugenics ideology under new titles. While setting up Population Council offices, hiring staff, and organizing its demographic and medical programs, Osborne was promoting eugenics in book after book and in speeches before Planned Parenthood conferences. In the preface to his 1951 book, *Eugenics*, Osborne complains that with America's increasing survival rates, "Natural selection by death has almost come to a halt." He wrote:

"The eugenic problem is to find means by which the people with the genetic potential most fit to survive in and contribute to our complicated society will tend to have the largest families, while at the same time those with a poorer genetic potential will have smaller families."

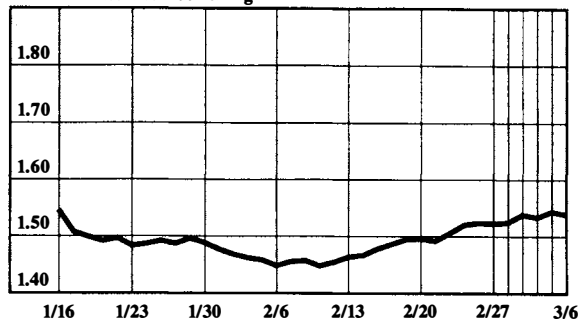
In his book, *Population Control—The Imminent World Crisis*, he reiterated that the "upper level of quality are those men and women listed in *Who's Who* because they achieved something that in our form of society is considered important." The lower levels of quality, he says, are those who are mentally ill, deficient, physically abnormal—and the *poor*, who are bringing about "injurious effects on the quality of the population."

Thus, when the *Philadelphia Inquirer* called for reducing the number of children born into "a dysfunctional family," in its editorial endorsement of Norplant, claiming that poor blacks make up a higher percentage of people who are more or less permanently on welfare, it was merely echoing the Nazi Osborne's complaint of 1962 about "the cost of carrying successive generations of incompetent families on relief rolls." Two years after the Population Council's biomedical research laboratories started research on Norplant in 1966, Osborne was still a board member of the Eugenics Society. Their 1969 meeting focused on . . . *the genetic aspects of race*.

## Currency Rates

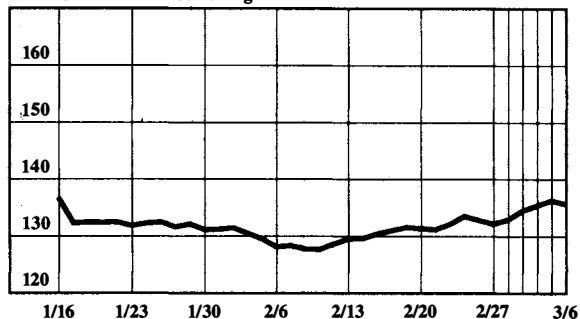
### The dollar in deutschemarks

New York late afternoon fixing



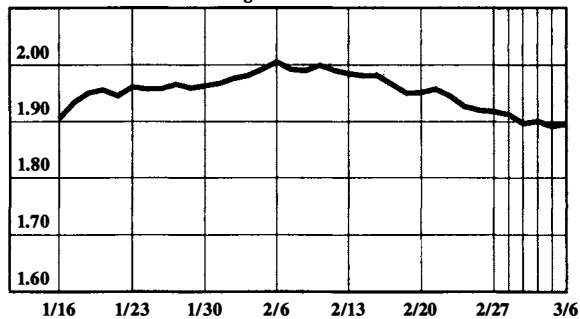
### The dollar in yen

New York late afternoon fixing



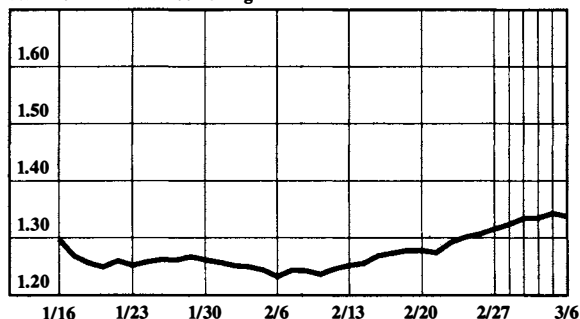
### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing



## Madigan is swept into USDA

*Lauded as a "compromiser," he is expected to continue Yeutter's plans to feudalize American farming.*

**T**he March 5 Senate confirmation hearing on Rep. Edward Madigan (R-Ill.) as secretary of agriculture was a shoo-in procedure—part of an ongoing operation to transform the U.S. Department of Agriculture (USDA) into a bureaucracy to enforce neo-feudal policies in the farm belt.

Instead of using the hearing as the occasion for reviewing the USDA's role in the current crisis of U.S. farming and food supplies, the Senate Agriculture Committee staged a love-in. Madigan was their only witness. They gave a unanimous voice vote of approval, which amounts to tacit support for the policies of outgoing Secretary of Agriculture Clayton Yeutter.

Known among farmers as "the taxi driver," Madigan (who ran his dad's cab company in Lincoln, Illinois), is expected to steer the very same disastrous course as Yeutter.

In his two years at the USDA, Yeutter campaigned internationally for the food cartel companies to be given free rein to underpay farmers, control import and export policies, and impose genocidal food scarcities. Yeutter never says this outright, but uses the rhetoric of "free trade"—the same propaganda as used by the old, imperialist British East India Company. As U.S. Special Trade Representative, Yeutter led the charge for "free trade" in the Uruguay Round of the General Agreement on Tariffs and Trade (GATT). In collaboration, the Department of Justice has condoned mergers and buyouts by the cartel companies that are in total violation of all anti-trust laws.

Madigan was chosen for agricul-

ture secretary by President Bush because his record shows that he won't offer any resistance to the cartels' policy. Bush has given high praise to Madigan as a "compromiser."

At present, the USDA will administer cuts of \$14 billion in farm programs over the next five years, cuts that arose from the 1990 budget reconciliation law. Further cuts can be expected.

These cuts come on top of a situation of cartel-imposed low farm prices. According to the USDA's own statistics, there are sharp price drops. Each year, in January, the USDA calculates what would be a parity, or fair price for a list of farm commodities, based on desired incomes and purchasing power of farmers from a point early this century. Every commodity is way below parity, constituting a clear and immediate danger to the national food supply:

- Wheat is \$2.32 a bushel, which is 30% of the parity price of \$7.34.

- Rice is \$6.33 per hundredweight, which is 30% of the parity price of \$21.30.

- Corn is \$2.22 a bushel, which is 40% of the parity price of \$5.59.

- Milk is \$10.40 to 11.80 per hundredweight, which is 43% of the parity price of \$26.40.

- Wool is \$0.382 a pound, which is 12% of the parity price of \$3.31.

Just these few prices for vital food and fiber products show the disastrous state of agriculture. However, the USDA priority programs are for "conservation"—the cover term for creating a web of regulations and land grab schemes to dispossess family farmers.

Yeutter has mooted that the tradi-

tional USDA extension services, intended originally to spread new scientific practices and improve living standards, should be phased out, in line with his GATT goal to cut "subsidies" to agriculture.

The USDA-run Farmers Home Administration (FmHA), mandated to be the lender of last resort to farmers, is no longer making loans, and is implementing a go-slow policy on providing backing for commercial lenders to make loans to farmers.

Also, the USDA is cutting the number of local branch offices of the Agriculture Stabilization and Conservation Service offices through which commodity price assistance programs are administered. Though dictatorial and arbitrary, the ASCS offices have nominally served as income-support mechanisms.

The consequences of all these cuts are bankruptcies, deep impoverishment, and misery on thousands of American family farms.

The answer of the USDA? Yeutter is gleefully administering "Resource Conservation and Development Areas" (RC&Ds). On Feb. 4 he announced the establishment of 15 new RC&Ds encompassing 110 counties in 14 states, bringing the national total to 209. He said the purpose of this scheme was to work "with local leaders in these areas to help them expand economic opportunities and improve community resources" In the context of the low farm prices, and elimination of USDA farm income programs, the RC&Ds will coerce people to adjust to poverty and serfdom, in the name of "protecting the environment."

Madigan will fit right in. Instead of emergency measures for farmers, he specialized in working for passage of pseudo-environmental legislation—the administration's clean air and clean water bills.

## Cooking the books

*The Bush administration is instructing the banks to lie about their balance sheets.*

**T**he Bush administration, in another attempt to sweep the banking crisis under the rug, issued a new set of lending guidelines for banks on March 1. These guidelines, issued jointly by the Federal Reserve, the Comptroller of the Currency, the Office of Thrift Supervision, and the Federal Deposit Insurance Corp., were presented as "policy clarifications," as if they were minor technical accounting adjustments.

"This is a combination of confidence-building measures for the banks to lend," Deputy Treasury Secretary John Robson told the House Small Business Committee on March 5. "You can't weigh it or count it, but there's no question the atmosphere will be improved by this."

The thrust of these "clarifications" is to disguise the level of non-performing loans. They will allow banks to count payments made on non-performing loans as income, as long as the bank contends it can recover at least the book value of the loan. Banks will no longer be forced to classify all loans to one borrower as bad if one of the loans goes bad. It will now be easier for banks to count "highly leveraged transaction" (leveraged buyout) loans as performing. Banks with heavy loan concentrations in one area, real estate, for example, can keep making such loans. Undercapitalized banks and thrifts can still make new loans and can work with strapped borrowers. Examiners have been instructed to value real estate loans on a bank's books at their alleged long-term value instead of their current market value, and banks have the right

to challenge decisions by their examiners, including the classification of assets and required reserve levels.

In addition, the regulators voted to allow the practice of "loan splitting," in which lenders are allowed to write off a portion of a bad loan and reclassify the balance as a good loan. The loan-splitting proposal requires the approval of the Securities and Exchange Commission (SEC), but all the others can be implemented by administrative decree.

The administration is making these moves to try to calm the growing economic panic, as the deflationary collapse of the Reagan-Bush speculative bubble wipes out increasingly larger chunks of the paper assets of corporations, individuals, and banks. Pumping more money into the leveraged buyout market will, in the short run, keep the zombies afloat a while longer, but will make their inevitable collapse much more costly.

The same is true, but on a much larger scale, with the real estate market. The fact is, most of these real estate projects were never worth their "book values" in the first place, and never will be. Real estate values will continue to drop, and real estate losses will escalate.

This "head in the sand" approach comes as opposition to the administration's major banking restructuring proposal is mounting.

The General Accounting Office (GAO), in a report to Congress, blasted the administration's proposal to cut back deposit insurance, warning that "the potential consequences of such actions on the stability of the nation's

financial system are simply unacceptable. . . . In considering recommendations for reform, it is important to avoid any risk of fostering a bank crisis similar to that experience in the early 1930s. . . . While reform is urgently needed, it is imperative that such reforms not trigger a repetition of the vicious circle of vanishing confidence and financial distress that undermined our banking system nearly six decades ago." The GAO also warned that the new "policy clarifications" will make it more difficult to determine the true health of a bank.

The Independent Bankers Association of America also blasted the plan. "We have to go to war," exclaimed IBAA executive director Ed Guenther. "This is a survival issue for us." Cutting back deposit insurance, he warned, will cause depositors to flee the smaller banks for the apparent safety of the "too big to fail" giant banks.

The Federal Reserve has likewise expressed dissatisfaction with elements of the Bush proposal, letting it be known that it does not intend to give up its role as regulator of the big money center banks and their holding companies.

New York Fed President Gerald Corrigan attacked the idea of non-financial corporations owning banks, as the Bush plan proposes, saying he viewed "with concern, if not alarm" the economic, financial and social implications of companies like Exxon, Ford, or RJR Nabisco owning major banks.

Some members of Congress are also upset with parts of the administration proposal. Allowing the banks to enter the securities business "raises the specter of the deregulation that led to the S&L crisis, and the kind of cozy financial relationships that gave us the Great Depression," said Rep. John Dingell (D-Mich.) on Feb. 20.

## Venezuela to OPEC: Drop dead!

*The President is positioning the country to replace Saudi Arabia, help bust OPEC in league with United States.*

Speaking out of both sides of his mouth in remarks to the press March 1, Luis Giusti, the coordinator of strategic planning for Venezuela's national oil company, PDVSA, said that Venezuela continues to back the Organization of Petroleum Exporting Countries, of which Venezuela is a founding member, but went on to specify that Venezuela would ignore any and all OPEC quotas for oil production.

His remarks are of a piece with the attitude of Venezuelan President Carlos Andrés Pérez (known as "CAP"), who wants to nominally maintain Venezuelan membership in OPEC, at least for the present, while undercutting that organization in practice, and continuing to cozy up to the United States. Since the beginning of the hot phase of the Mideast crisis last August, Venezuela has bent over backwards to increase its oil production and to volunteer to be the strategic oil reserve for the United States. In the wake of the carnage against Iraq, the Venezuelan government is going to even further extremes to please Washington.

Speaking to the *Journal of Commerce* March 1, Giusti spilled the beans. On the one hand, he forecast a 6 million barrel per day (bpd) surplus in world oil production, which he said was far too large for OPEC to handle. He proposed nothing that would prevent such a glut from driving petroleum prices through the floor.

On the other hand, he said that PDVSA is committed to expanding its oil production from a present 2.8 million bpd (already well above its OPEC quota) to 3.6 million bpd over the next

five years, regardless of near-term OPEC decisions to restrict oil production. As for Venezuela's continuing membership in OPEC, he opined, "We believe we are going to participate, have a presence in OPEC, but we don't know exactly how it's going to develop."

PDVSA President Andrés Sosa Pietri was equally explicit about Venezuela's strategy. "We must produce as much as we can place on the market. And we will produce as much as we can," he told the *Journal of Commerce* of Feb. 27. He explicitly discounted any role for OPEC in preventing an oil glut, saying that "there is no way that three or four oil-producing countries can influence oil prices" in the post-Gulf war world. "We want moderate, stable prices. And moderate prices require us to keep production high in order to keep income stable."

Speaking before the Venezuelan Association of Executives the same day, Sosa blurted out, "We are situated to reoccupy the position of being the top petroleum-selling nation, a position now occupied by Saudi Arabia."

The moves to wreck OPEC have become so blatant, in fact, that Pérez himself felt called upon to in remark to *Diario de Caracas* of Feb. 28, that Venezuela had no intention of withdrawing from that organization. But he went on to say that OPEC must change its "confrontationist" stance, that "understanding between producers and consumers is necessary."

The head of the ruling Democratic Action party, octogenarian Gonzalo

Barrios, concurred with this strategy. "It is now evident that the United States is going to be the owner of all the world's oil," he told reporters Feb. 24. "The best thing is to behave discreetly," he suggested, "because in some way, we may be presented with a backlash" from other countries because of Venezuela's subservience to the Anglo-Americans.

What Venezuela seeks in return from the U.S. was spelled out by Sosa in his Feb. 27 address. "If we do our marketing job with excellence," he told Venezuelan businessmen, "within the framework announced by the U.S. Energy Department, we will increase the quantity of crude and refined oil placed in the U.S. market."

Opposition to these policies is also vocal, however. For example, columnist Rafael Poleo wrote on Feb. 24 in the daily *El Nuevo País* that "CAP must understand that there's no hope with the United States, and he should discard that mode for a nationalist government which, with 10 years of effort, would create a serious and respectable country." He continued that Bush's energy plan "has caught our weary rulers with their pants down—their customary position," and went on to cite former President Rafael Caldera saying that what Bush wants from Venezuela is not the nation's oil exports, but control over the oil company itself.

This idea has been echoed by the small but influential Venezuelan Labor Party, which has plastered walls in Caracas with the slogan: "Today it is PDVSA; tomorrow it will be PDV-USA." There has been widespread support for such attacks. According to some polls, almost 90% of the population opposes the government policy of unconditional support for Bush, and most are also against surrendering the nation's sovereignty and its oil reserves.

# Business Briefs

## Banking

### Bank of England moves to rescue Midland Bank

Britain's third largest bank, Midland Bank, cut its stockholder dividend by 50% on March 5, a move not seen in a big U.K. bank since the Depression of the 1930s. The next day, Bank of England Governor Robin Leigh Pemberton is reported to have taken the extraordinary step of personally intervening to convince a rival bank, Barclays, to part with its finance director, Brian Pearse. Pearse takes immediate responsibility as Group Chief Executive at Midland.

Midland chairman Sir Kit McMahon has been forced to resign and is being replaced by former British Petroleum chairman Sir Peter Walters.

Bad results at Midland had been expected, but the severity was worse than most foresaw. Senior City of London analysts say the moves by the Bank of England on March 6 underscore the central bank's policy of active intervention to save core banks and corporations as the "Thatcherized" British economy deteriorates further, at the expense of the majority of small and mid-sized corporations and taxpayers.

## Infrastructure

### Europe moves to build fast rail connections

Several European countries are moving to modernize railway infrastructure and build the state-of-the-art high-speed and magnetically levitated (maglev) technologies. Such infrastructure development is one of the cornerstones of Lyndon LaRouche's proposed Productive Triangle for European development.

In Germany, strong endorsements of maglev projects were given on Feb. 25 by Rudi Walther, Social Democratic member of parliament, and Heinz Riesenhuber, Minister of Research and Technology. Walther said the option of building a maglev connection from Berlin to Frankfurt should receive priority con-

sideration, because it would reduce travel time between the two cities by more than two-thirds, from eight hours down to two and a half.

Riesenhuber, in presenting his budget requests, called for funding a "show-case track of the Transrapid maglev train, to extend into the five new eastern states." He criticized the lack of funding for the Transrapid experimental train project in the past years, which led to a lag in testing and other technical progress.

In Italy, the National Railway has announced that it will invest \$26 billion in the next two years in railway modernization, including the construction of major new high-speed rail lines. Over the next four years, high-speed rail will link Milan to Naples and Venice to Turin; a high-speed line from Rome to Florence is already nearing completion. The plan encompasses an eventual link with the French TGV Lyon line.

## Malthusianism

### McNamara calls for genocide in Africa

A blueprint for Africa by former World Bank President Robert S. McNamara is published in International Planned Parenthood's magazine *People*, calling for a nearly 50% reduction in the total fertility rate on the continent by 2025. With no program for real economic development of the continent, and with his call for funds to be allocated to population control and "environmental" causes, the article amounts to a blueprint for genocide.

"The demographic choice facing Africa can no longer be deferred," he writes. "Africa has to decide whether to fill its land quickly with many ill-fed, unhealthy, uneducated, unemployed people, or to space its children so that they and the society as a whole have a better chance of a much better life. . . . To meet these fertility targets, family planning aid would need to be increased to about \$650 million a year by the end of the century. . . .

"Each country will need an environmental action plan. . . . Donors currently provide about \$500 million a year to Africa for environ-

mental activities. This is totally inadequate. . . . I suggest that external environmental assistance to Africa be doubled at once."

## Transportation

### Airlines asks for U.S. government help

Hollis Harris, the chief executive officer of Continental Airlines, said in February that the 10% ticket tax levied by the U.S. government should be loaned to the airlines for one year, with interest, to help them get past the current "recession." The money currently goes into the Aviation Trust Fund, which, like the other trust funds, is largely looted to "reduce the budget deficit." The tax is expected to generate \$4 billion this year.

Harris was quoted by *Aviation Week and Space Technology* magazine saying that "extraordinary relief" was needed, justified by an "extraordinary situation." Harris described the commercial airlines as a "quasi-utility," making the point that a healthy airline industry was important for the nation as a whole. He was supported by representatives from Midway Airlines, Northwest Airlines, and other troubled carriers.

*Aviation Week* commented that it is very unlikely that the Bush administration will go for the proposal.

## Petroleum

### Damage to Kuwaiti oil is exaggerated

The extent of damage to Kuwaiti oil installations is being deliberately exaggerated by the United States, very well-informed London oil sources told *EIR*. "It is very much in the interest of both the U.S. and the Kuwaitis to make it appear now that the Iraqis have committed heinous damage to Kuwaiti infrastructure, for purposes of extracting maximum concessions from Iraq," said one expert.



## Briefly

According to these sources, close to the international oil interests, the damage for the most part will likely be repaired in a matter of weeks, rather than years, as U.S.-controlled media reports indicated. "In most cases, our information is that it will merely be a matter of replacing the pumps and oil flow can resume. Priority will be on restoring the large Burgan field west of Kuwait City."

Our sources predict a postwar collapse in the world oil price. "It will be out of control for a few weeks; we see \$12 per barrel or even \$10/bbl before slowly rising to the high teens after a U.S.-Saudi understanding is worked out on stabilizing the price." But fear of secure supplies from the Gulf has never been the issue. "Look, we have now had two wars, one of them horrendous, and never has world oil supply been affected. Prices, but not supply. Gulf oil supply is if anything *more secure than North Sea supply.*"

### Aerospace

#### European Commission aids airlines

Emergency measures have been taken to help strapped European airlines. Suffering from the drop in international air traffic since the start of the Gulf war, the rise in fuel prices since August, and the overall financial difficulties in the commercial airline industry, the 22-member Association of European Airlines (AEA) asked for government help.

In late February, the European Commission approved an emergency package, including state subsidies to compensate for increased security and insurance costs, allowing airlines to agree to capacity reductions without losing landing and takeoff rights, and giving companies a grace period on rental fees.

The commission recommended that member nations should reduce the tax rate on domestic air travel. The package has a three-month limit, which the AEA says is not long enough; it will require that the companies seek an extension.

The aerospace industry is also hurting from the trade war between the United States

and Europe. "The U.S. cannot tolerate competition from Europe," charged French Aérospatiale chairman Henri Maître, a partner in the French Airbus Consortium. "They want us to go bust." Maître's comments refer to the recent U.S. effort to force a GATT resolution denouncing European governments for subsidizing Airbus, allegedly in violation of GATT agreements.

Airbus maintains that a major reason for government support has been to compensate for the collapsing U.S. dollar. In 1990, Airbus lost \$1 billion just from currency fluctuations; by international convention, aircraft are always, like oil and grain, bought and sold in dollars. Last year, 39% of all U.S. aircraft exports went to Europe.

### Demography

#### New law would curb abortions in Poland

According to newly proposed legislation in Poland, abortion would only be permitted if the pregnancy is the result of a crime or the life of the pregnant woman is endangered, according to *People*, the magazine of International Planned Parenthood. Persons illegally performing abortion would be subject to two years' imprisonment.

"This move, unfortunately, has the backing of the two most powerful forces in Poland today, the Solidarity Labor Union and the Catholic Church," the pro-abortion magazine comments. At its national congress, Solidarity passed a resolution endorsing protection for unborn life. The Church recently characterized the current pro-abortion law as "an ally of evil," which has caused "mass depravity of the human conscience." A senior Church official reportedly lectured a parliamentary committee on their "moral duty."

President Lech Walesa "is strongly opposed to abortion, leaving the only organized force that opposes the proposed restrictions as the Communist Party," *People* laments.

● **AIDS** became the leading killer of young adults in Baltimore in 1989, reports the Baltimore City Health Department. It killed 147 and accounted for 14.1% of all deaths of city residents between the ages of 25 and 44, surpassing homicides and heart disease. "We're not geared up to serve the number of people dying," said Arthur Cohen, AIDS program manager for the city Health Department.

● **HOMES IN JAPAN** cost nearly nine times a family's annual income, averaging \$346,400 for an 800-square-foot dwelling, according to an international housing study by Arthur Andersen & Co. To pay for these homes, lenders recently introduced 100-year mortgages, with the payment burden transferred from generation to generation.

● **IN BRITAIN**, more than 900,000 patients are waiting in line for surgery, due to the rotten state of the British health system. People beyond the age of 60 have no access to dialysis if they cannot pay for it themselves.

● **BANKRUPTCIES** in Canada rose 69% in January over last January. Ontario, with a 104.3% increase, or 2,193 bankruptcies in January, was hardest hit. Quebec suffered 1,995 bankruptcies, giving it a 50% increase in January.

● **NON-FUEL COSTS** of U.S. nuclear power have been driven up by regulatory agencies. A study released by the Utility Data Institute indicates that non-fuel expenses at nuclear plants increased 33%. The increase was apparently due to the additional staffing needed because of the regulatory requirements that have mushroomed over the past few years.

● **SWEDISH** bank losses are the worst in history. Anders Sahlen, head of the State Swedish Bank Inspectorate, announced that total bank losses were equivalent to \$3 billion in 1990, the worst figure ever recorded.

## The gaping hole in the American market basket

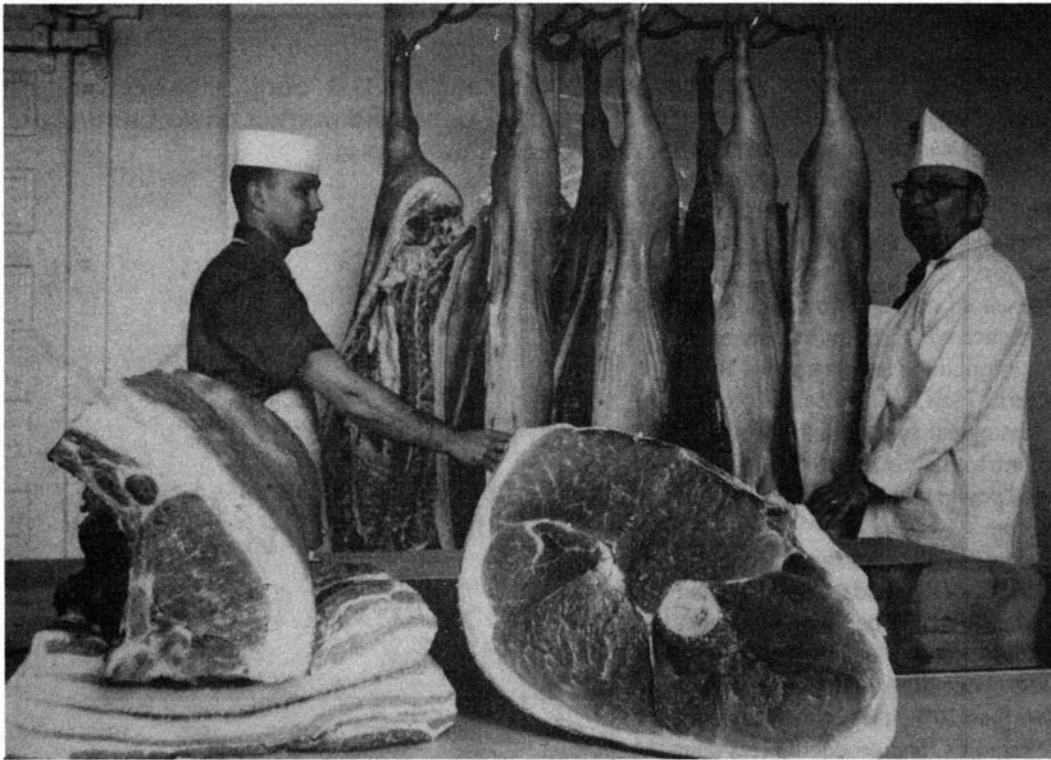
by Chris White

Using standards in part borrowed from work of U.S. government agencies during the 1940s and 1950s, *EIR* has worked up a market basket of goods required for household consumption. Such market basket standards, compared with statistical data reported by government agencies and different manufacturing associations, help point to what is being falsified, or overlooked, by those who insist that what they call the “recession,” will be short in duration and not severe in its effects. Their own data show otherwise.

Comparison of *EIR*'s adopted market basket standard with present day consumption of the same categories of goods, and with the domestic production capacity for such requirements, blows right out of the water most of the falsehoods circulated by the government and its friends. Discredited too are such government indicators as the fabled “Consumer Price Index,” which is still used to calculate cost-of-living increases, where they are still in effect, for social security and welfare recipients as well as trade unions.

Compared further with the degenerating demographic profile of the U.S. population—on the eve, during this decade, of an estimated 18% reduction in that part of the population between 25 and 44 years old, without considering the effects of AIDS, resurgent tuberculosis, other epidemic diseases, and drugs—the picture is one of a country in the throes of what is rapidly becoming more than an economic depression: a generalized breakdown crisis. This is the result especially of the policies which have been pursued so obsessively and blindly since the period 1963-67, in the name of the “post-industrial society” and neo-malthusianism.

Contrary to what has prevailed over the intervening 25 years, the government's 1950s studies, as with those of private agencies, were premised on a somewhat different starting point. Forty years ago, for example, the word “family” could still be used without setting off who knows what kind of racket about discrimination, oppression, and so on. Bringing up children, even for government agencies, was an activity to be encouraged, and not lumped together on an equal footing with a



*Now you see it; now you don't. . . . This picture was taken in 1968, when American consumption standards were just beginning their downward plunge. Today, we are not providing a standard of living that allows for the reproduction of future generations.*

USDA

polymorphous collection of alternative and competing lifestyles. Further, it was still possible, even within government, to discuss how requirements for household formation and maintenance might be produced, as well as identified, rather than issuing reports purporting to measure “consumer confidence” and the “purchasing power” of the consumer dollar, and so forth.

Of course, things have changed dramatically in the intervening 40 years. In the large, the country has been driven down the drain, as the culture has been shifted from one which was, to some extent, located in the morality of production, to the egoistic hedonism of the chronologically matured generation of postwar baby-boomers, who for a while seemed to believe that the formula “I want it,” would function as the “Open Sesame” of their Americanized version of the Arabian Nights.

Consumption standards were set by *EIR* in the following areas: food, clothing, household appliances and furnishings, automobile operation and maintenance, and household fuel and utilities. Such elements, as of last year, comprised a bit less than half of total consumer expenditures of nearly \$3 trillion, the bulk of the rest being accounted for by housing payments and medical expenses. Interestingly, consumers’ debt service is not included as an item of consumer expenditure by the government’s Department of Commerce.

The summary assertion is simply that the once vaunted American standard of living has all but disappeared, its destruction yielding to the growth of an increasingly pauperized

underclass, made up of blacks, Hispanics, and poor whites, with conditions of life increasingly genocidal, the lower their ranking in the pile of the establishment’s cast-offs. The reality mocks the rhetoric of Bush and company, who now assert that with their bloodbath against Iraq over, the way is cleared for a speedy recovery from what they call the present “recession.”

The fact is, as the ability to produce the present genocidally curtailed basket of household consumption items shows, that the U.S. “military giant” is incapable of standing on its own two feet. Nor is it capable, as presently organized, of producing the net increases in wealth which would permit the imported goods, necessary for its present functioning, to be paid for. The atrocity against Iraq is a foretaste of what is to come, as military power is deployed to steal the resources from the rest of the world which, with the breakdown of credit and financial systems, can no longer be obtained by trickery and deceit alone.

The availability of material goods does not really provide anything other than a reflection of a standard of living, for this does not consider the quality of mind which makes man superior to and absolutely different from the lower beasts. It is shameful that much of mankind lives under conditions of brutal poverty, yet man is still able to transmit that striving for self-improvement which distinguishes him absolutely from the beasts. The absence, or shortfall, of the goods necessary for functioning today, reflects the willful destruction of the material preconditions for the maintenance of life which

was unleashed in the United States a generation or so ago, and also the view of man espoused by that political and financial establishment which runs the United States. It exposes the rationalizations, whether of the supporters of the "free market" or of "alternative lifestyles," in the name of which such destruction has been effected. It is the reality of the Nazi-modeled economy the U.S. under Bush is in the process of becoming, that domestic collapse is the driver for escalating foreign military adventures.

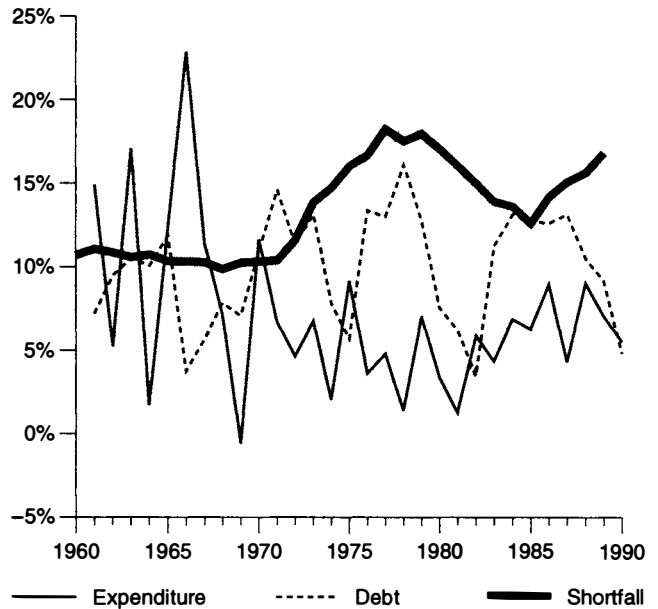
Such standards for household consumption presuppose further a commitment to produce what is required, such that each succeeding generation is qualified and capable of entering the work force in their turn. Thus, such standards presuppose, within a given technological mode, both a level of employment and a level of infrastructure development needed to produce, transport, and power what is necessary for the reproduction of the population.

By those modified standards of 40 years ago, the country is now consuming less than 90% of the food it should be, and producing about 85% of what it should be; it is consuming about 80% of the clothing it should be, and producing less than 40%; it is consuming about 80% of the footwear it requires, and producing less than 20%; it is consuming about 60% of the automobiles it requires, and producing less than 40%; and it is producing about 50% of the oil required to keep the whole functioning. Meanwhile, the monetary expenditures required to support the consumption have increased elevenfold since the 1960s, and the debt burden notoriously associated with consumption has increased twelvefold.

This is reflected in the accompanying charts. The three elements in **Figure 1** are as follows: the rate of change of the shortfall in *EIR*'s index of production of necessary household goods, developed below, the rate of change of consumer expenditures for such items, and the rate of change in consumer debt. It shows quite clearly that what Bush and company are happy to call the current "recession" didn't begin after last November's election, but is reflective of an accelerating downturn since 1985, when—lies of successive administrations to the contrary—the "longest sustained period of economic growth in U.S. history" had already come to an end without producing any economic growth at all. This is the downturn which accelerated with the stock market crash of 1987, was delayed for Bush's 1988 election, and accelerated again with the financial developments of the fall of 1989. **Figures 2 and 3** show the absolute increase and rate of change for personal expenditures and consumer debt, respectively.

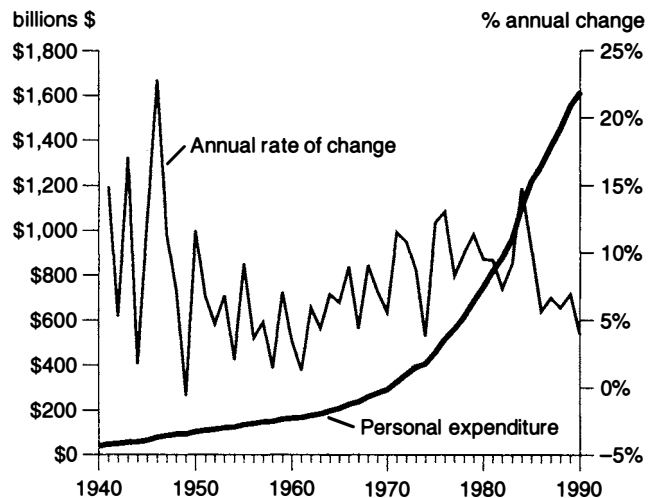
Since 1985, the *EIR*-defined shortfall has been increasing, the rate of increase of consumer expenditures, with the exception of the election year of 1988, falling, and the rate of increase of consumer indebtedness falling. This is the classic profile of a deflationary collapse, unleashed between 1978 and 1979, when Federal Reserve chairman Paul Volcker's murderous high interest rate policy was enforced to bank-

**FIGURE 1**  
**Rate of change in U.S. consumer expenditure, consumer debt, and market basket shortfall**  
 (% change from previous year)



Sources: U.S. Department of Commerce Bureau of Economic Affairs; Federal Reserve; EIR.

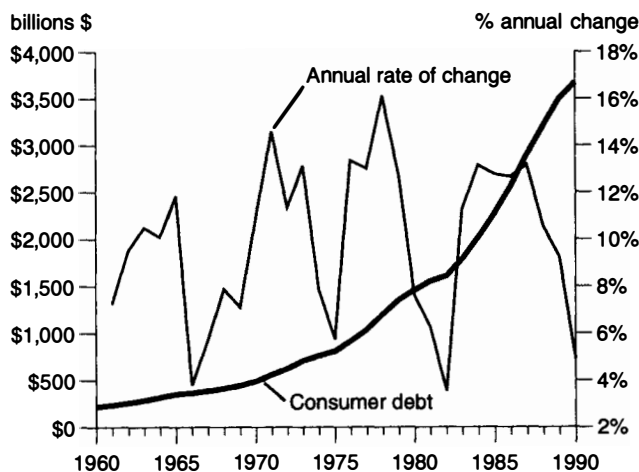
**FIGURE 2**  
**Growth and rate of change of personal expenditure, 1940-90**



Source: U.S. Department of Commerce Bureau of Economic Affairs.

FIGURE 3

**Growth and rate of change of total U.S. consumer debt, 1960-90**



Source: Federal Reserve.

rupt an economy which had been weakened by the 1971 collapse of the Bretton Woods gold-based monetary system, and by the successive, rigged oil shocks of 1973-74 and 1979-81.

Against this, it is argued that such numbers, though they come primarily from the double-talking government, really show nothing. This is the viewpoint of Bush's New League of Empire Loyalists. After all, there is a worldwide division of labor, they insist; why should we produce what can be obtained more cheaply elsewhere? Why can't we continue to borrow what we will never repay to steal from the rest of the world, as well as our own population?

This is the voice of the followers of Adam Smith, the proponents of the "magic of the market place," with their "buy cheap, sell dear" swindles and robberies. They refuse to invest in the capital improvements which would permit the maintenance of the standard of living in the U.S., preferring instead to steal food out of the mouths of Mexico's hungry, in the name of seeking the cheapest labor possible. The difference between the level of requirement adopted by *EIR*, and actual consumption, is the margin looted out of the U.S. population by such thievery. The difference between consumption levels and production is, in most cases, the margin that is looted out of the population of the rest of the world. We've been doing this in the name of "free enterprise," searching out cheap labor in the Third World to produce what we refuse to produce for ourselves, and throwing our own labor force on the scrapheap of unemployment, or into the swindle of the post-industrial service economy. It is loot, because we have not paid for the labor by putting back what we take out. The result of such practices is genocide. This is

destruction through robbery; the robber, a parasite consuming its host, is also destroying himself.

Back in the 1950s, even the U.S. government worked differently. Then, the concern to provide for the population growth which became known as the postwar baby boom, while alleviating some of the horrendous poverty which remained from the depression of the 1930s—officially 32% of the population were considered to be below the poverty level in 1950, comparable to today's realities—was at least on the agenda. Government work, and that of private agencies, went into figuring out corrective remedies. Some of that is incorporated below.

**Market basket standards**

The 1950 food consumption standard, recommended by the U.S. Department of Agriculture in its Miscellaneous Publication No. 662, "Helping Families Plan Food Budgets," was based on standards worked up by the National Research Council. That agency was then focused on the question of how to deliver the quality of nutrients in the daily diet which would maximize the health of the population. Out of that work developed the food supplement approach, enriching foods with vitamin C, or calcium, for example, to add to their nutrient value.

It might be argued that such criteria as then adopted have been modified by subsequent scientific work. The U.S. Department of Agriculture's (USDA) dietary approach certainly has been modified in the interim, and not from any scientific criteria. Rather, pseudo-science has been used to rationalize a series of degradations in the diets recommended by the USDA in its low-cost and moderate-cost food budgets. This was documented in 1985 and 1986, in *EIR's Quarterly Economic Reports*, and in the newspaper *New Solidarity*, before the government shut it down (Table 1).

Originally, the 1950 recommended diet was compared with U.S. eating habits over the preceding 50 years. It was found that while the volume of food consumed per person per year had remained roughly constant since 1900, the composition of the diet had changed significantly, with the proportion of dairy products, fruit, and vegetables growing, while the share of potatoes and grain products was declining. Never had the U.S. diet reached the standard set in 1950, nor did it thereafter.

Indeed, since the late 1960s, a reverse shift has been taking place. Consumption has fallen for the following food types: whole fluid milk by 55%; eggs by 27%; butter by 22%; total dairy products by 18%; red meat by 11%; while consumption of poultry has increased by 47%; fats and oils by 30%; sweeteners by 19%; flour and grains by 15%; and human consumption of corn, in whatever form, by 157%. The indicated increase in consumption of meat, poultry, and fish over the standards set by the USDA in 1950 is illusory. If the National Meat and Livestock Board's criticism of USDA methods in converting from carcass weight of animals

TABLE 1

### Recommended standard of food intake compared to actual consumption

(pounds per person per year)

	1950 USDA recommended diet	1988 USDA reported consumption
<b>Total</b>	1,745.9	1,566.6
Meat, poultry & fish	151.3	187.2
Eggs	49	30.9
Dairy products	602.5	582.4
Fats & oils	50.4	62.7
Fruits & vegetables	532.5	346.9
Flour & grains	138.7	171.8
Sugar & sweeteners	50.4	152.7
Coffee, tea, etc.	17	17

slaughtered to table weight of product consumed is taken into account, then actual meat consumption is in the range of the 1950 recommendations, rather than the higher number reported by USDA as current consumption.

This is the subject of propaganda campaigns which, it often seems, are designed to turn all of us into dessicated vegetarians. The result isn't so healthy as the propaganda implies. It is a population that is underfed, and badly fed.

Nor has the debt-strapped farmer been left in shape to produce what is required. Seven percent of the red meat consumption is imported, more than 40% of the fish and shellfish, between 1.5 and 2.0% of the milk, nearly 30% of the fresh fruit, and about 15% of the vegetables. Some argue that this is offset by the production of wheat, corn, sorghum, and soy for export, but this is to mix apples and oranges, so to speak. There are two farm sectors in the United States: 1) a cash crop system that is grain and oil cartel-dominated and -controlled, akin, as in poultry raising, to share-cropping, and used as a brutal enforcement weapon in foreign policy; and 2) the husk of the earlier food-raising cultivation of the family farmer. The cartel cash-crop system has been strengthened by the deliberate bankruptcy and destruction of independent farmers, and also by the collapse of the transportation system. The primacy of line-haul trucking, at 95¢ a ton mile, puts a premium on economies of scale, in fruit and vegetable production, or dairying, for example, which the smaller independent operator, even if closer to major markets, cannot compete against.

Clothing is needed, but not in the same way as food. Here, the 1950s estimated standards were modified through surveys. The 1950s recommendations in turn were based on

TABLE 2

### Annual clothing requirements

Item	Boys	Men	Women	Girls
Overcoats	0.29	0.25	0.61	1.1
Raincoats	0.08	0.08	0.59	0.9
Suits	0.44	0.89	1.07	0.6
Jackets	0.4	0.29	0.71	1.1
Pants, slacks	2.59	1.82	2.86	5.9
Dresses			1.75	3.0
Skirts			2.11	4.75
Sweaters	0.83	0.35	1.71	2.9
Shirts & blouses	3.68	5.12	3.14	5.2
Sportswear	1.05	0.47	2.07	5.6
Underwear	5.99	7.52	11.29	13.8
Nightwear	0.67	0.92	2.14	2.8
Socks & hosiery	10.47	13.52	21.25	16.6
Shoes	2.87	2.30	3.93	4.2

surveys of households in different parts of the country, in cities in each of the geographical extremities of the country, and on compilations of the Heller Committee of the Works Progress Administration (WPA), which had been set up prior to World War II. The results were published in such locations as "Workers' Budgets in the United States," Bulletin No. 927, U.S. Bureau of Labor Statistics, March 1948; the maintenance budget for urban families compiled by the WPA; and the Heller Committee's Wage-Earner Budgets. These different approaches were compiled in a volume produced by the Twentieth Century Fund.

The outline looks as seen in **Table 2**, the clothing requirements being represented in number of items per person per year, in a sense a replacement rate.

The clothing industry has been shattered over the past 25 years, to the point that it is only presently capable of producing about 40% of the identified requirement level, while the footwear industry has been gutted to a vestigial remainder. This, despite the fact that the U.S. had been among the world's leaders in developing and introducing the innovations in materials and techniques on which the industry is presently based. In the period when the Twentieth Century Fund did its study, clothing was still primarily attached to agricultural production, in the sense that cotton, wool, and fibers such as linen were its primary material input. Petrochemicals processing and synthesis of fibers from organic and inorganic chemicals have transformed the industry to the point that well over 70% of present clothing manufacture originates with man-made synthetic materials.

Thus, for example, there is a certain speciousness in the arguments of those who insist that given the present world-

TABLE 3

### Production and consumption of selected items of clothing

(as percent of requirements)

Item	Production	Consumption
Womens' & girls' blouses } Mens' & boys' shirts }	42.3	101
Womens' & girls' sweaters } Mens' & boys' sweaters }	36.7	129
Mens' & boys' pants	235	251
Womens' & girls' skirts & slacks	39.3	60
Sportswear	66	190
Mens' & boys' suits } Womens' & girls' suits }	10.7	24
Mens' & boys' coats	45.2	89.3
Women's & girls' coats	13.7	45.6
Shoes (leather)	17.5	131

wide division of labor, perhaps clothing might indeed be better produced elsewhere. This, because the synthesis and production of the material and fiber inputs happens to represent one of the most advanced, still partially functioning sections of the economy, while the manufacture of the clothing itself remains among the most labor intensive. Thus, the industry has been gutted in a kind of global version of the runaway shop, while technologies, such as those developed by the Hughes Aircraft Corp., which would bring the apparel industry into the twenty-first century, have been left on the shelf. Looting of Third World labor is preferred, again, to investment in domestic capital improvement and labor upgrading (Table 3).

Contrasting the items which are in what could be called "surplus" and those which are not, reflects the shift that has occurred, and again, as in the case of food, it is a shift toward the lower standards dictated by depression, in which uniformity, in the form of the spread of casual wear or sportswear, and the jeans which are included under the rubric of "pants," replaces clothing for function in the name, again, of the rationalization of "alternate lifestyles." From the standpoint of the producer, it's a very different matter. Suits, for example, made of relatively fancy fabric, require dying of the yarn, and weaving, before tailoring into the form of a suit, while tee-shirts and such, are just knitted up and then dyed to order. Shirts of solid colors can have pockets attached automatically, but with a stripe in the fabric of a dress shirt, the process has to be done by hand, to match up the stripes of pocket and shirt. It is the same in the case of the production of denim jeans versus tailored pants. Levi's output of 30 million dozen pairs per year is produced in fully automated

TABLE 4

### Typical life expectancies, in years, of household appliances

Appliance	Years of use	
	Appliance Magazine	USDA
Refrigerators	17	15
Cooking ranges	17	14
Washers	13	11
Dryers	13	12
Dishwashers	10	10

plants all around the country, and requires next to no labor.

The 1950s standards are not so useful where household appliances and automobiles are concerned. Such items of the consumer budget, like fuel and utilities, are more closely related to household formation and household size. In this case, it is not only the change in the products produced since the 1950s which is relevant, but also the change in the household. For example, the size of the automobile, and the number of people per automobile, has decreased drastically over the past 30 years. But the decreases follow fairly closely the shrinking of the household. The number of automobiles in the national inventory has dramatically increased, more than doubling since 1960. But this is no indicator of prosperity, rather reflecting the ugly reality that smaller households require more wage-earners to bring in a smaller wage-packet, thereby also requiring more automobiles per household to ensure mobility and therefore employment.

In the case of household appliances, if one were to assume that each household possessed each of what are called the "major appliances," and that those appliances were in service for the lifespan claimed by the manufacturers, or industry representatives such as *Appliance Magazine*, or in years past, by the Family Economics Research Group of the U.S. Department of Agriculture, then, until 1989, production, except in the case of microwave ovens, which are mostly imported, did keep up with requirements (see Table 4).

Thus assume, for example, that production ought to be sufficient to replace one-seventeenth of the refrigerator stock every year, plus the margin provided by growth in households. Since 99% of households are reported to have refrigerators, the production level of approximately 6 million units per year, up until the renewed downward plunge of the economy in the fall of 1989, used to be, roughly, sufficient.

Household power and utility requirements are related to the appliances typically present, as well as light, space, and water heat. The USDA estimated in 1980 that it required 9,025 kilowatt-hours of electricity per household to operate lighting, water-heating, refrigeration, cooking, space heat,

air-conditioning, and other appliances which are more or less standard, such as freezers, washing and drying machines, and so on. As for non-electrical sources of home heating, the pre-Volcker depression 1980-82 level required about 2.5 tons per household of fuel, in oil equivalent tons, though natural gas makes up nearly 90% of this.

There are rather more than 140 million automobiles in the U.S. inventory. They are increasingly older, and less well made than they used to be. They are designed for a different purpose, not the basic family mobility of 30 years ago, but more for the displacement of one or two people, under conditions considerably less safe, because of the so-called downsizing of the car, and because of the fleet's increasing age. The rate of scrappage, or non-renewal of registrations, as a percent of the total inventory, shows that vehicle lifespans have increased from about 12.6 years in 1967 to 16.9 by 1987, irrespective, of course, of the number of times a vehicle's ownership changes hands. The average age of the vehicles increased from 5.9 to 7.6 years over the same period.

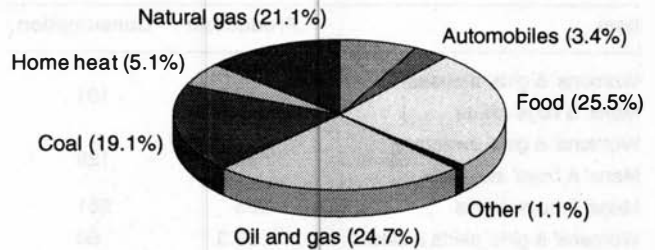
If the earlier lifespan were returned to, production ought to be running at between 11 and 12 million units, against the approximately 6 million vehicles which were produced in 1990, and the rather more than 9 million which were counted as retail sales. Operating the vehicles for the 9,300 or so miles each is driven on average every year, at claimed mileage rates of 18.3 miles per gallon, requires about 500 gallons of gasoline per car per year.

EIR converted the requirement set by the standards adopted into weight for uniformity of unit. This was done to scale the contents of the household market basket for comparison, and because the bulk of the goods are, in one way or another, ultimately delivered to point of sale or consumption by the transport system. These aspects will be dealt with in forthcoming articles, in so far as the flow of materials into the production of the market basket of consumption and the ability to transport that flow of goods through the system is concerned.

Clothing weights were obtained from mail order shipment catalogues. Appliance and furnishing weights from the publications of the Association of Home Appliance Manufacturers, mail order catalogues, and the Commerce Department's Census of Manufactures reports entitled "Materials Consumed." For automobiles, we adopted the Motor Vehicle Manufacturers' Association 1978 weight of 3,440 pounds. In model terms, this would represent an old-style family car, such as the Chevrolet Caprice or Pontiac Bonneville. Replacement parts, such as tires, were included in the estimate.

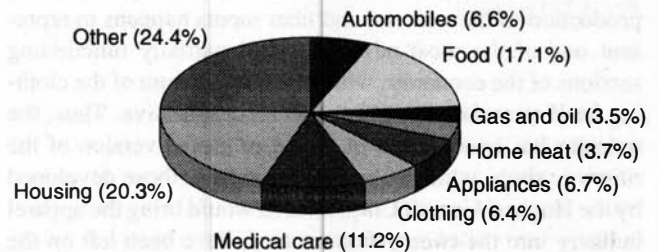
Figures 4 and 5 show the result, and also how the goods requirement compares with the 1990 consumer expenditures pattern. The breakdown of goods required, per person and per household, is shown in Table 5. The third column, labeled "Production," shows the per capita value, in tons, of the reported domestic production.

FIGURE 4  
**Required composition of U.S. domestic household consumption**  
(by weight of product)



Source: EIR estimates.

FIGURE 5  
**Composition of U.S. personal consumption expenditures in 1990**  
(% of total expenditures)



Sources: U.S. Department of Commerce Bureau of Economic Affairs.

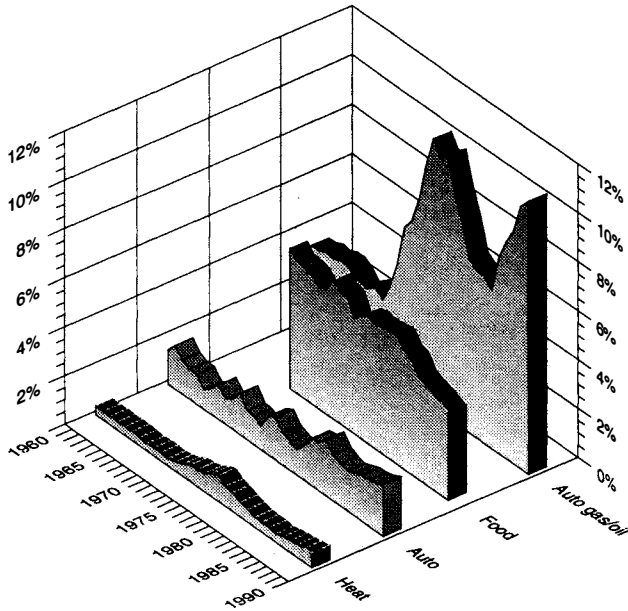
TABLE 5  
**EIR sets decent consumption standard**  
(tons per year)

Item	Per person	Per household	Production per person
Total	3.53	9.3	2.8
Food	0.87	2.3	0.74
Clothing, shoes	0.007	0.02	0.003
Appliances, furniture	0.03	0.08	0.03
Autos, parts	0.12	0.3	0.048
Gasoline, oil	0.84	2.2	0.42
Home heat, utilities*	1.7	4.4	1.61
Fuel oil	0.18	0.5	0.09

\*Oil equivalent tons and coal required for electricity generation.



FIGURE 6  
**Estimated production shortfall, by category**  
 (% below required level)



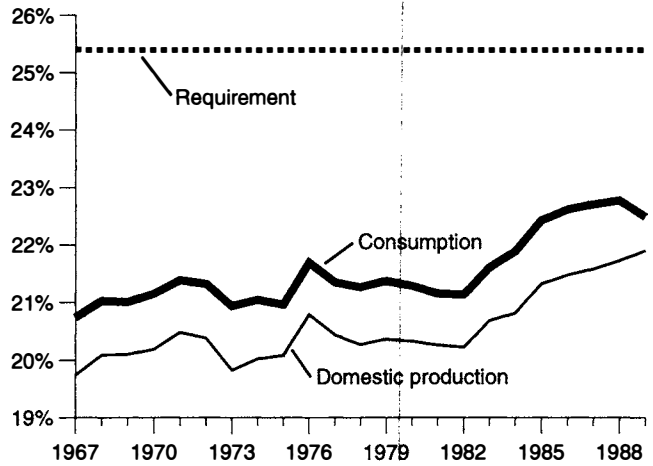
Source: EIR estimates.

Assuming, falsely, for purposes of approximation, that the per capita market basket remains constant, the standard adopted provides the basis for the construction of an index, which permits comparison of consumption and production of the identified items, over time, with the standard assumed to be fixed. Thus, the total per capita requirement can, for these purposes, always be set at 100, and the requirement for food, and the other products, always represent their proportional share in the index. The resulting shortfalls are shown in **Figures 6, 7, and 8**. The left scale shows the production shortfall for the identified market basket component as a percent of the total index of 100. Two other distortions crop up: First, the automobile series is contrived from units produced, rather than weight of unit produced, and second, the oil shortfall, based simply on the difference between production and consumption, is understated. For if the same approach were also applied to other sectors of the economy, such as producers' goods, infrastructure, and agriculture, then oil requirements would be significantly higher than present consumption levels, assuming present technological composition of production.

### Merely a matter of 'lifestyle'?

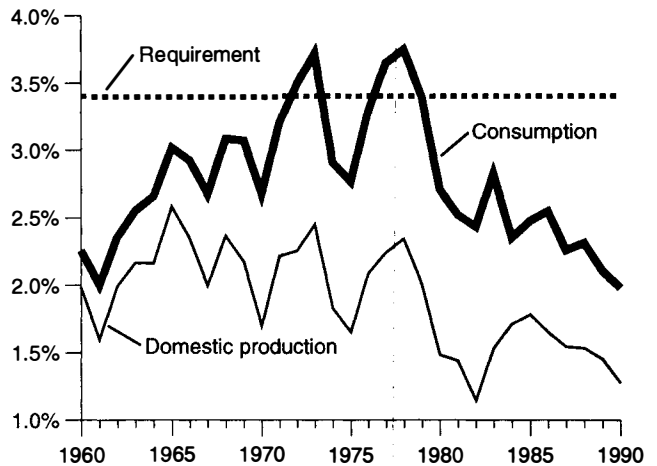
These days, to combine the words "requirements" and "consumption" seems something of an anachronism. Consumption, after all, has become a function of money or credit,

FIGURE 7  
**U.S. food consumption and domestic production, 1967-90, versus requirement**  
 (% of total required household consumption)



Source: USDA, *Food Consumption and Expenditure*, EIR estimates.

FIGURE 8  
**Automobile consumption and domestic production, 1960-90, versus requirement**  
 (% of total required household consumption)



Source: EIR estimates.

on the one hand, and what used to be called "taste," now "lifestyle," on the other—not the result of the activity of production. The shortfalls are defined from the standpoint of maintaining those alive now. The result of the accumulated degradation of the economy since the late 1960s puts this in a different perspective.



Shant Lewis

*A homeless family in a New York City shelter. Under such circumstances, the nuclear family is becoming a thing of the past.*

Over the few short years remaining between now and the turn of the century, the size of the U.S. adult population less than 45 years old, will fall by about 18%. The shrinkage represents the maturation, at least in age, of the children of the postwar baby-boom generation. It is already labeled by demographers, "the birth dearth." Without returning to an "open-door" immigration policy, based on high-wage productive jobs, the maturation of the "birth-dearth" generation signals the beginning decline of U.S. population growth, for it will be the aging of the population, existing people living longer, which will henceforth account for the major portion of population growth.

And, beyond the maturation of the "birth-dearth" generation, the situation is far worse. Consider only the scandal of the nation's abortion rate; the rate of infants born out of wedlock; the infant mortality rate, especially among the children of the rotted out inner-city neighborhoods of the East Coast and Midwest; the infants born with the AIDS virus, or addicted to crack or other drugs; the low-birth-weight baby phenomenon; the reappearance of diseases of childhood, not so long ago considered defeated; and then, the plight of those next up the age-group ladder, the children and youth, the products of the counterculture adopted by their parents, the "boomers," their drug use, their illiteracy, their high school dropout rate; their prospects and opportunities for useful, as well as gainful employment; and then, add the layer of the epidemic diseases, like the 100% fatal AIDS plague, or hepa-

titis, or the comeback of tuberculosis, as those diseases have affected the "boomers," and their "birth-dearth" progeny, and now the children of the latter in turn.

This could be spelled out, but everyone, whether they close their eyes and hearts to it or not, knows. This is, based on the performance of the recent past and the present, a sick and a dying culture. What ought we then to suppose? What does this say about what is called "taste," or the "lifestyles," degenerate and perverse as they happen to be, which have undermined, and all but replaced the monogamous, nuclear family-based household as the mediation for the culture which shaped our past, more or less successfully, into the yet-to-be-created future?

The rule of thumb is that a monogamous, nuclear family-based household unit, ought to be made up of two adults, one male, one female, and their children. If the population were growing overall, without considering increased life expectancy and lower mortality rates, then each such household unit ought to produce slightly more than two children. Thus, in these rule-of-thumb terms, a non-suicidal "lifestyle" could be approximated as one in which such monogamous family units were made up of a bit more than four members. Above that level, we could assume population will be growing; below it, the warning signs ought to be flagged for trouble ahead.

What has happened to U.S. household size over the past 40 years? Each 10-year interval has seen the size of the

household shrink. From 3.5 members in 1950, when the "boomers" were being conceived, to 3.4 in 1960, 3.2 in 1970, when the first wave of the "boomers" were setting up homes, to 2.8 in 1980, and 2.6 in 1990, as the "boomers" began to pass out of their child-bearing and rearing years.

Back in 1950, you could, perhaps, assume that 3.5 people per household did mean 2 adults and 1.5 children. By 1990, the smaller household could equally well be made up of any permutation of male and female, old and young, which could be designed to fit, including therein what the U.S. government calls "non-family households," which includes both perversity of so-called lifestyle, as well as homes broken apart, for whatever reason.

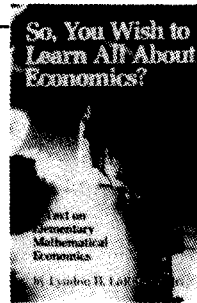
There were about 94 million households of Americans in 1990. Of these, 65.5 million were family households (family includes couples as well as single-parent homes), 51.5 million of these were married couple family households. Back in 1950, some 90% of the 43.6 million households were family households, 79% were married couple households. Of the 65.5 million family households of 1990, 43.7 million had wage or salary earners. The self-employed are included in the difference between the total family households, and the wage and salary earners, as well as those like the retired, living on pensions and social security. Of the wage- and salary-earning households, only 12.1 million were one wage-

earner families, nearly 13% of all households, while 22 million households, 50% of those with earners, had two or more earners. Back in 1950, about 90% of households were families with wage and salary earners, and over 60% of all households were supported by 1 wage-earner.

Today there are more wage and salary earners, supporting smaller households, with fewer stable monogamous units and fewer children. The reality of "changes in lifestyle" is the victim's rationalization for brutal austerity and genocide.

It ought to be obvious, isn't it? For family life to be organized in such a way that society can reproduce itself, by producing and supporting an increase in functioning family units, the maintenance and improvement of a certain standard of living is presupposed. The standard of living ought to be made up of the quality as well as quantity of goods which would permit family life to prosper: social services, such as health and education; and affordable housing, adequate to the maintenance of family life, in terms of floor space, and quality of construction sufficient to outlast the mortgage with which such properties are invariably encumbered these days.

The society which is not prepared to make the investment in maintaining its present population, still less those who ought to follow after them, is one which is in the process of proving that it is not morally qualified to survive.



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## There Are No Limits to Growth



## The danger of a new Thirty Years' War

by Lyndon H. LaRouche, Jr.

*Lyndon LaRouche, who first elaborated the program for a "Productive Triangle" on Jan. 3, 1990, directed the following remarks to the March 1-3 Berlin conference of the Schiller Institute on "Peace Through Development: Infrastructure Program for a New Europe."*

Particularly during the recent period, I have emphasized, perhaps more intensely than I had in earlier years, the fact that the period from 1912 to 1945, the period of the so-called two world wars, was a crisis in civilization created virtually entirely by a British geopolitical plot, a plot initially directed against France's statesman Gabriel Hanotaux. I would like to, at this moment, assess the current global situation in light of the significance of a force which crushed the collaboration centered upon such figures as France's Hanotaux and Russia's Sergei Count Witte, and others in Germany, Japan, and elsewhere.

On the surface, it was very simple—apparently. Hanotaux and others were tired of the ruinous condition of Europe and Asia brought about by the combination of British imperialism, and the British policy of playing off the balance of power on the continent of Europe. So a network of cooperation emerged around the leading figure of France's Gabriel Hanotaux. And there were movements for the industrial development of Russia based on high technology, a move which reached to anti-British circles and factions in Japan, and to anti-British factions among those struggling for the independence of China, for example.

Britain viewed this cooperation from a twofold standpoint.

First, it recognized, that if Hanotaux and Witte had their way, all of Eurasia would emerge as a sphere of cooperation for mutual benefit among sovereign states of Eurasia, and

that under those conditions, the British domination of the world could not continue.

The British reacted to this on two levels. First, as a threat to British imperial power. But secondly, the British reaction was not simply a national interest reaction against the threat of cooperation in Eurasia; the British reaction was determined by the character of the ruling strata in Britain, a strata in Britain which have been more or less continuously ruling since the time of the first Duke of Marlborough, and since particularly the accession of George I to the throne of England. That is, with the establishment of British liberalism.

The issues, thus, in the conflict between Britain on the one side and Hanotaux, Witte, and so forth, on the other side, was, to a large degree, the same issue, which prompted the Americans around Benjamin Franklin to recognize the unavoidable conflict which became known as the American Revolution—or the American War with Britain—over the period from 1775 through at least 1863, 1864, the period of the American Civil War, which had been created by Britain, with the collaboration of, naturally, Napoleon III, most notably.

The second motive of the British, was the British opposition to what we consider today the most fundamental rights and interests of nations.

### **The rights and interests of the modern nation-state**

Modern civilization has come to define the interests of nations, first of all, in the right of a nation to national sovereignty, to a perfect national sovereignty, at least prior to 1945, to the right of persons to certain conditions merely by virtue of being individual sovereign persons. The right, therefore, to economic development, to access to scientific

and technological progress; to freedom from imperialists and colonial or neo-colonial designs; freedom from mass murder, from atrocities such as those that Britain perpetrated so many times in British-occupied India, in the form of famines, the control of population and politics by virtue of mass-murderous famines, a form of genocide well-installed as a tradition in British India, before the appearance of Hitler in Germany. So essentially, British liberalism is opposed, philosophically and every other way, to what we call European Christian civilization and ecumenical standards consistent with Christian European civilization.

So, the British, and others, launched a twofold attack. One was simply the balance-of-power methods, of playing off potential national collaborators among France, Germany, Russia, Japan, and so forth against each other, as a development of the Entente Cordiale between Britain and France expresses this, and similar developments which I need not go over here.

### Nietzsche's satanic, existentialist movement

But the second aspect upon which I wish to place emphasis, was that there emerged from Britain—but not only from Britain—a literally satanic movement against civilization, as part of the reaction against what Hanotaux represented potentially, and Witte.

That was an existentialist movement against, for example, what Friedrich Schiller represented in Germany, typified by Friedrich Nietzsche, typified by the Oxford-Cambridge group around people like Benjamin Jowett and John Ruskin, the Theosophical movement in Britain and in Europe, associated with certain kinds of Freemasonic currents, a movement which later came to be associated with people like Benito Mussolini, Adolf Hitler, and such Hitler admirers as Martin Heidegger, Karl Jaspers, and so forth and so on. As well, those who deserve to be Hitler supporters, but who, for minor technical reasons, went the other way, such as leaders of the Frankfurt School, such as Theodor Adorno.

This was a movement which later took the form of the rock-drug-sex counterculture movement, a movement which the authors described by the turn of the present century, as the introduction of the Age of Aquarius, that is, of Dionysos, Lucifer, and Satan, to destroy, crush, and push to one side what they call the Age of Pisces, that is, the age of Socrates and Christ in their own terms, which are the terms of Friedrich Nietzsche.

That is what we face today.

That is what we faced in the years 1912-45. That is what we faced in the person of a Bertrand Russell, who probably contends for the position of the most evil man of the 20th century. What we face now, as then, back in 1912-45, is an attempt not only to prevent economic cooperation among Western continental Europe with sympathetic forces in Russia, that is, forces sympathetic to technological progress and cooperation, and Japan and China and so forth. What we face



Lyndon H. LaRouche, Jr. speaks at a press conference in Berlin in October 1988, laying out his now-famous proposal for an economic development program that would make possible the reunification of Germany.

is a force presently centered among certain Anglo-American factions which share this neo-malthusian countercultural view, who are determined to crush forever, for once and for all, that kind of rationality in human politics and human populations, which allows to come forth the aspiration of the average individual for conditions of life which are human; to crush, as in the cradle, the aspiration for national sovereignty, the aspiration for a culture based on reason expressed in terms of a literate form of national language, the right of individuals to scientific and technological progress. That is what these liberals did, from the beginning of World War I (1912, the Balkan Wars), through 1945.

It was they and their ideological fellow-travelers, such as the Friedrich Nietzsches and Nietzsche's successors, and the Heideggers, and the Jaspers, who attacked European Christian civilization, who sought to destroy it.

When, in the early 1920s, they saw that the virus of Bolshevism had not been able to destroy the culture of Western Europe, they resorted to new methods; the methods of the Frankfurt School, and so forth, and the bringing of Hitler to power, which was largely done by the Anglo-American powers. *Let us never more allow that fact to be hidden.* Without Montagu Norman, without the racist Averell Harriman, without Prescott Bush, the father of President George Bush and the chief executive officer for Harriman, *Hitler would not have come to power in the 1932-33 period. They brought him to power, and they knew, to a large degree, what they were doing. They may not have known all the consequences of what they were doing, but they knew what they were doing. And, together with Churchill, they supported Benito Mussolini's power in Italy until 1938. And they*

were somewhat sympathetic to Hitler's rule over Germany, against German opposition, through the Kristallnacht events of 1938.

These fellows, at the end of the war, as Bertrand Russell expressed it in his October 1946 paper in the *Bulletin of the Atomic Scientists*, proposed a condominium between Stalin's Moscow as a junior partner and the Anglo-Americans as the

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*The Bush administration represents, in the person of the President and his close associates, one of the biggest drug-pushers in the world. . . . The criminals are in power. The plague of drugs runs on the streets. The United States is being destroyed from within, by this rock-drug-sex counterculture.*

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major partner: a global condominium. The United Nations was supposed to become the vehicle whereby the Anglo-Americans, with Soviet seconding as a junior partner, would rule the world.

This is, of course, the frequently expressed philosophy of Henry Kissinger, who identifies himself as a follower, and a faithful follower, of Winston Churchill. Policy is made from London, to New York and Washington, to Moscow; and the rest of the world has naught to do, but to obey.

### **Kissinger revived the condominium**

Because of the falling-out between Stalin and Churchill on the conditions of the postwar world, the plan did not work out as Russell and others intended. The United Nations did not become the imperialist agency that its founders intended immediately. After Stalin's death, there were movements toward a rapprochement, toward condominium, under Khrushchov, with Bertrand Russell at the center of these negotiations. This became the Pugwash movement. That didn't fully work out; it was revived after the assassination of Kennedy; President Johnson was one of those who abortively attempted to revive this; it was revived as soon as Henry Kissinger became acting President with the inauguration of Richard Nixon and his successor, Gerald Ford. We have now, of course, this condominium, established over the 1986 to 1989 period.

But, the condominium has blown up again, because the agreements, and vital interests, cannot necessarily suppress reality; and, reality puts Russia into resistance against the junior partner role, and what that portends to be the Anglo-American side of the condominium. So, we are headed, in effect, toward a Third World War—not necessarily like the first two of this

century, but continuing the same causal principles.

We are headed toward, as I have said, and others have said, a Thirty Years' War, that is, a Thirty Years' War in the sense that the Peloponnesian War in ancient classical Greece was a Thirty Years' War. The Thirty Years' War in Central Europe was an echo of the Peloponnesian War, and the period from 1912-45 in Europe, is effectively another Thirty Years' War.

We're talking about a conflict in every dimension, in every level, spreading, intensifying, and ultimately reaching the point that weapons are used in conflicts among major powers—a general devastation of this planet deep into the early decades of the coming century, unless we stop this.

Up to now, from at least 1986 on, from 1982 in part, and earlier, it seems that the British liberals—the same fellows who caused the Thirty Years' War of 1912 to 1945, are predominant: They're winning. They're winning, because France acquiesced to them, as earlier it was key to causing wars, and because the world is generally acquiescent to this power, to this liberalism, to IMF conditionalities.

Unless that trend is reversed, it is *certain* that the new Thirty Years' War period now in progress, will be the rule of this planet deep into the early decades of the next century.

What must be addressed, therefore, is not the issues as they are normally defined by the press, or day-to-day gossip; we have to recognize that there is a pattern, like an infectious cancer, in the history of European civilization, a cancer not limited to, but typified by, the rise of British liberalism in Britain, particularly in its 18th-century form for purposes of immediate reference, as this was expressed by the role of Britain at and following the Vienna Congress of 1815, and during this century. There is no hope for civilization, there is no hope for this planet, as long as that cancer exists—the cancer of not merely the British desire to play the balance of power on the planet, but the purpose from which that desire is executed, the intent to suppress Christian civilization, and to bring back a modern utopian form of pagan Roman civilization, ruled by American brawn in turn directed by British brains, and to play movements and forces like the communist forces in Moscow, and so forth, as the complement and sometime associate of these efforts to crush out of existence, everything that Christian civilization deems precious.

There is no hope for civilization, there is no hope for this planet, that it escape this new Thirty Years' War, except we change that now. What we must address, is not merely local issues, or immediate short-term issues, or medium-term issues; what we must address, is the fact that in British liberalism, in particular—not exclusively, but in particular—there is a form of purely satanic evil.

### **What is evil about Britain**

The evil is not the fact that Britain as a national power or an imperial power, or with its United States running dog, has tried to prevent the development of rational collaboration

among the sovereign states of Eurasia, or that it has promoted brutish oppression of the nations of Ibero-America (Central and South America), Africa, and so forth; that is not the *primary* issue. The primary issue is that British liberalism, and its American complements, are the center of a radiation of power, of a commitment to crushing out of existence what they call the Age of Pisces—of Socrates and Christ—in order to bring into ascendancy globally, the age of Dionysus, Satan, and Lucifer.

This expresses itself in such things as IMF conditionalities, in what are called free trade policies; it expresses itself in the liberal doctrine, that there is only opinion, not right or wrong, not truth or falsehood, not justice; it expresses itself in the common feature of Nazi law and the present U.S. federal courts and Executive Branch, in what is called in philosophy radical positivism.

Whereas Christian civilization bases itself on the existence of certain principles (as the U.S. Declaration of Independence points in that direction), and that nations and their lawmaking must be subject to natural law, which is above the whims of any nation, or any national majority, or any institution of nations; these fellows say, “There is no truth, there is no natural law, there is only what the responsible institutions of government, which we control, have decided.”

For example, in the United States, beginning with the Teddy Roosevelt, shall we say, Internal Revenue Service, there has been a shift in the practice of prosecutorial law.

In former times, criminal prosecution started with the existence of the body of a crime. Somebody had committed a crime, or it had to be (probably) some human agency. The job of the government was to determine who might have perpetrated that crime, and to bring the person responsible to justice, and deal with that justly and for the interests of society as a whole—according to natural law, not according to the caprices or whims of judges or parties in power in government.

Today, that’s reversed. The United States government is no longer concerned with crime. *The Bush administration represents, in the person of the President and his close associates, one of the biggest drug-pushers in the world.* It is they, through such subordinates as Gen. Richard Secord, or Col. Oliver North, and their Israeli accomplices, who ran the great cocaine-running from Central and South America into most of the world. It is they who are at the center of international drug and weapons-trafficking. Other powers are involved, but they were at the center. *The criminal occupies the White House, in effect.* It was George Bush, as head of the Special Situations Group, who was responsible for these people. It was he who was presumably administering the war on drugs to defend the shores of the United States against importation. It was his subordinates—including Colonel North, and so forth, who are engaged in this drug traffic and bringing these drugs into the United States, or arranging to have them brought in. That’s on the court records. The

criminals are in power. The plague of drugs runs on the streets. The United States is being destroyed from within, by this rock-drug-sex counterculture.

So what do they do? Now, they’ve eliminated the prosecution of crime. Satanism is protected by even the Federal Bureau of Investigation, which intervenes to head off investigations into crimes, even mass, horrible, grisly mass murders by Satanist groups.

But any group which is seen to be a potential source of political resistance to the British liberal policies of the Bush administration marks those responsible, or believed to be incidental to it, as targets for prosecution. These persons are targeted for prosecution, these groups are targeted for prosecution, and then the agencies of government go out to invent a crime with which to charge them, often a conspiracy charge, which is considered a felony, with no criminal act at all perpetrated by any of the accused, not even claimed to be so by the prosecution itself.

We have gone full tilt to this kind of radical positivism—which is really another name for totally arbitrary rule, and total destruction of the rule of law, to the worst kind of rule by men.

Some legal experts say, and I think justly so, that in respect of theory of law, the United States today is already worse than Karl Schmit’s Nazi Germany.

### **We must defeat this evil**

So, the time has come that we must all be much more serious. We can no longer content ourselves with trying to play pragmatic, opportunist games, trying to nibble here and nibble there and get a little of the fundamentals to people here and there.

The time has come that we must begin at least to neutralize the agency which was Hanotaux’s adversary, Witte’s adversary, which has been consistently the adversary of everyone who tried to create a Eurasian bloc of cooperation and economic development, which is trying to prevent the developing nations, so-called, from having the most elementary rights as nations, which has crushed their aspirations and plotted genocide in the order aggregating to billions of victims against those persons, because some in the North consider some in the developing nations to be overpopulated.

We must address that evil, directly; name it, remove it from power. As long as we allow that evil—the evil typified by the enemies of Hanotaux at the end of the last century—to dominate Europe, in the manner the friends of Henry Kissinger dominate Europe and the United States, then this planet as a whole is doomed to a Thirty Years’ War, which may be the worst of them yet to be experienced by the human race. We must stop being children; we must grow up. We must stop trying simply to fix a little thing here and there. It is now the time to call evil by its name, because if we allow evil to predominate, as it predominates today, our nations, and civilization as a whole, are doomed.

## Drive to obliterate Iraq heralds new U.S. wars

by Joseph Brewda

President George Bush's address to a joint session of Congress on March 6, outlining U.S. policy toward southwest Asia in the aftermath of "Desert Storm," may have had a triumphal air; but no amount of applause from flag-waving congressmen should hide the fact that the imperialist-minded, and confused, Bush administration is plunging the world into a disaster of its own making.

Bush's call for "shared security arrangements" in the region—a clumsy attempt to revive the long-dead 1950s Baghdad pact—is inherently unworkable. The effort to implement this plan will only further destabilize the area. His call for "peace and stability in the region" through "solving" the Israeli-Arab dispute, is only a cover for crushing the Palestine Liberation Organization (PLO) with an option of creating an Israeli-run "Palestinian state." While Bush made obligatory reference to fostering "economic development for the sake of peace and progress" in his remarks, U.S. policy is really to exterminate the Iraqi people through disease and malnutrition. At the same time, the U.S. administration is conspiring to destroy Jordan, Yemen, and Sudan, which had opposed American aggression, as well as Iran, Libya, and possibly even the present U.S. ally of Syria. A new war in the region within a year or even six months is to be expected.

The day following the outlining of the public version of this policy, Secretary of State James Baker left for a tour of the Mideast and Europe in an attempt to ensure that it is implemented.

Bush denied that the U.S. is planning to "station U.S. ground troops on the Arabian peninsula" in order to put his proposed "new security arrangement" into effect. Instead, he said, "our friends and allies in the region will bear the bulk of regional security."

Yet while denying a permanent occupation, Bush said that the Americans would retain a "capable naval presence,"

and would rotate U.S. ground forces through the region, supposedly in order to participate in joint exercises with local Arab satrap armies.

An authorized leak by "senior administration sources" to the *New York Times* on March 3, clarified what the new security structure involves:

- Permanent stationing of U.S. troops in Saudi Arabia. Routine, months-long desert warfare training exercises for thousands of U.S. troops in the Saudi desert, and similar amphibious exercises for marines in the Persian Gulf, will be cover for this occupation. Large quantities of war matériel in Saudi Arabia will be prepositioned.

- Stationing of several U.S. combat aircraft squadrons at airbases in the Gulf on a rotating basis.

- Deployment of one U.S. aircraft carrier in the Persian Gulf for more than six months a year, and another in the Red Sea for at least three months a year.

The latter deployment is intended to put the U.S. in a dominant military position for strikes against Yemen and Sudan, which flank the Red Sea, as well as possibly imposing a continuing de facto blockade against Jordan. Meanwhile, the land and sea deployment in the Gulf region positions the U.S. for continuing pressure on Iraq, while otherwise giving it an option to strike Iran.

The *New York Times* report on March 7 that the CIA has "confirmed" that Libya has begun "large-scale production" of poison gas, suggests one potential target for the new military actions that the U.S. is preparing.

### Exterminating the Iraqis

While Bush vaguely referenced economic development, Iraq, among other states, faces death. In remarks on March 1, Bush said he did not want to see "one dime" go for rebuilding that destroyed nation. Bush's call against "the prolifera-



tion of weapons of mass destruction" in his congressional address is also genocidal. Insecticide plants, fertilizer plants, and even milk formula factories all produce chemical weapons, in Bush's book.

A recent report of the WHO and UNICEF (see page 40) gives some sense of what the continuing U.N. Security Council sanctions against Iraq, and the denial of emergency relief, will mean: millions of deaths by disease and hunger. The insurrection of Shi'ites, Kurds, and others which began after the cease-fire, apparently sponsored by the United States, will further this process.

The extermination of Iraq is the policy of the U.S. government. The destruction of virtually every power plant, sewage facility, irrigation pump-complex and factory in the nation had no military purpose. Nor did the systematic targeting of residential areas. Nor did the massacre of retreating soldiers. According to several Iranian News Agency reports, which have tended to be the most accurate on such matters, perhaps 175,000 Iraqi soldiers were killed in the war, many while retreating.

One retired senior U.S. intelligence official, who asked not to be identified, told this news service what the real purpose was. "The objective was to kill 200,000 soldiers as part of the disarmament of Iraq. The war continued until that objective was more or less accomplished."

Although the exact number of Iraq's civilian casualties is not known, the civilian dead and wounded probably exceed 300,000, well-informed estimates by several eyewitnesses suggest. The bombing of the civilian shelter at Amariyah in Baghdad, which killed several hundred civilians in their sleep, was replicated virtually every day of the month-long aerial bombardment of Iraq.

"It wasn't a war, it was genocide," charged Raphael Bidawid, the Roman Catholic patriarch of Iraq (Chaldean Rite) in Rome on March 4. Unfortunately, with Bush declaring the economic embargo still in effect, while denying Iraq emergency relief, the genocide has only begun. This genocide, combined with internal insurrection, will lead to spreading instability in neighboring Iran, Turkey, and Syria.

## Genocide against the Palestinians

While Bush said he wanted a "solution to the Arab-Israeli dispute," his administration has already begun to exterminate the Palestinians and is planning to liquidate the leadership of the PLO.

"It's 'Kristallnacht' for Palestinians in Kuwait," on-the-scene columnist Mike McAlary reported in the March 6 *New York Post*. Mobs of Kuwaiti resistance fighters are systematically killing Palestinians, he wrote. "Foreign nationals, particularly Palestinians and Iraqis, are being rounded up, arrested, tortured and, in some cases, executed."

Palestinian sources add that special Arab squads, probably composed of Syrians, and operating under the watchful eye of U.S. Special Forces units, are systematically killing PLO cadre.

The Palestinians make up a large percentage of Kuwait's population, and had been an important financial base for the PLO and also for their relatives in the Israeli Occupied Territories. "Why did Schwartzkopf let the Kuwaiti troops enter the city first?" these sources ask. "The massacres are U.S. policy; don't blame it on the Kuwaitis alone."

On March 3, Baker said that the PLO and its chairman Yasser Arafat are going to pay a price for supporting Iraq. "Arafat was seriously and substantially hurt as a result of jumping so quickly and embracing Saddam Hussein," Baker told NBC TV, "Our Arab coalition partners tell us that, and they have some ideas about whether he may or may not have any future utility."

The plan on destroying the PLO was already signaled by Prince Bandar, the Saudi ambassador to Washington and long-time CIA and State Department tool, in an interview to the *Los Angeles Times* published on Feb. 21. Bandar denounced Arafat as a "clown" and threatened, "Everyone who stood up for Saddam Hussein is going to go under with Saddam Hussein." Bandar also threatened King Hussein of Jordan and President Ali Abdallah Salih of Yemen.

Bandar added, "We distinguish between Arafat and leadership of Palestinians. . . . We are 100% committed to the Palestinian cause, but Arafat chose his way, we are taking our way." Bandar was referencing the creation of the "new PLO," which would accept the sort of "peace plan" that Bush is preparing. According to sources in the region, Bush envisions some sort of "Palestinian state" on part of the Israeli-occupied West bank, which, "in order to ensure Israeli security" would be denied an army and a foreign policy. It would be simply an Israeli "bantustan." Since the PLO would never accept this, the Saudis, Egyptians, and Syrians conspired to form a new PLO, with the aid and support of the U.S. and Israel.

The same week that Bandar threatened Arafat, the Egyptian embassy in Israel began covertly financing and directing a new Arabic newspaper called *Manar* in the Israeli Occupied Territories; the paper is hostile to the PLO, Jordan, and Iraq, and will function as a key voice for the Bush "peace plan."

Another proponent of this plan is France, whose government is terrified that its involvement in the Gulf war has caused it to lose control over its former colonies in North Africa. In order to regain Arab sympathies, France will launch a new drive on behalf of a Palestinian state—but minus the PLO, well-placed sources report. In February, French Socialist Party head Pierre Maurois forced through a resolution at the Socialist International gathering in Vienna, "delegitimizing" the PLO as the sole representative of the Palestinian people.

Since the PLO is the only accepted leadership of the Palestinian people, which even those few Israeli leaders who are not insane cannot deny, the destruction of the PLO, and efforts to impose new peace schemes, will only further destabilize the region.

# International team finds 'catastrophe' facing Iraq's women and children

*On Feb. 16-21, a seven-man joint team of the World Health Organization (WHO) and the United Nations International Children's Emergency Fund (UNICEF) sent a mission to Iraq with a limited mandate to "ascertain essential health needs" of women and children. The team focused on Baghdad. The report that the team issued upon leaving Iraq, excerpted below, summarizes the disastrous situation facing Iraq within that context.*

The mission found in Baghdad that normal life had come almost to a halt. The city's citizens now spend much of their time in family support preoccupations, searching for food, trying to find water, and improvising cooking and heating amidst an acute shortage of all kinds of fuel. Baghdad has no public electricity, no telephones, no gasoline for civilian vehicles, and less than 5% of its normal water supply. None of its water treatment plants are functioning. Toilets go unflushed, and unpumped raw sewage is backing up and overflowing in residential areas. Basic food items are scarce; rice and sugar are increasingly difficult to find. Most basic food items that are available are expensive. Meat is \$36 per kilo—this in a society where \$300 is an average monthly urban wage. Homes have no refrigeration for the preservation of food. Bottled gas for cooking and heating is so hard to come by that sales of it set off near stampedes.

As of this writing, the single most urgent health threat, to Baghdad and the country, is that of waterborne epidemics that could soon result from increasingly widespread public use of the Tigris River and other heavily polluted bodies of water for drinking. Freelance tank trucks are already selling water taken straight from the Tigris in urban neighborhoods. Radio warnings to boil water are largely unheeded, since the hard-pressed population is using scarce fuel for other purposes.

## **Food shortages**

Essential commodities are rationed. An official ration of rice, flour, sugar, cooking oil, tea and soup is provided at low cost. The present ration provides an estimated 750 to 1,000 calories per day, irrespective of age. Children under

one year of age receive, in addition, two tins of 450 grams of powdered milk per month. This is 30 grams per day.

The ration of 750-1,000 calories available at present is less than half the daily requirement of a five-year-old child, or less than one-third of the requirement of a pregnant woman.

Iraq has no evidence of malnutrition from past records, although data are scarce. The team did not see malnutrition, but prodromal symptoms like listless behavior were observed in some children seen by the team. . . .

Given the difficulty of assessing present food intake or supplies, it is not easy to make a reliable estimate of additional needs for young children and pregnant women. . . . The present population of Iraq is 18 million. Of these, 4% (770,000) are children below one year of age. Infant formula will be needed for the children under four to six months only. Pregnant women also number an estimated 770,000.

## **Breakdown of health care**

The immunization of children stopped completely at the start of the war, when electricity was cut. All vaccines were sent back to generator-operated central stores and hospitals. Only in the few days prior to the mission's visit had some centers resumed immunization one day per week, using cold boxes and vaccine carriers. However, not enough vaccines are available. . . .

The team looked into prescription practices, and observed that only a day's dose of doctor's prescription is issued at a time. Many women and children are not able to come back every day to complete the treatment. The danger of introducing resistance to antibiotics due to this non-compliance cannot be overemphasized. Treatment cannot be effective under these circumstances.

All the technical services of the Ministry of Health have been disrupted, but none more severely than epidemiological surveillance and the reporting of communicable diseases. These have practically ceased. Laboratory services in Baghdad have been cut back to almost zero. No information has been available since September 1990 on communicable diseases that were routinely reported by the health services up to that date.

Since such communicable diseases as typhoid, meningitis, measles, poliomyelitis, hepatitis A, and malaria are endemic in Iraq, the present conditions of contaminated main water supply and untreated, backed-up sewage have set the stage for the onset of some of these diseases in epidemic proportions. . . .

It is recommended that supplies for the control of cholera and meningococcal meningitis be procured and prepositioned in Iran for immediate shipment to Iraq.

### **Water-borne epidemics soon**

The mission gave high priority to its inspection of Baghdad's water and sanitation situation, and saw a grim picture. If quick intervention does not take place, the Iraqi population faces the prospect of epidemics. Diarrheal rates are already four times their normal level.

Most of Iraq's population of 18 million enjoyed, before the crisis, an average of over 250 liters per head daily. Baghdad city, with 4.5 million [people], received up to 500 liters per head. Over 95% of this water was the product of river water treatment provided by seven electro-mechanical plants, all of which operated with electric power and required chemicals for treatment.

All significant electrical power-generating plants in Iraq have now been destroyed, and similarly the refineries and main fuel storage facilities, leaving water treatment plants dead for all but six hours per day of operation on standby diesel generators. This necessitates a careful rationing of the systems remaining fuel supply, which will not last more than five more weeks.

The chemical plants which used to supply the main treatment elements, aluminum sulphate (alum) and chlorine, have been destroyed by the bombing. Small quantities of alum and chlorine are still stored at treatment plants, and minimal amounts of these dwindling supplies are used for treating the water that is still sent out. . . . The water is distributed without knowing its bacteriological characteristics, at a time when treatment levels are markedly sub-standard.

The city of Baghdad is served by the seven treatment stations mentioned above, each pumping directly into a network of over 6,000 kilometers of pipes. At present, the water supply to the inhabitants is between zero and 15 liters per person per day, with minimum treatment specifications at the stations and insufficient disinfection. The distribution is rationed in an uneven manner, since the rationing operations require the manual maneuvering of over 20,000 valves. This cannot be performed adequately by the available personnel, who have no fuel to travel about in their few vehicles.

In no sector of the city can water reach higher than the ground level of buildings, due to the weak pressure in the pipes. Some districts of the city receive three to four hours of water every three to four days, other districts three to four hours every two weeks. . . . About 1 million people receive almost nothing, since their main water feeder pipes have been

severely damaged and cannot be repaired for lack of parts. . . . Interrupted pumping inevitably leaves stagnant water in the pipes. This causes further degradation of the originally poor quality of water.

In order to limit the ongoing health threats and prevent epidemics, it is proposed to supply the city with 40 liters of water per head per day. In order to achieve that, the following intervention is urgently recommended for Baghdad city.

Supply of the necessary fuel to operate standby generators for a period of three months=1,800 tons. Estimated cost for 3 months=\$540,000.

Supply of alum for three months=1,500 million tons. Estimated cost for 3 months=\$525,000.

Supply of chlorine for 3 months=45 million tons. Estimated cost for 3 months=\$22,500.

Supply of necessary collars to repair broken mains. Estimated cost \$52,920.

Supply of material and laboratory items. Estimated cost \$49,240.

Supply of spare parts for treatment station equipment. Estimated cost \$49,240.

Estimated total cost to support water supply of Baghdad city for 3 months=\$1,339,660.

Baghdad is a flat city. The sewage system cannot operate by gravity; therefore sewage is passed through to the treatment plants by pumping stations (lifting stations) at intervals. There are 252 of these stations, which are electrically operated, about 192 of which have standby generators.

If those lifting stations do not operate, the sewage pipes fill up and houses flood with sewage. This is occurring in Baghdad now. Additionally, large pools of sewage are forming due to the overflow of sewage at the pumping pits, creating other health hazards.

In order to partially contain this problem and keep up operation at a minimum safety level, the following are required.

Enough diesel fuel to operate the lifting pumps, generator, and sewage treatment station for 3 months. Quantity required=900 million tons. Estimated cost=\$270,000.

Supply of essential spare parts sufficient to repair stopped generators. Estimated cost=\$100,000.

Supply of four 110 kva generators for mobile use, in order to supply power to lift pumps which have no standby power. Estimated cost=\$150,000.

Estimated total budget for sanitation for three months=\$520,000.

In short, the children and mothers of Iraq are living in a very acute water supply situation and in dangerous sanitation conditions, in weather which is now favorably cold, but which will warm to more than 40°C [104°F] in another five or six weeks. Few public services whatsoever are available. Fuel is nonexistent. Transport services do not function. If nothing is done to remedy water supply and improve sanitation, a catastrophe could beset Iraq.

# Algiers conference addresses the global threat of a 'Pax Americana'

Some 200 attorneys, intellectuals, journalists, parliamentarians, and politicians, representing a variety of political tendencies, met in Algiers to address the abuse of international law committed during the Gulf war, and to indict the Bush administration for its criminal behavior, during a three-day colloquium Feb. 28-March 2. Their final report details how the U.S. government and its allies have violated the U.N. Charter; privately most people there had to agree that the present Charter no longer protects the weak and the innocent, and needs to be totally rewritten.

During the first day, there was a very clear—if diplomatic—gap between the presentations given by speakers from the Maghreb and those from France. The latter continued their attempts to justify France's unconscionable and self-interested role, which was treated with contempt by the Algerian press.

The second day of the conference put matters back on track. First, a very moving speech was given by former U.S. Attorney General Ramsey Clark, in which he reported on his trip to Iraq to view the civilian damage from U.S. bombing of population centers, and concluded that Bush's new order "only aims at keeping the poor in poverty. It is no more sophisticated than that; it has only one meaning: The U.S. wants to control international life by force. The U.N. has become an instrument of war, and suffered from a total defeat if you think of its original aims." Then, Mrs. Leila Aslaoui, a justice of the Algerian Supreme Court, blasted the French speakers from the day before, stating that "we have no lessons to receive from those who organized or covered up for a genocide. . . . The Gulf crisis is an international conspiracy to whom a long preparation gave some appearances of spontaneity. Since 1948, international law is determined by sheer force. The Bush international order is a colonial order for the 21st century."

## **Bush, Harriman, and 'administrative fascism'**

Jacques Cheminade, the president of the Schiller Institute in France, spoke next on the "Administrative Fascism of the Bush Regime." That title alone piqued interest, and for the next three days, Cheminade was the center of a maelstrom of discussions with journalists, politicians, lawyers, and diplomats. The description of the American economy and culture as already fascist in its direction, with a military machine

organized to loot others from the goods that it itself is unable to produce was welcomed as the "only rational explanation of what had happened." "You have to understand," stressed Cheminade, "that today's America is no more the America of the American System, but an America that has betrayed itself, betraying the values of its Founding Fathers. Instead of bringing freedom and science to the world, it brings oppression, exactly like the British did to America in the 18th century. What has acted so criminally in the Gulf war is in fact a British America, who has endorsed the system of its oppressor."

But even more interest was raised by the story of the Bush and Harriman families, and how Bush with his "population control" means exactly the same as the "eugenics" promoted by his family and its friends in the 1930s. "Pax Americana is no pax," concluded Cheminade, "it is an everlasting war. It has to be replaced by a peace coherent with the message of the brotherhood of Abraham, expressed in a concrete way, through common economic development. The peace of a new Versailles Treaty that the Bush administration wants to impose leads to death and disaster, and should be replaced by great projects led by citizens, like those conceived by the Bush administration's 'man in the iron mask,' Lyndon LaRouche." With the mention of LaRouche's name, the whole room was set abuzz, to the discomfort of French ecologists and socialists, and increased interest of the Arab and Muslim delegates. Some Communists from the old guard, who had fought along with the Algerians in the war of independence, sought out Cheminade later, while the Church representatives thanked him for saying aloud what everybody thinks to himself.

As a result of the presentation, Cheminade appeared three times on Algerian television, including the regionally viewed "Meet the Press," and in a 45-minute program of the students' association, along with the head of the Egyptian Labor Party, Mr. Mahfouz Azzam, the former dean of the Algiers Law School, and the head of the Algerian League for Human Rights. The National Agency for Movie News filmed a 30-minute interview on the U.S. economy, LaRouche, the Schiller Institute, and the Islamic Renaissance. "We did not know that the stained glasses of Chartres were partially made from the discoveries [in optics] of Al Hazen; now we are going to look at Islam and Christianity differently," said the head of

the program, which is supposed to run in all Algerian movie theaters.

Interviews were also given, including to Egypt's *Al Shab* and the National Liberation Front newspaper from Algiers. In one radio panel discussion with Cheminade and a group of French "leftist" lawyers, they were surprised to hear what they thought was an "extreme right-winger" denouncing U.S. fomenting of North-South conflict. The most intelligent had to admit that they "had been disinformed on the U.S. in the same way that the U.S. had spread false news on the Gulf."

Cheminade's clear political profile of George Bush attracted all serious people, either from the "secular" parties or from the Islamic movements. "We are left aside, ill-informed, disinformed and cheated. At least we have learned one thing, it is when somebody comes to really care for something higher than his career or interests," declared a young Islamic leader. He added, "If I understand well, what you have said on the Bushes and the Harrimans relates them to what we hate in the West, the irrationalism promoted by Nietzsche which led to Nazism and colonial arrogance." Another speaker, Mrs. Fatima Mernissi from Morocco pointed out that, in the same way Abbasid Baghdad was destroyed by the Mongols, "the West is presently being mongolized by the Anglo-American barbarians." She stressed that "the Arabs should learn now to act in a planetary, universal way, allying with the resistance in the West against the New Mongols, or we are all going to be exterminated."

### U.N. adopting a double standard

The final resolution of the colloquium, which many, including some of the conference organizers, thought "too soft" denounced:

- the use of force before all other means were tried, contrary to the dispositions of Article 41 on the U.N. Charter;
- the double standard of justice used by the U.N. Security Council which treated the occupation of Kuwait differently from others, especially the Israelis in the Occupied Territories;
- the use of Resolution 678 as a legal basis for war, even though it had not received a unanimous vote from the five permanent Security Council members as required by the Charter;
- the abandonment of the declaration, prosecution, and conclusion of the war to the discretion of the U.S. President, contrary to all requirements;
- the use of "considerable [means] disproportionate to the goal achieved," massive and indiscriminate bombings, the systematic destruction of foodstuffs, water systems, everything necessary for civilians to survive, as mandated by Article 54 of the additional Protocol to the Aug. 12, 1949 Geneva Conventions on the protection of the victims of armed international conflicts;
- the use of both formally prohibited weapons and new



Jacques Cheminade

ones that are designed to cause great damage.

Finally, the participants called for:

- the need to organize an interdisciplinary Commission of Inquiry to take stock of the damage caused to Iraqi civilians and demand the withdrawal of all foreign military forces from the region;
- the immediate respect for all resolutions on Israel and Palestine, the implementation of the rights of the Palestinian people and state, and the reestablishment of Lebanon's sovereign rights on the entirety of its territory;
- the right to all people in the region to their identity, and to their free disposition over their natural resources.

The participants, taking into account the unprecedented censorship and distortion of information during the conflict, have decided to widely publicize their report, and to address a copy to U.N. General Secretary Javier Pérez de Cuellar.

Those who wanted stronger resolutions pointed out that without a new world international order in the spirit of the founding Non-Aligned conference at Bandung in 1961 and the 1976 Colombo Non-Aligned conference, Bush's new world order would be unopposed. Therefore, they said the conference should not only criticize leading international institutions, but demand the creation of new ones, including one to try President Bush for crimes against humanity, and another to elaborate the basis for an international order based on common development.

Very interesting discussions took place on those two issues, and connections were made between various individuals and forces to go beyond "Algiers' first step." Following CNN's distorted news in one's hotel room, what strikes one is how it reduces the viewer to an infantile dependency—not only manipulated, but addicted to manipulation—and makes conferences like the one in Algiers precious opportunities to raise the key issues defining our future.

# Maghreb press hits 'imperial' U.S. war

by Christine Bierre

While the French press poured out the Anglo-American lies about the Persian Gulf war, the press of the Maghreb countries—Algeria, Tunisia, and Morocco—were the few places a Frenchman could find truth.

The result was natural: Citizens of the three countries took to the streets by the hundreds of thousands to protest against the brutal aggression against Iraq. From the very beginning of the conflict, Maghreb nations' press unambiguously stated that the Anglo-American aim in the war had nothing to do with the liberation of Kuwait. "Iraq would have been attacked whether Kuwait had been annexed or not," wrote Kheiredine Ameyar in the editorial of the weekly *Algérie Actualités* for Feb. 7-13. "The annexation merely benefited the United States because it gave it the pretext and justification for its actions." Among the real aims of the war, Ameyar exposed the "imperial means" the U.S. has adopted in order to make "submit to their will whatever independent behavior might appear at the periphery, i.e., anywhere else in the world." He also attacked the U.S. hatred of any Third World country attempting to develop: "It is because Iraq is moving out of underdevelopment, through means which have not been officially accepted, that the example it gives is intolerable" to the U.S., concluded Ameyar.

## Senators threatened Saddam

Issue No. 1323 of *Algérie Actualités* details how a delegation of five U.S. senators—Robert Dole, James McClure, Alan Simpson, Frank Markowski, and Howard Metzenbaum—was sent by Bush to President Saddam Hussein to demand his surrender in April 1990!

"Senator Dole starts speaking and proposes to have the interpreter read the message to Saddam signed by the five senators. . . . 'Desirous as we are to improve the bilateral relations between our two countries, it has appeared evident to us that it would be impossible to solve the grave differences which separate our two countries.' . . . With cynicism and contempt, in spite of the fact that several weeks before Israel declared its ability to use non-conventional weapons to ensure its security, the Americans explained: 'We insist on letting you know without exaggeration how convinced we are that your efforts to develop nuclear, chemical, and biological capabilities seriously endanger your country, instead of reinforcing your security. . . .'

"The interpreter reads to Saddam the rest of the letter presented by the American senators; the tone is more and more menacing, the natural calm of Saddam is mistaken for weakness. . . . 'It is in your interest,' says the letter, 'and in that of peace in the Middle East that we pressure you to revise the pursuit of those dangerous programs.' "

## Bush impeachment, LaRouche role featured

In late February, the Algerian newspaper *El Moudjahid* highlighted the resolution of U.S. Rep. Henry Gonzalez (D-Tex.) to impeach President George Bush, and Gonzalez's Jan. 15 press conference, with former Attorney General Ramsey Clark, to announce the introduction of his motion for impeachment. Clark and Gonzalez, wrote *El Moudjahid*, denounced Bush's new world order, which, "they underline, implies genocide against the developing countries, through the food weapon and by doing nothing to stop global epidemics arising as a result of the conditionalities imposed by the International Monetary Fund, as well as through the launching of depopulation wars led by NATO during its out-of-area deployments." The weekly, whose primary source was *Nouvelle Solidarité*, the journal of France's Schiller Institute, took the opportunity to point out that "Ramsey Clark, who recently launched a no holds barred condemnation against the cowardly aggression of the Americans and their allies against the Iraqi people, is the attorney for prisoner Lyndon LaRouche, a defender of the rights of Third World countries to scientific and technology progress over the past 20 years." The *Algérie Actualités* (Feb. 21-27) also quoted sections of Gonzalez's House Resolution.

The Tunisian weekly *Tunis Hebdo* of Feb. 18 excerpted a 1985 speech that Jacques Cheminade, president of the French Schiller Institute, gave to the National Convention of French Muslims, which had been reprinted by *Nouvelle Solidarité* in August 1990. In that speech, Cheminade called on Frenchmen of all walks of life to acknowledge the debt France owes to Islamic culture, to the works of Ibn Sina, Al Farabi, and the Baghdad Caliphate. Cheminade was a featured speaker at the "International Colloquium to Inquire into Violations of International Law" sponsored by *El Moudjahid* on March 1 (see p. 42).

What can the future hold for the Maghreb given the Anglo-Americans' new world order? Speaking before the second national congress of Algeria's magistracy, President Chadli Bendjedid made a strong appeal for the strengthening of the Union of the Arab Maghreb, the treaty organization created in February 1989 by Algeria, Morocco, Tunisia, Mauritania, and Libya. In addition to constituting a mutual security and defense treaty among the national signatories, the Union of the Arab Maghreb treaty established a common market. The union's founding document called for ensuring "the industrial, agricultural, commercial and social development" of the region and for adopting the necessary means to realize this "mainly by adopting common projects."

# Bush wanted war from the beginning

*The U.S. bashed Germany and blackmailed the Third World—anything to stop peace in West Asia. Part 2 from a forthcoming white paper by Joseph Brewda.*

*We continue an abridged serialization from the upcoming EIR white paper on the Bush administration's systematic sabotage of every attempt at a peaceful solution to the Persian Gulf crisis. Many Arab states, the Vatican, and some forces in Europe wanted peace; Britain, the U.S., and the Anglo-American-dominated U.N. Security Council wanted war. In this excerpt we cover what the Bush administration did to force through U.N. Security Council Resolution 678 on Nov. 29, 1990 which set a Jan. 15 deadline for war.*

Throughout November, the Bush administration deployed in force to ensure that war with Iraq would not be blocked, despite the best efforts of several nations. The drive included blackmailing and bribing several nations to vote on behalf of a then planned resolution to set a deadline on the Iraqi occupation of Kuwait, following which the U.N. would authorize war. The drive was successful and on Nov. 29, the U.N. Security Council authorized war by Jan. 15.

Bush signaled the more aggressive diplomatic posture on Nov. 8—two days after the mid-term elections—when he proclaimed, at a surprise press conference in Washington, that he would be sending a vast number of new troops to Saudi Arabia to ensure a U.S. “offensive capability.” Previously, the pretext given for Operation Desert Shield had been to “defend Saudi Arabia” from Iraq.

One day earlier, Bush's mentor, then-Prime Minister Margaret Thatcher, in her address to the opening of Parliament, declared, “Time is running out for Saddam Hussein. . . . Either he gets out of Kuwait soon, or we and our allies will remove him by force.” On Nov. 1, the U.S. government said it would be introducing a resolution before the U.N. Security Council to mandate a militarily aided resupply of the closed U.S. embassy in Kuwait, either by sending an armored column from a base in Saudi Arabia, or by sea—a move that would trigger war.

On Oct. 28-29, Soviet President Mikhail Gorbachov and French President François Mitterrand held a meeting in Paris on the crisis. The purpose seemed to be to pursue their two-track policy of seeking to avoid war, while positioning themselves to make the most out of any war that developed. A

few hours prior to their meeting, both leaders had received a letter from Saddam Hussein, as later revealed in the Arab press, in which the Iraqi President offered to release all the foreign hostages held by Iraq if the two leaders publicly committed themselves to a political solution. The meeting ended without such a joint statement. Following the Oct. 28-29 meeting, Gorbachov called for the convening of an Arab summit to find a peaceful solution, stressing the importance of “the Arab factor” in avoiding war. The call was rejected by Egyptian President Hosni Mubarak the next day. It would only be a “summit of insults,” Mubarak stated, adding that “Arab countries held a summit on Aug. 10 without accomplishing anything”—the same summit he had sabotaged under U.S. instructions.

## **A new Arab-German initiative**

Responding in alarm to the drive toward war, Jordan's King Hussein began a new peace initiative on Nov. 5, coordinated this time with former West German Chancellor Willy Brandt. On Nov. 5, Brandt left for Iraq for meetings with Saddam Hussein, Foreign Minister Tariq Aziz, and other Iraqi leaders, as well as visiting Palestine Liberation Organization chairman Yasser Arafat. The European Community leaders had agreed at their summit in Rome on Nov. 2-3 to “discourage” all “personal” initiatives toward Iraq. But informed European sources report that the trip had the blessing of the Italian and German governments. The Iraqis told Brandt, according to European sources, that Germany could play a key role in avoiding a big war, because they had had no past as a colonial power in the West Asian region and sent no troops to the Gulf.

Brandt's proposal, as later leaked to the German media, was:

- Iraq would withdraw from Kuwait and release of all hostages.
- An internationally controlled transitional status for Kuwait would be established; no simple return to the domination of the country by the Sabah family. The government formation would be decided by a plebiscite of the Kuwait population.

- Territorial claims that Iraq had on Bubiyan and Warba islands in the Gulf would be settled, which would broaden Iraq's access to the sea.

- Compensation claims would be settled for the losses caused to Iraq by Kuwait's exploitation of the Iraqi Rumailah oil fields, before the August intervention.

- An oil consortium of a new kind would be established to avoid the previous practice of oil price dictates by the small oil-producing states over the big producer Iraq.

Upon his return to Germany, after his last meeting with Saddam Hussein Nov. 9, Brandt met Germany's leaders on the results of his discussions. In an essay published by the weekly *Der Spiegel* on Nov. 19, Brandt wrote: "The weight of Germany must be placed in the scales in favor of peace and those human beings that are exposed to danger. It can even be an advantage for discussions and/or negotiations that German troops are *not* stationed at the Gulf." The next day, Iraq announced it would release all Germans still kept hostage, in a gesture of gratitude to the "positive role of Germany in this crisis."

German Chancellor Helmut Kohl himself leaked in a radio interview Nov. 18 that many sensitive diplomatic initiatives were being pursued—details of which were "not fit for the public at this moment, naturally." Kohl made known the initiatives in an interview broadcast nationwide in Germany at almost exactly the moment President Bush arrived for consultations.

### **U.S. denounces Brandt, sabotages Moroccan plan**

U.S. media and the White House ridiculed Brandt's trip and German efforts to secure a peace. The United States "discourages visits that Iraqis can exploit for propaganda purposes," State Department spokeswoman Margaret Tutwiler said on Nov. 2 in commenting on Brandt and other trips. "I have no time for this nonsense," Brandt told a television reporter on Nov. 11, about such U.S. media and administration criticism. It has also been reported that before his second meeting with Saddam Hussein in Baghdad on Nov. 9, Brandt told European reporters in Baghdad, answering a similar question, that he is still waiting for "a reasonable idea coming from the people in Washington." During a visit to Speyer Cathedral shortly before his consultations with Kohl, Bush was publicly urged by the Catholic Bishop of Speyer, Anton Schlembach, a close friend of Kohl's, to "restore law and sovereignty" in the Gulf "by deterrence and economic pressure, rather than war and bloodshed."

What exactly Kohl and Bush discussed at their meeting following the trip to the cathedral is not public.

Certain conclusions can be drawn, however, from angry comments delivered to the U.S. media by senior members of the executive staff who were traveling with the President. Kohl told Bush, they leaked, that the NATO treaties bound him to lend logistical support to the U.S., but the German

government would not deploy troops, nor back any offensive military action against Iraq as long as there were still options for progress on the diplomatic level.

On Nov. 11, shortly after Brandt returned to Germany, Morocco's King Hassan II urgently called for an Arab summit on the crisis. In response, Iraqi President Saddam Hussein dispatched First Deputy Prime Minister Taha Yasin Ramadan to Morocco, and another envoy to Tunisia and Libya—where Egyptian President Hosni Mubarak was also present on a surprise visit to Muammar Qaddafi. Mubarak had told the Egyptian press earlier that week that his country's troops in the Gulf would not participate in a U.S. invasion of Iraq.

Although Ramadan implied at the airport before leaving Morocco that Iraq favored a summit, another opportunity was lost. On Nov. 14, Saudi Foreign Minister Prince Saud al-Faisal publicly ridiculed King Hassan's call for an emergency Arab summit as "unfruitful."

### **Bush, Baker cut a deal with France**

To the end of ramming through a U.N. vote authorizing the use of force, both Bush and Baker separately traveled widely in Europe and the Middle East for several weeks in November. Bush traveled to six countries in seven days, meeting at least eight heads of state and foreign ministers. Baker traveled to 12 countries in 24 days, meeting 18 foreign ministers and heads of state.

Bush began his trip with a Nov. 17 meeting with Czechoslovakia's President Vaclav Havel in Prague, where Bush induced the former playwright to praise the Anglo-American deployment as worthy of Eastern European support. The Czechoslovakian government—pressured by both East and West—had earlier capitulated to a call for it to join the coalition. Havel sent a 150-man chemical-biological warfare unit to the Gulf, which was later increased to 250 men.

From Prague, Bush traveled to Paris, to confer with French President François Mitterrand. The meeting consolidated French support for the U.N. vote. On Dec. 3, France received part of its reward. Kuwaiti Ambassador to Algeria Yusuf al Anayzi announced that his "government" had agreed to purchase \$900 million worth of French military equipment. On Dec. 4, the Saudis announced that they would be purchasing \$680 million worth of weapons from France. The announcements came just a few days after France had voted in favor of war with Iraq at the U.N. on Nov. 29. Earlier, Kuwait's Emir Jaber al-Ahmad al-Sabah had threatened to pull out his multimillion-dollar investments into the French-English Channel Tunnel project.

Well-placed European sources contend that Mitterrand was close to British intelligence even before his enthusiastic support of the 1956 Anglo-French-Israeli invasion of Egypt. He is representative of those sections of the French elite that retain an imperialist policy toward North Africa. French imperialists tend to both cooperate with, and compete with,



their imperialist cousins in London.

This faction is also allied with Israel for similar reasons. First Lady Danielle Mitterrand is one of the main patrons of the French Zionist lobby. "She is a Zionist *par excellence*," one Arab diplomat with long experience in France noted, "as is her close associate [Presidential adviser] Jacques Attali." On Oct. 15, President Mitterrand himself indicated his support for Israeli expansionism by using the phrase "disputed territories" in a Paris press conference to describe the Israeli Occupied Territories. Just days earlier, on Oct. 8, Israeli troops shot 23 Palestinians to death in occupied Jerusalem, provoking even a U.N. Security Council condemnation. In February, his crony, Pierre Maurois, the head of the French Socialist Party, said that Arafat and the PLO could no longer be considered representatives of the Palestinian people.

### **Egypt and Turkey are bribed**

Bush traveled to Jeddah to meet Saudi Arabia's King Fahd and the Emir of Kuwait on Nov. 21. The next day he munched on Thanksgiving turkey with the troops. There the President reported that "innocent lives are at stake," and added a new reason for opposing Iraq—the "nuclear threat."

After a meeting with Egyptian President Mubarak in Cairo on Nov. 23, Bush completed his tour by meeting Syria's dictator, President Hafez al-Assad, in Geneva, Switzerland later that day. The meeting was the first between a U.S. President and Assad since 1977. Syria is still on the State Department's list of terrorist countries.

Following that meeting, and before his return to the United States, Bush declared, "We are getting tired of the *status quo*, and so is the rest of the world."

Secretary of State Baker's tour of the West Asian region and Europe began on Nov. 5 with meetings with the Emir of Kuwait, Saudi King Fahd, and other Gulf puppet potentates.

From there, Baker traveled to Cairo to meet Egyptian President Mubarak on Nov. 6. He traveled to Ankara to meet Turkish President Turgut Özal the next day.

What did Egypt and Turkey receive for their support? For one thing, money. Since Aug. 2, the United States and Saudi Arabia have written off \$14 billion in Egyptian debt, approximately one-third of its foreign debt. Turkey obtained only an agreement from the United States to increase the quota on Turkish textile imports by 50%.

Turkey, Egypt, and Syria have also been given cash grants. On Feb. 5, the fourth closed-door meeting, with representatives of Saudi Arabia, Kuwait, the United Arab Emirates, the United States and Britain, since Aug. 2 took place at the Treasury Department offices in Washington. According to Turkish sources, the group pledged \$14.6 billion in additional aid to Turkey, Egypt, and Syria, on top of the \$6.7 billion already given to the three states. Additionally, the European Community, which had already given \$600 million to the three states, pledged another \$2.3 billion in the same period.

Despite the vast size of these sums, Egypt and Turkey were certainly financial losers as a result of the embargo and later war against Iraq. The embargo itself cost Egypt an estimated \$9 billion, half its gross domestic product, through cuts in workers' remittances, loss in tourism, and decline in Suez Canal traffic. Turkey lost some \$7 billion for similar reasons, just from the embargo, as well.

There were other inducements than cash: Turkey was offered the oil-rich Mosul region of northern Iraq in the projected postwar dismemberment of Iraq. The proposal had been first publicly floated as far back as Aug. 26 by the U.S. National Security Council adviser Helen Cobham in the *Washington Post*. According to the proposal, Iraq would be divided up between Iran, Turkey, and Syria. The creation of a Kurdish entity is also indicated. While Cobham distanced herself from the plan by saying it was leading to a "desert Vietnam," the plan itself indicates the type of thinking going on among the imperialist planners of Washington and London.

Then the Sept. 7 issue of William F. Buckley's *National Review*, a magazine long tied to the CIA, carried an article entitled "Let's Talk Turkey" by J.B. Kelly, that called for the partitioning of Iraq "after Saddam Hussein and his detestable regime have been dealt with." Kelly wrote, "Not only would the transfer of ownership [of Mosul] bring about a welcome and well-deserved transformation of Turkey's economy, but it would deprive the truncated Iraqi state of the revenues which up to date have been largely devoted to mischief-making."

Still later, on Feb. 9, former Defense Secretary Caspar Weinberger wrote in the *Montréal Gazette*, "It's not enough to let Saddam Hussein retire with his army intact." The coalition must ensure that Saddam will not recover, said Weinberger. "That involves something more than pushing him out of Kuwait. That means getting rid of the power," including to give Turkey part of northern Iraq.

For its part, well-placed Arab sources reported, Egypt was promised "rights" over Sudan and Libya. Sudan's opposition to the Anglo-American deployment into West Asia enraged the Bush administration. Since Aug. 2, the U.S. government has reduced food aid to that impoverished nation to zero. On Oct. 9, the Sudanese government accused Washington of waging a "campaign which aims to use food as a weapon." Then, in late November, the United States and Israel stepped up their support for the southern Sudanese rebel John Garang, who visited Israel that month to meet the Israeli military leadership. According to some reported Anglo-American plans, the new Sudanese regime they intend to bring into existence through this pressure would be run by Egypt.

### **China agrees to be neutral; Yemen is punished**

Baker was involved in organizing other states. On Nov. 6, Baker met Chinese Foreign Minister Qian Qichen in Cairo.

In that and related meetings, China was induced not to veto the upcoming resolution. On Nov. 7 and 8, Qian Qichen traveled to Saudi Arabia to meet King Fahd and Emir Jaber al-Sabah of Kuwait. Qian then traveled to Baghdad to meet Saddam Hussein on Nov. 12.

These meetings neutralized any resistance from Beijing to war, as subsequent developments showed.

On Nov. 26, three days prior to the U.N. vote, the Chinese government announced that it had been invited by Washington to send a high-level trade mission to meet U.S. Commerce Department officials on Dec. 10. This was to be the first meeting of its kind since the June 3-4, 1989 Tiananmen Square massacre. The announcement indicated that the U.S. sanctions imposed after the massacre would be easing. The U.S. government also looked the other way as China began meting out stiff prison sentences to pro-democracy students.

Shortly thereafter, Emir Jaber traveled from Saudi Arabia to Beijing to offer major investments in the People's Republic.

After meeting with the Chinese, Baker traveled to Moscow to meet with Soviet President Gorbachov and then Foreign Minister Eduard Shevardnadze on Nov. 8. Next he flew to London to consult with Mrs. Thatcher on Nov. 9, and on to Paris to meet with French President Mitterrand Nov. 10.

After a brief rest in Washington, Baker began another tour, this time simultaneous with Bush's travels.

On Nov. 22, Baker was in Sanaa, Yemen where he met President Salih. Yemen, a rotating member of the U.N. Security Council, was scheduled to assume the chairmanship of the council for the month of December. The U.S. was concerned that Yemen, which had strongly backed an Arab solution, would attempt to block the pro-war resolution, if the vote on the resolution was deferred beyond November.

In a *New York Times* interview on Nov. 25, Yemeni President Ali Abdallah Salih left no doubt that his nation was opposed to a U.N. vote authorizing force. Such a vote, he said, would be a "very dangerous development." "It is still possible to find a peaceful solution," he stressed. "I know Saddam Hussein is ready for dialogue. Why doesn't President Bush send a personal envoy to Baghdad?"

President Salih's harsh rebuff of Washington and its war drive proved to be costly. In early December, the U.S. State Department released a statement announcing that it had cut previously planned U.S. aid to Yemen "to \$2.9 million from \$20.5 million as a signal of U.S. disapproval for Yemen's negative vote on U.N. Security Council Resolution 678."

### **Colombia bribed, Soviets push for war**

On Nov. 24, Baker also met with Colombian Foreign Minister Luis Fernando Jaramillo and President César Gaviria, in Bogotá on a state visit. Colombia was then also a rotating member of the Security Council, and the Bush ad-

ministration wanted to secure its vote. One Colombian Foreign Ministry official, who has asked not to be identified, described the U.S. pressure at that time. "The United States will seriously threaten a total blockade of the country if we don't vote with them in the U.N. Security Council on the Iraq issue." Another member of the Colombian ruling circles added, "President César Gaviria is not going get into a fight with the United States; that would be suicide."

What did Colombia receive as its reward other than no blockade? According to the Foreign Ministry source, Baker promised to support President Gaviria's negotiations with the cocaine cartels, which would effectively legalize their activity. This controversial negotiation—which the U.S. supported in any case—was publicly accepted by Baker immediately upon the conclusion of the Nov. 24 meeting. Such negotiations with the narco-traffickers "falls to the competence of the Colombian government," Baker approvingly told the press. Within weeks of the meeting, the Colombian government cut a deal with the traffickers whereby they could avoid extradition to the U.S. for narcotics trafficking.

Meanwhile, Soviet Foreign Minister Shevardnadze flew to Beijing in the days before the vote to ensure that China, a permanent Security Council member along with the Soviets, U.S., France, and Britain, was lined up to support the U.N. resolution.

Alarmed by these developments, Iraqi Foreign Minister Tariq Aziz flew to Moscow Nov. 26 to confer with Soviet President Gorbachov. The meeting went poorly. "Tariq Aziz was firmly told that if Iraq wants a settlement in the region and wants to avoid the worst, it must now openly declare and show by its actions that it is leaving Kuwait," reported a wire from the Soviet news agency TASS after the meeting. TASS dismissed Aziz's comments as "familiar arguments," with "nothing new."

Gorbachov ridiculed Iraq's repeated insistence that all regional problems, notably including the Palestinian issue, be dealt with simultaneously. "An aggression has been committed. It must be stopped," Gorbachov stated to TASS. "Only then is it possible to address other issues of a Middle East settlement."

After visiting six countries in seven days, George Bush proclaimed in Washington Nov. 24 that time had run out for a non-military solution to the crisis. "We have shown patience. We have explored all diplomatic options."

As a result of Washington's extensive strongarming, on Nov. 29, the United Nations Security Council gave the U.S. government the go-ahead to wage a war against Iraq. Resolution 678 set a Jan. 15 deadline for war. Unless Iraq fully complied by that date with all eleven U.N. resolutions against it beginning with Aug. 2, the resolution stated, then U.N. member states may "use all necessary means . . . to restore international peace and security in the area." The resolution passed 12-2. China abstained; only the rotating member states of Cuba and Yemen voted against the resolution.

# Gorbachov endorses Solzhenitsyn

by Konstantin George

All but lost in the flood of managed "news" as U.S. troops were driving deep into Iraq, was a landmark speech delivered on Feb. 25 by Soviet President Mikhail Gorbachov in the Belorussian capital of Minsk. The speech proclaimed the onset of an irreversible drive to crush national and political opposition, and restore internal order in the U.S.S.R., whatever the cost. This drive has been mandated by the humiliating shock of the Gulf war, and the rise of a dangerous phenomenon, what Soviet media are terming "the Iraq syndrome . . . a syndrome of American invincibility" in the American elite, following the slaughter in the Gulf.

Speaking in Minsk, Gorbachov emerged in his true colors as "tsar-defender" of the Russian Empire and of Russian state interests, against what he portrayed as a foreign-directed conspiracy to weaken and destroy the U.S.S.R. His arch-rival, Russian Federation President Boris Yeltsin, was castigated for "forging an alliance with separatist and nationalist movements," to plot the "violent overthrow" of the government. Repeatedly using the term "so-called democrats," to mock the followers of Yeltsin, Gorbachov accused them of behaving like the "Right Opposition," an extremely significant term in the lexicon of Soviet polemics.

The term "Right Opposition" refers to the faction of the Bolshevik Party during the 1920s, led by Nikolai Bukharin, which had promoted a program of opening up the country to light- and consumer industry-centered foreign investments and takeovers, and against plans for the rapid expansion of the country's heavy industry and war industry—in a nutshell, an opposition which served foreign interests and threatened the military security of the Russian Empire, in a period which the Russian elite judged, correctly, as a pre-war period.

The accusation of "Right Opposition" has thus pinned the label of Nikolai Bukharin on Boris Yeltsin, a label, which unless Yeltsin can prove through deeds that is groundless, will ultimately doom him, just as Bukharin was doomed for promoting policies which sabotaged the military security of the Empire.

In Minsk, for the first time, Gorbachov accused the new "Right Opposition," led by Yeltsin, of working for foreign interests—in all but name branding the opposition to himself as traitors. Gorbachov declared that the "so-called democrats," then as now, are "hiding behind correct" slogans, but only as a "cover for extensive plans, which in some cases

have been worked out in foreign centers. . . . These 'democrats' are allying with separatist and nationalist groups. . . . They have a common goal, to weaken the Union, and where possible, to destroy it."

The opposition was charged with promoting "chaos, disintegration and instability," and conducting a "most intensive power struggle," which could "lead to a civil war." Gorbachov emphasized that this "power struggle" was the cause for the ineffectiveness of all measures taken during the past "12-18 months" to stabilize the internal crisis.

## No more leeway

Gorbachov went the furthest yet in showing that his policy and that of the Russian institutional triad now ruling—the KGB, the military and military-industrial complex, and the imperial Russian national political elite—is a transition to a post-Bolshevik form of empire. This was signaled through Gorbachov's extensive praise for Aleksandr Solzhenitsyn, the Russian exile author, known as the literary exponent of pre-Bolshevik Russian grandeur, the same Solzhenitsyn whom Gorbachov only last year had attacked. Notably, Gorbachov coupled his praise for Solzhenitsyn with a denunciation of Yeltsin and non-Russian "separatists" for engaging in what he termed "neo-Bolshevik," illegal, extraparliamentary tactics.

The military security imperatives posed by the post-Gulf war situation allow no leeway for the policy enunciated by Boris Yeltsin of a loose confederation, let alone fragmentation, especially concerning the empire's strategic core, consisting of the three Slavic republics and Kazakhstan, which dominated the land mass of Central Asia.

The onset of an extended period of regional wars and conflicts presenting all sorts of dangers to Russia has also been reflected in the composition of the new inner ruling group, the "Security Council" of 10 men, appointed by Gorbachov on March 7, and forming the core of the new presidential cabinet. A solid majority are drawn from the KGB, military and military-industrial, and Russian national apparatus. The appointees, confirmed by the Soviet Parliament include: U.S.S.R. Vice President Gennadi Yanayev, a Russian stalwart with close KGB links; KGB Chairman Vladimir Kryuchkov; U.S.S.R. Interior Minister Boris Pugo, a KGB career man; Prime Minister Valentin Pavlov, a leading spokesman for the nation's war and heavy industry complex; Defense Minister Marshal Dmitri Yazov. Others confirmed were new Foreign Minister Aleksandr Bessmertnykh, and Gorbachov's special envoy and Near East troubleshooter, Yevgeni Primakov, another figure drawn from the "unofficial" part of the KGB apparatus.

Perhaps the most striking feature of all concerning this new ruling group is that, with the sole technical exception of Boris Pugo, a thoroughly Russified nominal Latvian, the members of the new Security Council are exclusively Russians.

# U.N. declaration against intolerance cited in LaRouche case in Geneva

*In its daily information bulletin for Feb. 28, the United Nations Office at Geneva summarized a speech given during the Human Rights Commission's plenary session of that day, in which U.S. government persecution of Lyndon LaRouche and his political movement was singled out.*

*The U.N. bulletin reported: "Warren Hamerman (International Progress Organization) noted there was an increasing pattern inside the United States of individuals and associations being targeted, prosecuted and harassed by Government because of their political and philosophic beliefs. While the United States Constitution and laws contained model language of protections, in practice. . . . There were Government overt and covert actions against those who struggle for life principles against wholesale euthanasia and abortions. There had been massive judicial abuses against the political and publishing movement associated with Lyndon H. LaRouche, Jr., the American politician and physical economist who had been a political prisoner for over two years. Actions against LaRouche and his associates—including the shutting down of publications, banning a free political action committee, large-scale police raids involving hundreds of militarized and armed personnel."*

*Mr. Hamerman's full speech was reported in the last issue of EIR.*

*One of the two bases for the International Progress Organization's request for investigation of violation of human rights by the United States, is General Assembly Resolution 36/55 of 25 November 1981. Entitled "Declaration on the Elimination of All Forms of Intolerance and of Discrimination Based on Religion or Belief," it is reproduced below for reference.*

## **The General Assembly**

Considering that one of the basic principles of the Charter of the United Nations is that of the dignity and equality inherent in all human beings, and that all Member States have pledged themselves to take joint and separate action in co-operation with the Organization to promote and encourage universal respect for and observance of human rights and

fundamental freedoms for all, without distinction as to race, sex, language or religion,

Considering that the Universal Declaration of Human Rights and the International Covenants on Human Rights proclaim the principles of non-discrimination and equality before the law and the right to freedom of thought, conscience, religion and belief,

Considering that the disregard and infringement of human rights and fundamental freedoms, in particular of the right to freedom of thought, conscience, religion or whatever belief, have brought, directly or indirectly, wars and great suffering to mankind, especially where they serve as a means of foreign interference in the internal affairs of other States and amount to kindling hatred between peoples and nations,

Considering that religion or belief, for anyone who professes either, is one of the fundamental elements in his conception of life and that freedom of religion or belief should be fully respected and guaranteed,

Considering that it is essential to promote understanding, tolerance and respect in matters relating to freedom of religion and belief and to ensure that the use of religion or belief for ends inconsistent with the Charter of the United Nations, other relevant instruments of the United Nations and the purposes and principles of the present Declaration is inadmissible,

Convinced that freedom of religion and belief should also contribute to the attainment of the goals of world peace, social justice and friendship among peoples and to the elimination of ideologies or practices of colonialism and racial discrimination,

Noting with satisfaction the adoption of several, and the coming into force of some, conventions, under the aegis of the United Nations and of the specialized agencies, for the elimination of various forms of discrimination,

Concerned by manifestations of intolerance and by the existence of discrimination in matters of religion or belief still in evidence in some areas of the world,

Resolved to adopt all necessary measures for speedy elimination of such intolerance in all its forms and manifesta-

tions and to prevent and combat discrimination on the ground of religion or belief,

Proclaims this Declaration on the Elimination of All Forms of Intolerance and of Discrimination based on Religion or Belief:

**Article 1.** 1. Everyone shall have the right to freedom of thought, conscience and religion. This right shall include freedom to have a religion or whatever belief of his choice, and freedom, either individually or in community with others and in public or private, to manifest his religion or belief in worship, observance, practice and teaching.

2. No one shall be subject to coercion which would impair his freedom to have a religion or belief of his choice.

3. Freedom to manifest one's religion or belief may be subject only to such limitations as are prescribed by law and are necessary to protect public safety, order, health or morals or the fundamental rights and freedoms of others.

**Article 2.** 1. No one shall be subject to discrimination by any State, institution, group of persons, or person on the grounds of religion or other belief.

2. For the purposes of the present Declaration, the expression "intolerance and discrimination based on religion or belief" means any distinction, exclusion, restriction or preference based on religion or belief and having as its purpose or as its effect nullification or impairment of the recognition, enjoyment or exercise of human rights and fundamental freedoms on an equal basis.

**Article 3.** Discrimination between human beings on the grounds of religion or belief constitute an affront to human dignity and a disavowal of the principles of the Charter of the United Nations, and shall be condemned as a violation of the human rights and fundamental freedoms proclaimed in the Universal Declaration of Human Rights and enunciated in detail in the International Covenants on Human Rights, and as an obstacle to friendly and peaceful relations between nations.

**Article 4.** 1. All States shall take effective measures to prevent and eliminate discrimination on the grounds of religion or belief in the recognition, exercise and enjoyment of human rights and fundamental freedoms in all fields of civil, economic, political, social and cultural life.

2. All States shall make all efforts to enact or rescind legislation where necessary to prohibit any such discrimination, and to take all appropriate measures to combat intolerance on the grounds of religion or other beliefs in this matter.

**Article 5.** 1. The parents, or, as the case may be, the legal guardians of the child have the right to organize the belief within the family in accordance with their religion or belief and bearing in mind the moral education in which they believe the child should be brought up.

2. Every child shall enjoy the right to have access to education in the matter of religion or belief in accordance with the wishes of his parents or, as the case may be, legal guardians, and shall not be compelled to receive teaching on

religion or belief against the wishes of his parents or legal guardians, the best interests of the child being the guiding principles.

3. The child shall be protected from any form of discrimination on the ground of religion or belief. He shall be brought up in a spirit of understanding, tolerance, friendship among people, peace and universal brotherhood, respect for freedom of religion or belief of others, and in full consciousness that his energy and talents should be devoted to the service of his fellow men.

4. In the case of a child who is not under the care either of his parents or of legal guardians, due account shall be taken of their expressed wishes or of any other proof of their wishes in the matter of religion or belief, the best interests of the child being the guiding principle.

5. Practices of a religion or belief in which a child is brought up must not be injurious to his physical or mental health or to his full development, taking into account article 1, paragraph 3, of the present Declaration.

**Article 6.** In accordance with article 1 of the present Declaration, and subject to the provisions of article 1, paragraph 3, the right to freedom of thought, conscience, religion or belief shall include, inter alia, the following freedoms:

a) To worship or assemble in connection with a religion or belief, and to establish and maintain places for these purposes;

b) To establish and maintain appropriate charitable or humanitarian institutions;

c) To make, acquire and use to an adequate extent the necessary articles and materials related to the rites or customs of a religion or belief;

d) To write, issue and disseminate relevant publications in these areas;

e) To teach a religion or belief in places suitable for these purposes;

f) To solicit and receive voluntary financial and other contributions from individuals and institutions;

g) To train, appoint, elect or designate by succession appropriate leaders called for by the requirements and standards of any religion or belief;

h) To observe days of rest and to celebrate holidays and ceremonies in accordance with the precepts of one's religion or belief;

i) To establish and maintain communications with individuals and communities in matters of religion and belief at the national and international levels.

**Article 7.** The rights and freedoms set forth in the present Declaration shall be accorded in national legislation in such a manner that everyone shall be able to avail himself of such rights and freedoms in practice.

**Article 8.** Nothing in the present Declaration shall be construed as restricting or derogating from any right defined in the Universal Declaration of Human Rights and the International Covenants on Human Rights.

# Free-trader to head new government in Bangladesh

by Susan B. Maitra and Ramtanu Maitra

In a free and fair election, held on Feb. 27 after almost a decade, the Bangladeshi Nationalist Party (BNP), formed in 1979 by the assassinated President Ziaur Rahman and now led by his wife and former beauty queen, Begum Khaleda Zia, has emerged as the single-largest party. The BNP captured 140 of the 295 seats in a 300-member parliament. Although the BNP has not secured the needed absolute majority, let alone the two-thirds majority required to make constitutional amendments, it is quite certain that it will secure the support of the Islamic religious party, Jamaat-e-Islami (18 seats), and other small parties, to form a new government under the prime ministership of Begum Khaleda Zia.

The single biggest loser in the elections is the Awami League, which won only 84 seats. The Awami League had been in the front line of the successful liberation of Bangladesh from Pakistan in 1971 under the leadership of the late Sheikh Mujibur Rahman, victim of assassination. The party was later dissolved in 1975 by Sheikh Mujib himself, when he switched from a multi-party democracy to a one-party system with the formation of the Bangladesh-Krishak-Sramik Awami League (BAKSAL). The party was restored in 1976 and is now in the hands of Sheikh Mujib's daughter, Sheikh Hasina Wazed, one of the two members of Sheikh Mujib's family who escaped the massacre of the family by Army men in 1978.

## Behind the BNP's success

While the defeat of the Awami League in the elections has surprised most, it is evident that the BNP's victory was not overwhelming. In fact, both parties polled almost exactly the same percentage of votes nationwide. While the BNP ruled the roost in densely populated urban centers, it came out second-best behind the Awami League in the vast, but less densely populated, rural Bangladesh. Nonetheless, although many issues under debate remain unresolved, the vote results are indicative of the changing political milieu in Bangladesh.

Two factors, in particular, have helped Begum Zia to emerge as the leader of the largest parliamentary party: her constant association with the military and her promotion of

Bangladeshi nationalism—the factors which, ironically, political observers considered would in fact reduce Begum Zia's chances. It is often said that Begum Zia, who is the wife of an Army general, and who still resides within a military cantonment, is a “puppet” of the military, and for this reason alone, she would be rejected by the people. Whether or not such an accusation is credible, there is no doubt that a sea-change has taken place within Bangladeshi minds about the military in recent days.

Army Chief. Lt. Gen. Nuruddin Khan, an appointee of President Gen. Hossain Mohammed Ershad, drew admiration from the people for his unhesitating and unbiased actions in the midst of the violent street demonstrations in early December last year that toppled President Ershad. By ordering the Army back to the barracks, Lt. Gen. Nuruddin Khan avoided an otherwise certain bloodbath and signaled that the Army cannot be used to prop up an unpopular President. In addition, the Army Chief's action showed a clear change of policy within the army leadership, which had, over the years, seized, or tried to seize, every opportunity to grab power. Lt. Gen. Nuruddin Khan has greatly restored the Army's image, tarnished as it had been by ambitious generals.

The second issue, debate over which is far from settled, is the tussle for supremacy between the promoters of *Bangladeshi* nationalism on the one side, and *Bengali* nationalism on the other.

Bengali nationalism, which is often associated with the Awami League, identifies the culture of Bangladesh with what is known as Bengali culture, a mixture of Hindu and Muslim culture grown up over the centuries within the confines of the entire Bengal area. The concept of Bangladesh as a nation was actually formed around the Bengali language in the early 1950s. Although the concept was by no means a concrete one, Bengali students violently opposed imposition of the Urdu language by the West Pakistani leaders to replace Bengali. The upsurge that followed was heavily tinged with expressions of Bengali culture, evoking the deeds and heroics of Bengali nationals against oppressive British rulers. The students who died in those violent clashes are considered martyrs and are remembered even today with as much zeal as before.

Bangladeshi nationalism, which is associated with the BNP, cannot accept that concept of culture in totality. Although many of Bengali culture's customs and traditions have been accepted without a hitch, proponents of Bangladeshi nationalism view Bengali culture as merely the Hindu-dominated culture of Bengal, and hence, pro-India. In addition, Sheikh Hasina's long stay in India following her father's assassination has provided her opponents an opportunity to claim that the Awami League is somehow a creature of India.

Rejecting Bengali culture as such, the proponents of Bangladeshi nationalism have moved towards combining parts of Bengali culture with Islam to give a definable identity to Bangladesh's culture. The ad-mix is not only liked by BNP supporters, but it provides a platform for pro-Islam religious parties to interact with the BNP. Besides, those in Bangladesh who fear Indian hegemonism in the region, not an insignificant number, find the platform more likeable.

Both these factors have helped Begum Zia win a large number of seats in urban areas. The urban elite, still afraid that the military will move in if an "anti-military" government comes to power, likes Begum Zia's rapport with the military. At the same time, the strongest anti-India voices within the Bangladeshi elite can be found in large numbers in the urban centers. Many of these urbanites have benefited from the vast sums of money that come in as aid from western countries, as well as from both Kuwait and Saudi Arabia. While the beneficiaries of the World Bank and the International Monetary Fund (IMF) are trained to be anti-India, the beneficiaries of West Asian funds are both anti-India as well as pro-Islam.

### What free trade?

In addition, Begum Khaleda Zia, whose exposure to foreign affairs is less than adequate, has campaigned for "free trade." In Bangladesh's economic context, this can only mean looting of the country's raw materials and its cheap labor by other nations, under the auspices of the World Bank/IMF austerity dictates. Since Bangladesh has an extremely weak industrial infrastructure, and an almost self-sufficient agriculture, promotion of a free trade regime will bankrupt the country further. With Bangladesh about 85% dependent on foreign grants for developmental work of any kind, it is unclear what kind of leverage Begum Zia has to protect her nation's interests if Bangladesh is forced to practice free trade.

Nonetheless, Begum Zia's utterances have pleased the United States. The U.S. ambassador to Dhaka, William B. Milam, told the acting Bangladesh President that "as a gesture of goodwill," the United States had decided to waive a \$300 million loan. Again, if Begum Zia can accommodate the Jamaat, which in its manifesto has called for establishment of a "true Islamic state," in her Cabinet, it is likely that some financial help would also come in from Saudi Arabia and the Gulf states.

## Gaviria, Bush side with narco-terrorism

by Andrea Olivieri

The latest estimate of damage caused so far this year to Colombia's transportation, communications, and power grids, and to the mining, oil, agriculture, industry, and trade sectors by the rampaging FARC and ELN "narco-guerrillas," stands at \$400 million and climbing, according to a Feb. 26 report issued by the Development Ministry. That same day, a combined FARC-ELN commando squad dynamited an electrical tower in the Pacific port city of Buenaventura, knocking out all electricity for 280,000 people, and hit a petroleum storage facility in Santander department. Elsewhere that week, a cement factory was assaulted, the country's major oil pipeline dynamited yet again, and dozens of farm tractors, passenger buses, cargo boats, and tractor-trailer trucks blown up or burned in lightning assaults across the country.

And yet, on Feb. 25, President César Gaviria's "peace adviser" Jesús Antonio Bejarano told the media that his government had agreed to hold "informal" talks with those very narco-terrorist groups, in order to bring them into the "political process" in the same way the M-19 and EPL terrorists were amnestied before them. Gaviria's highly touted "peace initiative" includes not only full legal pardon for both the FARC-ELN's previous and ongoing acts of subversion—including sabotage, kidnaping, and murder—but would also grant them government protection, political party status, financial rewards, and as many as a dozen seats among the 70 delegates in the Constituent Assembly now engaged in writing a new national constitution.

### Washington gives its imprimatur

The Colombian government's official submission to dual-power rule with Moscow's narco-terrorists has already received the seal of approval from the Bush administration. During a five-day visit to the United States Feb. 23-27, Gaviria expounded at great length on his "peace" initiatives, both toward the cocaine cartels and their narco-terrorist guerrilla associates. Despite certain skepticism among U.S. law enforcement layers regarding Gaviria's decision to abandon repression in favor of U.S.-modeled plea-bargaining, President Bush called Gaviria's initiatives "courageous" and "heroic," and promised full cooperation—including signing a treaty with Gaviria pledging to supply Colombia's notori-

ously corrupt judiciary with years' worth of evidence against the drug cartels gathered by the U.S. Drug Enforcement Administration and other security and intelligence services. That evidence, once used *or abused*, becomes worthless in any future trials under the double jeopardy clause.

The *Christian Science Monitor* of Feb. 26 noted that "Mr. Gaviria's U.S. trip takes place against a paradoxical backdrop that includes cocaine traffickers' surrendering to police amid an overall increase in drug violence. . . . From Gaviria's perspective, and from that of some Colombians, the end of cartel terrorist violence, if not the cartel itself, is in sight." The daily adds that "The positive view of [Gaviria's] policy is best expressed by Jaime Castro, a Liberal Party delegate in the National Assembly"; Castro, a former government minister, called for the "progressive decriminalization" of the production, marketing, and consumption of drugs.

While Gaviria's peace tenders to the rampaging FARC and ELN terrorists were significantly downplayed in U.S. media coverage of the Colombian President's trip, it is a known fact that the Bush administration is privately backing U.N.-sponsored initiatives to create a similar dual-power arrangement in El Salvador between the government and FMLN rebels in that country. Colombia's terrorists have explicitly modeled their own negotiating demands on those of their Salvadoran counterparts.

### **'Negotiating' at the point of a gun**

The economic blackmail wreaked by the FARC-ELN's 10-15,000 guerrillas has already forced the weak-kneed Gaviria government to backtrack on a number of the conditions it had successfully imposed on the M-19 and EPL, including the demand for cease-fire and disarmament *before* dialogue. The government is also apparently yielding on the crucial issue of military jurisdiction: A preliminary "consultation" between FARC-ELN representatives and the government's negotiators is scheduled to be held "somewhere" in the region of La Uribe, the FARC's former stronghold in the department of Meta, during which the area is supposed to be *off limits* to the Colombian Armed Forces. In response to complaints that the military was not withdrawing, the Defense Ministry assured the terrorists that any continuing confrontations between its troops and FARC commandos were solely in "restricted" areas, and should have no serious consequences for future government-guerrilla dialogues.

The terrorists are nonetheless using the incident to insist that the appropriate location for such peace talks should be the Constituent Assembly, which was first formed—in explicit violation of Colombia's standing Constitution—as a concession to the M-19 and pro-terrorist left on the one hand, and to the drug cartels and their political protectors on the other. Of course, at the top of the Assembly's agenda are the narco-terrorists' longstanding demands: civilian control over the military, an end to "human rights abuses," and prohib-

iting extradition.

On Feb. 26, the widely read *Semana* magazine noted that if the FARC-ELN are granted the 11 seats on the Assembly they are seeking, they and their allied "former" narco-terrorists will control 33 out of the 70 delegates charged with establishing Colombia's new constitutional foundations! In alliance with the narco-politicians of the Liberal and Conservative parties who bought their way onto the Assembly, the narco-terrorists should have little trouble forcing through their own agenda.

The FARC and ELN have other unqualified demands, including local political control for their amnestied forces, and participation of the "former" terrorists in a civilian police corps. *Semana* notes that President Gaviria and his advisers "have come to the conclusion that in some parts of the country today controlled by the guerrilla, pacification has to be linked to the legitimization of power that the guerrilla already possesses. . . . If today, guerrillas govern outside the law, the idea is to design mechanisms so that they may continue to do so under duly constituted authority."

*Semana* adds that, "since in not all cases does the presence of the guerrilla coincide with a municipal jurisdiction, the creation of new municipalities in order to provide an institutional base, is not ruled out." The magazine further notes that if the guerrillas' other demand is granted, the FARC-ELN will surrender their weapons amid great pomp and international fanfare, only to be "legally rearmed and absorbed institutionally as civilian police."

### **Stipend, medical benefits, and a credit line**

Finally, based on an evaluation of the government's standing agreement with the amnestied M-19 (only some aspects of which have been publicly revealed), *Semana* reports that each "demobilized" guerrilla is being offered a monthly stipend of \$134 (above the minimum wage), as compared to the \$18 a month earned by the average Colombian soldier. The "ex"-guerrilla is also provided free hospital care, social security benefits, university credit, 14-year agricultural loans, and a hefty credit line. The average Colombian soldier earns no university credit, must pay a percentage of his wages for medical care at a military hospital, and must qualify for bank credit like any other Colombian citizen.

Not all of Colombia's media have such a detached evaluation of the Colombian government's criminal capitulation. The opposition daily *El Espectador* denounced the Gaviria administration in a Feb. 18 editorial: "Under pressure of blackmail and crime, the state refrains from exercising its fundamental responsibility to protect human life, and instead agrees to negotiate away, one by one, the juridical principles that underlie the very existence of the state. . . . all in its zeal to find peace. . . . A strange complicity among many of our leaders with common crime is delivering Colombia to its worst enemies."



# Soviets and Chinese speed up cooperation

by Mary Burdman

Despite the delay in the visit of Soviet Defense Minister Dmitri Yazov to Beijing to discuss the development of Sino-Soviet military cooperation, originally set for March 4, Sino-Soviet relations are warming steadily. The "Eurasian" policy launched by Mikhail Gorbachov in his 1986 Vladivostok speech, is moving forward rapidly in the wake of the Gulf war.

Yazov's visit was put back because the Soviets gave their highest priority to an urgent "special conference" convened by the Defense Ministry to assess American weaponry and tactics in the Gulf war. The awesome show of high-technology force by the U.S. military in the Gulf war was closely watched in China as well as the Soviet Union, and, despite continued Maoist propaganda campaigns in the People's Liberation Army, has provoked serious discussion on military modernization.

The Communist Party of China's Central Military Commission held an enlarged meeting Jan. 11 with the leadership of all three arms of the People's Liberation Army (PLA), military regions, and military academies to review the modernization of the Chinese army, especially in the context of the Gulf war. President Yang Shangkun, who is also Military Commission first vice chairman, said that Deng Xiaoping is "very concerned" about building the army, and especially on research and development of sophisticated weapons. "A modern war will not resemble the rough and crude strategies" used in Korea, against India, or Vietnam, Yang said. It will "begin with a struggle to control the air, and develop overall in a three-dimensional way."

At the same time, a *Pravda* editorial on Feb. 28 emphasized, a result of the normalization of Sino-Soviet relations is that "each of the two neighboring peoples have sensed that they have a reliable, secure rear."

The long visit of Deputy General Secretary of the Soviet CP Central Committee Vladimir Ivashko to Beijing went ahead as planned Feb. 26 to March 2. Ivashko was preparing the visit of Chinese Communist Party head Jiang Zemin to Moscow, set for May, which will consolidate party-to-party relations between the two countries. Ivashko was the highest-ranking Soviet official to visit China since Mikhail Gorbachov's trip to China in May 1989, at the time overshadowed by the mass student demonstrations in Tiananmen Square.

Ivashko was effusive on his return to Moscow. The Soviet and Chinese people have a "traditionally close friendship," he told Radio Moscow March 6. There was a period of es-

trangement and even confrontation, he said, but that is a thing of the past, "gone for good. We should take a closer look at China," Ivashko said, "at its experiences, including its economic experiences both positive and negative, and not at the West, as some of our economists mistakenly believed."

China will grant the Soviets a goods-credit worth 1 billion Swiss francs, for food and consumer goods. This is "moral support for our country at a crucial moment in our history," Ivashko stated.

The *Pravda* editorial, published during Ivashko's visit, asserted that "the motto of Sino-Soviet cooperation now is not to teach one another, but to learn from one another." Trade and other ties "open before our countries the prospect of becoming piers of a bridge between the Atlantic and Pacific basin" at a time when the center of world business activity is shifting to the Asia-Pacific region, *Pravda* wrote. A rail line linking Moscow and Beijing through Alma Ata and Urumqi in Central Asia is already under construction. In addition, "Soviet Communists will find much that is instructive in the material of the Seventh Chinese Central Committee Plenum, especially on the questions of demarcating central and local powers and combining market relations with state economic regulation," *Pravda* stated.

Moscow endorsed Beijing's concept of a "new international political order," which Foreign Minister Qian Qichen has been elaborating since the end of 1990. Qian, on a 17-day tour of Spain, Portugal, Hungary, Bulgaria, Poland, Greece, and Malta, called in Madrid on March 1 for a "new international political and economic order" which must be "different from the old one which rested on the hegemony and politics of force."

## Reactions to U.S. 'unipolar' world

There were interesting eruptions in Beijing coinciding with Ivashko's visit. A position paper on "the Gulf War and China" by He Xin, a top strategic adviser to Prime Minister Li Peng, warned that the United States will try to "tame" China after defeating Iraq, in its attempt to consolidate an Asian-Pacific empire. The internal document was just leaked to the Hong Kong press. "The U.S. used its absolute military superiority to annihilate Iraq and control the Arabian Peninsula through intimidation," he wrote. China is also on the target list, he continued. Washington "has decided to destroy the current order in China and recompose the Chinese regime. The isolation of China, its disintegration due to internal problems, and its weakening through democratization is the U.S. strategic objective in Asia." China must turn to the Third World and the Soviet Union to resist this U.S. "hegemony," he concluded.

However, this is one faction in Communist China reacting to propaganda about a "unipolar world." It does not mean that the Beijing regime wants to (or can afford to) burn all its bridges to the Anglo-Americans.



## 'Music of Bach and Beethoven nourished my hungry soul'

*Günter Ludwig, one of the leading German pianists, received his early musical education in Frankfurt, and went on to study piano with August Leopolder and Marguerit Long and conducting with Kurt Thomas. As a result of winning numerous prizes in international competition, he was able to perform in concert and on radio in most Western European countries, as well as in South America and Asia. He has performed piano concertos with such conductors as Günter Wand, Istvan Kertesc, Karl Münchinger, Sir Georg Solti, and Horst Stein.*

*His particular devotion is to chamber music. He has performed violin and cello sonatas with Janos Starker, Henryk Szering, Arthur Grimaux, Nathan Milstein, and Max Rostal, and has recorded all the piano trios of Mozart, Brahms, and Beethoven.*

*In recent years, he has joined with principal violinist Norbert Brainin of the Amadeus Trio in concert performances demonstrating the superiority of musical tuning at A=432 Hz (C=256). In one such performance, on Dec. 12, 1988 in Munich, the artists featured J.S. Bach's Adagio from Sonata No. 1 in G minor at both the common A=440 and A=432 tunings. Their performance was completed at the lower tuning with Beethoven's Op. 30, No. 2 in C minor and Brahms's Op. 105 in A minor. This historic concert has been produced as a compact disc under the Ibykus-Serie label, and is available in the U.S. for \$15 from Ben Franklin Booksellers in Leesburg, Virginia, (703) 777-3661; and in Europe from Dr. Böttiger Verlags-GmbH, in Wiesbaden, Germany, (06121) 80 69 55.*

*Mr. Ludwig came to the nation's capital with Mr. Brainin on June 6, 1990 to demonstrate the lower tuning in concert. He was interviewed by Kathy S. Wolfe on June 7.*

**EIR:** How do you see the role of music in education?

**Ludwig:** I believe that music has a central function in education, and the so-called classical music is an essential part of our tradition. This heritage comes from the experience of our ancestors. If we would have to discover and learn everything from our own experiences, we would arrive perhaps, at the end of our lives, to the spiritual level of a Neanderthal man. Tradition helps us to open the doors to the future. Due to

life's constantly changing nature, in order to live in today's world, new ideas, developed upon those of the past, are vital. When we are too involved in tradition, we do not really learn to live for today.

Music has a fundamental power and meaning in communication. The desire to make music is as strong in us, as the desire to dance, to sing, and to communicate. To activate and cultivate this power, we should integrate musical education in the realm of general education.

In the musical education of children, the emphasis should not be on winning a competition as soon as possible or to prepare a career as a virtuoso. We can do that. But that's not my view of life. I think we have no right to exploit the talent of a child solely for narrow purposes. We should help children to discover and to follow their own inner voice. Therefore, musical education is for emotional and spiritual development and to stimulate creativity.

If the musical talent is really strong and rich, one may carefully encourage the child to become a musician.

**EIR:** How do you train children?

**Ludwig:** I have little experience with children as a teacher, even with my own children.

My wife sang with our two boys, dozens of Korean and German folk songs, as her mother sang for her in Korea. They learned to sing and to speak at the same time. When the children were about 5, before they went to school, I asked one of my students to teach them music. The teacher and the children sang and danced, played melodies on the piano without introducing the names of the notes, just by ear and experiment. They learned to play a melody in every key, without knowing a key.

After some weeks the teacher started to explain the harmonic system: intervals, major and minor, the 12 keys. They played it and wrote it on the music manuscript. The teacher gradually made conscious for them, what they had previously done by imitation. Now they learned to read and to play printed music.

They played easy pieces from Bach, Schumann, Bartok, and contemporary composers. They played games with melodic and rhythmic patterns. They also played directly on the

strings of the piano—like on a harp or a guitar—so they could see where the sound actually comes from.

Soon after starting with the piano, one boy started to learn the violin, the other the violoncello. Today they are 12 and 10. They enjoy making music very much, also in concert. For them, there is no great difference between music from the 18th or the 19th century and contemporary music. They play Bach and Messaien; Beethoven, Schubert, and Bartok. They also invent some of their own compositions. When we have guests for dinner in our house, we make music together.

**EIR:** We used to do this in America all the time in the last century, in some cities even up to World War I. But now, unfortunately, the family comes home and just turns on the television.

**Ludwig:** We also have a TV at home and we use it sometimes. All you have to learn is to use the button to switch it off.

**EIR:** Your children are lucky, because they were born in a family of musicians. But many people say that this childhood training is only for a few children who have very special talent. Don't you think that classical music is for all children everywhere?

**Ludwig:** Certainly. I think, in an intelligently organized society, education—which should include musical education as well—should be free of charge for all children.

**EIR:** I heard you give a remarkable piano lesson to an advanced student. You mentioned, that first comes the idea and then the realization—the action of playing, the technique.

**Ludwig:** Of course. When you make music, you don't think what your hands are doing. You want to make come out of the instrument what you feel inside, what you have in your mind, in your imagination. If the idea is strong and clear, your playing will be strong and clear. You just follow the idea in you. The way you sing, the way you dance—you follow the music.

But this works only if you have learned how to use your hands and the keyboard. You have to build up your technique. This takes many years.

When you compare how you learned to walk: You tried to imitate others. The same with speaking: You started to learn at about one year of age. When you became conscious about it, when you learned to write and read, you had already practiced it for many years! You had already basically adapted it. It became part of your nature.

When you learn to play an instrument, the first step is to develop the inner correspondence with the instrument. You listen to how it sounds. You play and experiment. You improvise, play melodies, patterns of fast notes—you discover the instrument by playing with it.

The next step is to find out and realize how the action of the key and hammer work. You learn how to put your hand on

the keyboard. You learn to play scales, arpeggios, and so on.

After you return to the music itself, just transfer your imagination from within directly to the strings. The goal of technical training is to forget the hands and keyboard and to concentrate completely on the music.

**EIR:** Please tell us about your own history.

**Ludwig:** I grew up in a little village near Hanau, the town where the composer Paul Hindemith was born. My father was a worker in a factory. I remember when I once visited him at his machine. The smell was like hell. He spent about 40 years there.

When he was young, he wanted to become a goldsmith. He wanted to create something beautiful. But then came World War I, followed by inflation and the complete economic breakdown. Finally, he had to earn his money, in the same factory as his father. There was no escape.

A friend of his played the accordion and invited my father to let me learn the accordion too. So this man became my first music teacher. At that time, to buy an accordion was a huge expense for my parents. My father and my mother had to work very hard to afford it.

Fortunately, it turned out that I had musical talent. I made progress and two years later my parents bought an upright piano. This was a sensation in our village. Soon afterwards, when I was 10, I was sent to a boarding school.

To this school—the Music Gymnasium in Frankfurt—I owe my basic musical education. Not only did we have to play an instrument, but we also had ear training every day. Music was the garland through the whole day. We sang before each meal. In fact, our whole education centered around music.

When I was 14, we celebrated the end of World War II. The school was bombed out like most other buildings. I went back home to my village. What to do now? Stay alive, make money. . . . I played dance music and popular songs for American soldiers through many nights. During the day, after some hours' sleep, I nourished my hungry soul with Bach and Beethoven. I tried to find out what was going on around me. I discovered that not only houses were destroyed, but, worse, the spiritual life.

I contacted other young musicians. We helped each other with food, money, and ideas.

When my father came back home from prison camp, he demanded that I not proceed with music. He did not see any chance for my future—as it was with him 30 years ago. But this advice came at the very wrong moment. I insisted on becoming a musician.

Through some wild years, I struggled to find my way. I had private lessons in piano playing, in conducting. I studied one year at the Musikhochschule. I made money with concerts and private lessons. Fortunately I did not know much about a pianist's life. Otherwise, I would have given up very soon.

# U.S. saw Iraq's independence as a threat; the war was a tragedy

*The following interview conducted by Leo Scanlon is a background discussion with a Middle East expert in the U.S. military who presents some reflections on what it was, really, that the United States decided to obliterate. As the comments contain some wide-ranging political assessments, the official requested anonymity. It is important to note that he and his colleagues did accurately forecast the outcome of the administration's policies in the Gulf.*

**EIR:** Can you give us a perspective on the outcome of the conflict, and can you review the reasons why war with Iraq should have been avoided if possible?

**A:** In 1968 the Ba'ath Party instituted mandatory universal education. For a Muslim country to do that was remarkable, because that included women. The Ba'ath Party, the Ba'ath philosophy, is secularist, and was virulently secularist—French Revolution style—until the strains of war made the reintroduction of religion a good thing to do, sort of like the Soviets . . . so, from '68 on, you had the beginnings of the foundations, at least the human potential of a modern state, and they have gone further in that direction than any other Arab country has been able to.

That's not to say that they have achieved universal literacy or universal suffrage by any means, but they have made a significant commitment to it, and in the Iran-Iraq War, they held off messing with the universities and the schools until 1986, when it became obvious that they had to go to full mobilization. So they protected their educational investment up until the very last minute, recognizing that that was their hope for the future.

Then you add to that the fact that although they haven't done as well as the Israelis in adapting Western technology, they began to build a modern infrastructure, which in time would allow them to move forward in a semi-independent fashion. Their goal after the Iran-Iraq War appeared to be arms independence; partly they had suffered, as rightly they should have, a shortage of arms, of access to arms on a couple of occasions.

In other words, these guys are long-range planners, they

are future thinkers, they have a vision of where they want to go, and they are en route—or they were en route. This is the kind of thinking that is not evident in most other Arab countries, and yes, it's all taking place in a milieu of political repression and human rights violations. But nevertheless, Iraq still has, as it did then, the potential for being the only viable state in the Middle-East.

Of course, part of that viability rests with their oil reserves which will allow them to build the infrastructure that they will need to become a modern state. They have enough agriculture potential, enough manpower potential and enough money to become a viable state.

Now given that—before Desert Shield, or before the invasion of Kuwait—you have to say “Well, is it in the United States' interest to antagonize these guys or come to grips with them in some sort of fashion?” And that's all beside the point now.

**EIR:** Then, why do you think the U.S. chose this collision course?

**A:** A number of parties in the region saw the potential strength and the potential threat from this victorious military power, and they apparently looked deeper and saw this same potential for viable statehood; and to certain parties more than others, this was a closing window.

None of the other states has the capability of achieving the condition of genuine state power, that the Iraqis had at that time, and it looked like an interminable slide in one direction—their potential was going to go up, at whatever rate, and nobody else's was going to go up much. In the long term, the potential for them being the dominant power in the Middle East scared a lot of people.

**EIR:** If we are going to continually find ourselves fearing the evolution of viable states, you have to question the wisdom of this policy.

**A:** You're right, one of the questions we are going to have to ask, is how do our friends out there see this? I am working with a foreign officer on a project, and we have discussed

this. I have asked him, "What does this say as a message to you? Does it say that if you choose to go out and start nuclear research, we're going to bomb the hell out of you?" He says, "We have to consider that now." I said, "Okay, how about your fertilizer plants, do you expect international inspectors to come in to see that you're not making chemical weapons?" He says, "We have to consider that." So we have a major diplomatic task ahead of us, and that is to reassure people that they can make peaceful progress and no one is going to be looking over their shoulder.

But if you make progress in the "wrong direction" you're going to upset people and there is at least one precedent for the only existing world policeman to come in and impound your means of progress if it goes in the "wrong direction."

**EIR:** Henry Kissinger sees this as the reason the U.S. must confine itself to acting as a balancer among powers.

**A:** I just hope some smart people have been thinking deeply about it. But I don't see a lot of evidence to date. I'm sorry, I would like to be more sanguine about it, but I'm not.

**EIR:** So if this continues, we're going to have to pit ourselves against any country which through "devious means" finds its way to sneaking these capabilities into existence.

**A:** The conclusion to that then, the direct fallout of that, is that the Japanese better start building bomb shelters!

**EIR:** That's been suggested more than once, and CIA director Webster threatened as much when he said that since the Cold War is over, Japan and Germany are now the countries which threaten us internationally.

**A:** . . . Let me just give you one observation . . . and I'm not a guy who's either an economist or qualified to make any more than a passing statement. The world financial situation strikes me, even before the war, as being in a very precarious position. The United States already had the S&L failure, which in gross terms cost more than the war; it is facing a bank situation that is similar in orders of magnitude; it is facing a drug situation that is consuming, in orders of magnitude, something that makes this war insignificant financially. Nevertheless, the disruption that has taken place worldwide pushes us closer yet to a slide back into some kind of international chaos. And there is probably only one country left that can act. . . . The Japanese are probably the only people who have the reserves to restore the balance and keep the machine running, but everybody else is in a terrible state.

The statements coming out of Saudi Arabia and Kuwait indicate that their reserves are down to dangerously low levels, and they are already attempting to borrow on the international market—and who's left to borrow from? There's only one country to borrow from. Now, have we set up a situation where they will act in their own interest—as we have always done—as we did after the Second World War? They very likely will, and as an economic animal. That's the way some

of that stuff is going to go.

**EIR:** The reconstruction burden on Iraq will be enormous, and some Iraqi officials claim ten years to reconstruct the power grid alone.

**A:** I'm sure there are people who hope that that is true, and depending on how they manage their money, that will be more or less true. That was one of the problems they had coming into the war; they spent their money in two directions at once, and the biggest spender was the military, because they perceived the military threat and so on, so the civil industry didn't get its "fair share." If the civil industry gets its "fair share" now, it's going to get it, but it's going to be at a rate about one-third of what it was before the war. So ten years may not be unrealistic.

On the other hand, we have transportable water units, and Caterpillar has already gone into Kuwait to supply power on a generator basis, and, if it wasn't such a "bad thing" to even think about, there was a time, back in the '60s, when the Army had a transportable nuclear electric generating power facility. . . .

**EIR:** The Iraqi military has not historically been political, but people speculate that the military has been "humiliated" and ethnic tensions will become a national political factor.

**A:** I don't really have any idea about that . . . but if you look through the command structure, you will find Shia, Sunni, Kurd, and Christian filling positions apparently on a basis of merit, without any apparent regard for their ethnic background. For us to aggravate that ethnic background would not be wise, in my personal opinion: Having seen what ethnic strife does over in the Soviet Union, I don't think we need to induce any of that.

**EIR:** With respect to the theory that this war was necessary to thwart an attempt to develop nuclear capabilities, it remains the case that it was the Israelis who introduced nuclear weapons into the Middle East. The drive of the Iraqis for nuclear weapons was similar to the situation on the Indian subcontinent.

**A:** That's a good model. In fact, the Indians will tell you that, "yes, we did detonate a weapon, but we do not now possess one." Whether, in fact, they do or not I don't know; but they have said, "You people need to look to us as a model. We did it to demonstrate that we could do it, and of course we have the components and we can assemble them if it gets to that, but we do not possess any nuclear weapons. There isn't a nation in the world other than us that can say that." Well, that's not an insignificant statement.

**EIR:** Had we pursued a policy of building water projects, we could have had a lot of support.

**A:** Yes, but if Saddam had done the same thing, the confrontation could also have been avoided. This is the tragedy.

## Technological stranglehold tightens

*Brazil, on the defensive after the Gulf war, even offers to sacrifice its prized nuclear submarine project.*

In the aftermath of the West Asian war, Washington is tightening its technological blockade against Brazil, in an effort to impose what Anglo-American analysts call their "technological apartheid" policy against those Third World nations which have reached respectable levels of development in several strategic technologies. This policy involves increasing prohibitions in areas vital for technological independence, such as the aerospace, nuclear energy, information, and chemicals. A key weapon in this policy is the use of ecological arguments to justify such prohibitions. In the case of Brazil, the Amazon region is particularly targeted for "limited sovereignty."

For instance, Prince Philip of Great Britain decided to pay Brazil an "ecological" visit at the beginning of March. Philip has distinguished himself by his devotion to the idea that the Amazon region is the "patrimony of humanity."

Along with the Prince, the European ecological apparatus directed from London through the umbrella of the Brazil Network organization, is fully activated around the case of a new "ecological martyr," the recently assassinated rural trade unionist, Expedito Ribeiro.

The assassination of Ribeiro was part of a pattern of events which makes clear that there is an effort to create cases in the Amazon that both attract international attention and maintain a state of permanent conflict in the area. This includes an attack on Feb. 26 by a column of 40 men from the Colombian Communist Party's

narco-terrorists, the Revolutionary Armed Forces of Colombia (FARC), upon an outpost of the Brazilian Army located in an inhospitable region of the Amazon along their border. The FARC attack left three dead and nine wounded.

On the technology front per se, on March 1, the malthusian Minister of Science and Technology José Goldemberg and Foreign Relations Secretary General Marcos Azambuja reopened discussions in Washington on technology transfer around a list of products which Brazil seeks to obtain from the United States. The U.S. has shaped this round of negotiations with Brazil so that it follows the guidelines imposed by the White House last Dec. 14, when it announced imposition of stricter controls on exports which supposedly can be applied to the production of biological, chemical, and nuclear weapons.

U.S. Special Trade Representative Carla Hills is insisting in these talks, however, that if Brazil hopes to obtain anything, it will have to recognize international pharmaceutical patents, a condition which until now the country has refused to accept. To increase pressure on this flank, on Feb. 24 a letter from Vice President Dan Quayle to President Fernando Collor de Mello, was made public. In the letter, Quayle, without any diplomatic prudence whatsoever, declared that the United States does not approve of the text of regulations for patents for the pharmaceutical industry published by the Brazilian executive, considering them as being too lenient.

For their parts, the World Bank and the Inter-American Development Bank have joined the technological siege. According to the March 1 issue of *Folha de São Paulo*, these international agencies are now predicating their scientific and technological financial aid on having Brazil agree to recognize pharmaceutical patents.

It almost goes without saying these days, that in their negotiations over technology transfer, Washington has insisted on some kind of punishment being meted out against retired Air Force Brigadier Hugo Piva, for his participation in the development of Iraqi aerospace technology projects. In a campaign orchestrated by the CIA, Brigadier Piva has become the target of enormous pressures for his tenacious aspiration for his and other developing nations' economic development. On Feb. 22, *Folha de São Paulo* accused Piva of not only collaborating with Iraq, but also of offering Iran two long-range missile projects.

Brazil's Foreign Minister Francisco Rezek is backpeddling in the face of this pressure. In a March 3 interview with *O Estado de São Paulo*, he stated that, if Brazil had been an advanced-sector country, it would have joined the coalition to destroy Iraq. "We would have taken up arms to carry out by force what the U.N. Security Council had determined," he stated.

Worse still, Rezek announced that Brazil was willing to consider abandoning such prized projects as its nuclear submarine program. "If the U.S. government, whose favorable understanding of the Brazilian projects is important to our development of high technology, would react, let's say, to the nuclear submarine project, then we should negotiate, with even the possibility of discarding this idea not being excluded," Rezek stated.

## Kissinger buddies tied to drug cartel

*The State Department admits the drug scene is as bad as ever. Will Bush oust strongman Ambassador Hinton?*

**T**he U.S. Department of State charged, in a report issued March 1, that drug money laundering in Panama is back up to the levels of 1989, when George Bush ordered the invasion of that country. That invasion, in which at least 4,000 Panamanians were killed, most of them civilians, was to "get Panamanian strongman Gen. Manuel Noriega."

The Panamanian leader was cast as evil incarnate by the Bush administration's psychological warfare apparatus. The removal of the "drug-trafficking" Noriega, we were asked to believe, would stop, or at least significantly slow down, the flow of drugs into the United States.

Not only is drug money laundering on the rise in Panama, but it is being done by the same people who did it before, and that includes most of the officials in the puppet government Bush installed in Panama to replace Noriega, including President Guillermo Endara himself.

And not just dirty money. "Statistics now indicate that since General Noriega's departure, cocaine trafficking has, in fact, prospered," according to an article in the British newspaper *The Independent* of March 5. "The departure of Noriega and his feared army appears not to have hindered the smugglers," writes David Adams. It "may even have encouraged them."

So, will Bush now order an invasion to seize Panama's new strongman, U.S. Ambassador Deane Hinton? After all, since the invasion, "Washington [has been] calling all the shots" in Panama, as the London *Financial Times* reported on Feb. 18.

That means, based on the standards used against Noriega, that the Bush administration is guilty of the increased drug flow.

Take the case of confessed Colombian drug trafficker Ramón Navarro. In 1986, Navarro masterminded a drugs-for-arms scheme to smuggle more than 700 pounds of cocaine into the U.S. aboard the luxury yacht *Krill*. The deal went sour when officers of Colombia's National Police boarded the *Krill*, confiscated the cocaine, and arrested the crew. The U.S. indicted the alleged conspirators.

What did Navarro get for his drug smuggling? Total immunity from prosecution and \$170,000 from the U.S. government. In exchange, he was to put the blame on Noriega.

Navarro will not get to testify, however, because he died in a traffic accident while driving his BMW in Miami on Feb. 27, two days after the start of the trial against two Noriega co-defendants.

In his opening statement at the trial, Assistant U.S. Attorney Richard Sullivan charged that besides Noriega, the *Krill* conspiracy included Panamanian pilot César Rodríguez and Gen. Rubén Darío Paredes (ret.), Noriega's predecessor as commander of the Panamanian Defense Forces (PDF). In fact, according to the prosecutor, it was General Paredes who sold the *Krill* to Navarro and to William Saldariaga, one of the defendants. The whole Paredes family is apparently implicated. Son Amet Paredes pled guilty and will testify for the prosecution, while Rubén Darío Paredes, Jr. was killed by the mafia in

1986.

Richard Sharpstein, attorney for defendant Brian Davidow, an American, charged that the case was cooked up "by the political enemies of Noriega" to settle a struggle for power in Panama. Noriega and Gen. Rubén Paredes had a falling out in the 1980s when Noriega replaced Paredes as head of the PDF, he said. "They never would have been partners in the drug deal."

Sharpstein's account is confirmed by one who should know: U.S. Deputy Secretary of State Lawrence Eagleburger, the former president of Kissinger Associates, Inc. On Aug. 31, 1989, Eagleburger claimed that the U.S. had a right to go after Noriega, because Noriega had violated a "solemn compact," which established that once he assumed command from General Paredes, Noriega "should place the support of the military behind General Paredes's candidacy for the presidency." "We know what happened," added Eagleburger. "Once Paredes was out, Noriega worked against his candidacy." That upset Henry Kissinger, who was sponsoring Paredes's presidential bid. In 1984, this reporter observed Kissinger and Paredes huddled together in Washington, plotting strategy.

Noriega did more than spoil Kissinger's plans to put Paredes in Panama's presidential palace. As soon as he took over the PDF, he ordered the dismantling of a cocaine-processing lab installed by the Medellín Cartel, with Paredes's approval, in the jungle province of Darién.

So tied up with the drug mafias was Kissinger's protégé Paredes, that when his son Rubén, Jr. disappeared after the *Krill* deal went bust, Paredes, Sr. vouched for the innocence of the Medellín Cartel. He spoke to drug kingpin Jorge Ochoa, he said, and the Ochoas "have given me their word."

# International Intelligence

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## ***When will Soviet troops really leave Germany?***

Soviet Col. Nikolai Petrusenko, a leader of the "Soyuz" group of deputies, told the newspaper *Sovetskaya Rossiya* of March 2 that it may take as much as 16-19 years, rather than the agreed-upon 4 years, for Soviet troops to leave Germany.

With the debate in the Supreme Soviet beginning March 4 over ratification of the "2 plus 4" treaty concerning the status of reunified Germany, Petrusenko advises that the treaty not be ratified, but that "new negotiations" be initiated.

"The transport capacity of the railways is such that it will take 16-19 years for troops to leave," he stated. With help from the Navy and with the use of transport planes, the time could possibly be reduced to 9-10 years. According to Petrusenko, not all the problems involved in the troops leaving were foreseen at the time that the troop-withdrawal agreements were signed between the Soviet Union and Germany, so the whole thing should now be reconsidered: "Is it not better to show courage and to recognize that we made a mistake with the withdrawal agreement?"

His comments were given wide coverage in the German media.

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## ***Political unrest spreads in Egypt***

Egypt, a member of the U.S.-led coalition that defeated Iraq, has been the scene of growing student protests against the government's policy, and also of efforts by the ruling elites to distance themselves from Anglo-American plans for a "new world order."

At the end of February, before the ceasefire was declared, stone-throwing students demanding an end to Egyptian participation in the war, confronted police, who used tear gas against them. One student was killed.

On Feb. 26, some 5,000-10,000 students sponsored by the Egyptian Student

Union marched from the university campus to the center of Cairo, with little evident obstruction from the authorities.

An outspoken critique of the U.S. war aims was published by the government-controlled Cairo daily *Al Ahrām*, whose editor wrote on Feb. 26 that the overthrow of Saddam Hussein had been demanded neither by the United Nations nor by the Arab League. The U.S. desire to topple Saddam, he said, was an "open violation of international law, which is to become the fundamental for the new world order of America." The paper recommended that the coalition "leave Saddam Hussein to his inevitable natural end," because he would have to pay the price for his defeat sooner or later.

Responding to the growing unrest, President Hosni Mubarak declared on Feb. 24 that Egyptian troops would not enter Iraqi territory along with the coalition forces, but would confine their operations to the liberation of Kuwait.

Ali Boutros-Ghali, the assistant foreign minister, has repeatedly affirmed that Egypt could live with a postwar Iraq under Saddam Hussein, provided the 12 U.N. resolutions were fulfilled by the Iraqis. Boutros-Ghali even recalled that before Aug. 2, 1990, Saddam Hussein had been the "main ally" of Egypt.

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## ***Iraqi opposition leaders reject war reparations***

In a declaration published in Munich, Germany on Feb. 27, the Supreme Council of the Islamic Opposition of Iraq denounced any plans for foreign powers to shape the political structure and economics of Iraq in the postwar period. The statement rejected any dictates by the victorious powers, modeled on the Versailles Treaty, which imposed crushing reparations on Germany after World War I. Indeed, it is the *coalition* powers which should pay reparations, for bombing of the Iraqi civilian population and the country's infrastructure, in violation of the United Nations mandate, the council said.

The future of Saddam Hussein should

be determined by the Iraqi people, not from outside, the opposition groups stressed. If Saddam Hussein is to face trial, it would necessarily have to be a national trial in Iraq, and it should be left to the Iraqi opposition to find the form of government and leadership the nation of Iraq needs.

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## ***Havel warns of danger from Soviet instability***

Czechoslovakian President Vaclav Havel warned about the global dangers that could arise from a collapse of the Soviet Union and the Soviet economy, in an interview with the Prague magazine *Respekt* published March 1. He said that "the danger lies more in permanent instability and chaos, which would affect not only neighboring countries, but also Europe and the entire world."

A Soviet economic collapse could lead to a situation where not only are large numbers of refugees streaming into Central and Western Europe, but where "armed liberation armies" cross Soviet borders, he said. Furthermore, said Havel, it is possible that the economic disintegration of the U.S.S.R. would lead to a situation where no Soviet oil is exported. He also warned of "hardliners" in the U.S.S.R. intentionally sabotaging certain economic functions and deliberately targeting central Europe, especially as Soviet propaganda has begun to talk of Prague, Budapest, and Warsaw being centers of spying for the West.

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## ***Soviets draw military lessons from the war***

Soviet military leaders, in the aftermath of the Persian Gulf war, are drawing their conclusions about their own military preparedness. Defense Minister Dmitri Yazov set the tone on Feb. 25, upon returning from meetings about the formal dissolution of the Warsaw Pact, scheduled for March 31. He said that "everything will be concentrated on the security of our state. We always used to talk about the security of the Warsaw Pact orga-



nization, of a group of states. And now we shall talk about the security of our union."

On Feb. 28, Yazov answered questions from the U.S.S.R. Supreme Soviet about the evident failures of Iraqi anti-aircraft defenses in stopping the air offensive. "What happened in Kuwait and Iraq necessitates a review of the attitudes to army air defense and the country's entire air defense system," he replied.

Similarly, Gen. Col. Rakhim S. Akchurin, commander of Soviet anti-aircraft forces, told the TASS news agency: "Today our anti-air defenses are capable of repelling the attacks of any air targets, *but what will happen in two or three years?* The echo of missile thunder in the desert must put us on our guard."

Soviet military spokesmen are claiming that the U.S. used state-of-the-art weaponry, from Stealth bombers to laser-guided bombs, against older Soviet-supplied Iraqi weaponry, and conclude from this that it would be suicidal to cut the Soviet military budget now. Speaking to the newspaper *Izvestia*, Gen. Maj. Nikolai I. Kutsenko said that the Soviet Army had some weapons similar to those used by the U.S. in Iraq, "but not all. This is something for our military research and development to think about."

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### ***'Indigenous' groups promote Black Legend***

As part of the counterorganizing campaign against the 1992 celebration of the 500th anniversary of the discovery of America, indigenous, peasant, and labor organizations in Central and South America have launched an offensive entitled "500 Years of Indigenous and Popular Resistance." As *EIR* reported in our issue of Oct. 19, 1990 ("Black Legend Hides Truth on History of Americas"), such campaigns seek to promote the "Black Legend," according to which the Spanish conquest and evangelization of the continent "oppressed" the native peoples.

The current campaign is coordinated from Guatemala, and in Colombia, operates

under the name "Campaign for the Self-Discovery of America." Plans for this mobilization originated in Geneva, Switzerland in 1987. A conference of indigenous organizations will take place in Guatemala in October to plan further action.

The groups charge that the last 500 years have been characterized by "invasion, genocide, and evangelization"; like many of Colombia's guerrilla groups, the organizers claim that Colombia's "violation of human rights" and "suppression of political freedom" must be denounced everywhere, and that the cultural values of indigenous populations must be respected and revived, not eliminated. The organizers call on the Church to enhance the understanding of "cultural and religious differences" among different ethnic groups, and work for their preservation rather than their extinction.

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### ***Mexican journalist: Britain started the war***

Mexican journalist Manuel Mejido, author of the book *The Oil Lords*, wrote in the daily *El Sol de México* of Feb. 28 that "the British are responsible for what is happening today in the Persian Gulf. Their treason against the Arabs, Hashemites, and Wahabites, during and after the First World War, created the environment of irreconcilable confusion, rancor, and hatred that exists today in the Middle East."

After reviewing the British refusal to comply with the Sykes-Picot Treaty, which established that after World War I no foreign troops would remain in the Arab world, Mejido writes: "As usual, the British didn't comply and the soldiers of His Gracious Majesty stayed in the region from 1918 to 1953 . . . while the politicians and oil businessmen established new borders, eliminated Kurdistan, and divided it into Turkey, Iran, and Iraq, giving birth as well to Lebanon and Syria. Jordan had to be created to give the Hashemites a kingdom of camel drivers, and Kuwait separated itself from Iraq . . . leaving it the personal property of the Al Sabah family."

## Briefly

● **GEORGE BUSH** should get a "Nobel War Prize" because of his bellicosity in the Gulf crisis, the Catholic weekly *Il Sabato* proposes. The Italian magazine charged at the end of February that the U.S. President was the ideal candidate for such a prize, because he had turned down each and every peace effort over the past seven months and held on to war as the only option.

● **WESTERN EMBASSIES** in Pakistan told all their nationals to stay out of public places because the population is so outraged about the war against Iraq, especially the bombing of hundreds of civilians, the *Hindustan Times* reported Feb. 15. The Pakistani government has had to pull soldiers from the frontier to increase protection for Western diplomats and foreign residents in Islamabad.

● **FIDEL CASTRO** charged Feb. 25 that "the U.S. refused a peaceful outcome" of the Gulf crisis. "What it wants is butchery and slaughter. It wants to try out its weapons, kill hundreds of thousands of people, and create an ecological catastrophe." Castro said that the Soviets were too enmeshed in domestic problems to be able to do anything effective.

● **LITHUANIA** will repeal all Soviet laws as of March 17, the day of the Moscow-sponsored referendum on the Union, the agency Baltfax reports. The Lithuanian government views the referendum as "interference in the republic's internal affairs and a renewed attack on its sovereignty."

● **MOSCOW** could work closely with Teheran to put together a new governing team in Iraq, said Joseph Maila, professor at the St. Joseph University in Lebanon and chief editor of the French-language publication *Cahiers de l'Orient*. According to Maila, the Russians would favor a new team in which Saddam Hussein would remain, but in the context of a broader coalition.

## U.S. opens new battlefield: against Germany and Japan

by Kathleen Klenetsky

The war which the U.S. just waged against Iraq was aimed at showing the Third World as a whole, that the U.S. is prepared to back up its colonialist new world order with devastating force. But it was also a war against Germany and Japan, the two countries which, by virtue of their successful economies, have been designated as the next leading adversaries of the Anglo-American combine. And, as the Desert Storm dust settles, it becomes clearer every moment that the U.S. is not taking on Germany and Japan because they are so economically strong, but because the United States has dithered away its own industrial and technological power over the last two decades. As *EIR* cannot overemphasize, this takedown of the U.S. American System of economy was pushed every inch of the way by the same British who were "behind the U.S. all the way" in the Gulf war.

The war was just the continuation through other means of Bush administration policy toward Germany and Japan. Over the past two years, Bush administration officials have gone on record numerous times, asserting that the real enemy of the U.S. is not the Soviet Union, but these two countries, as CIA director William Webster did in a speech in Los Angeles in September 1989. The entire U.S. intelligence apparatus has been transformed into an economic warfare unit, charged with devising ways and means of sabotaging the ability of these countries to offer a productive alternative to the parasitical, post-industrial lunacy embraced by the U.S.

That Germany and Japan were among the key targets of Desert Storm is an open secret, acknowledged privately by U.S. officials, and publicly by many others. As Gianfranco Miglio, an Italian academic who backed the U.S. Gulf policy, told the March issue of the Rome-based magazine *30 Days*: "The U.S. saw that to avoid falling into a decline similar to that of the Soviet Union, it had to keep pace with

potential adversaries of the future. They include Japan and the continent of Europe united around German economic power. . . . The United States could not accept the idea of Europe as it is today, a continent that cannot only manage quite happily without America, but one which is economically and technologically more powerful."

After the Dresden-like bombing of Baghdad, the Bush crew is cynically employing its new-found leverage to extort political and economic concessions from its erstwhile allies. Aside from leveling Iraq, the war has achieved the goal, set back in the early 1970s by Henry Kissinger, of controlling the bulk of the world's oil supplies. With the continued U.S. military presence in West Asia, Washington will be able to exercise enormous economic blackmail power against a host of other countries which depend upon Mideast oil exports for their energy.

Washington is hoping to exploit the reopening of the General Agreement on Tariffs and Trade (GATT) negotiations to finally force Japan and Europe to abandon important protections for their home industries and farmers. At the same time, it has various schemes for looting their treasuries of these countries to pay for Desert Storm, through demands that they foot the bill for not only Operation Desert Storm itself, but also for rebuilding of Kuwait—even though the bulk of the very lucrative contracts to do so have already been awarded to U.S. companies, including Ollie North's Guardian Technologies!

The U.S. has already collected over \$5 billion from Bonn, even though the German government has had to divert money from its program to rebuild its five eastern states, and impose tough new taxes to do so. Japan has handed the U.S. nearly \$2 billion, and its Diet is now engaged in a bitter debate over the additional \$9 billion (see p. 11).

## Congressional bullies

The question of allied financial contributions has provided the Bush administration with the perfect pretext to put Japan and Germany against the wall. And in the U.S. Congress, eager to look for scapegoats for its own policy incompetence, Democrats and Republicans alike are carrying out a vitriolic campaign against Germany and Japan for failing to cough up their "contribution." Never mind that neither country expressed much enthusiasm for the Anglo-American crusade to begin with; they are "rich," and they should be made to pay. "We were not allowed to be in the decision" to go to war, complained one prominent Japanese. "But now we are expected to pay for it." Congress is considering measures to punish the recalcitrants. One such is the "Persian Gulf War Cost-Sharing Act," introduced by Rep. Byron Dorgan (D-N.D.). Backed by 35 co-sponsors, the bill would require the President to enter mandatory cost-sharing agreements with Japan, Germany, Saudi Arabia, and Kuwait.

According to Dorgan, Japan should bear 25% of U.S. military costs, Germany 15%, and the Saudis and Kuwaitis together, 50%. The bill would impose import tariffs on Japan or any other country which refused to sign an agreement. The tariff would be used to collect funds equal to that nation's share of the war. During a Senate floor debate in late February, one member after another rose to excoriate Japan and Germany. Sen. Patrick Leahy (D-Vt.), chairman of the subcommittee on foreign aid, complained that Japan's reluctance to come up with the full amount shows "arrogant condescension." He added: "I have never seen such a reaction, an anti-Japanese reaction, as there is in the Congress today from people, many of us who have been very strong supporters of ties with Japan."

And an explicit threat of trade war came from Sen. Ernest Hollings (D-S.C.), who warned that there could be an imposition of trade tariffs on both Japan and Germany, should these countries not pay up. Tariffs could end a lot of "palavering around," Hollings said. If Japan's Diet doesn't okay the billions in tribute, "we'll get it through the Port of Charleston. When they ship it in down there, we'll take the tariff."

But the contributions issue is just one small part. The administration intends to increase the pressure on Germany in particular to forego its constitutional ban on deploying its military beyond its borders, so that it can be forced to participate militarily in whatever future Operation Desert Storms the U.S. may now be planning against other hapless Third World nations.

Although the *Washington Post* headline over Hobart Rowen's column March 3 read, "Japan and Germany Must Take Bigger Military, Policy-Making Roles in World Affairs," the theme was quite different: "In the future, Japan and Germany can no longer sit by, watching other nations' troops provide them a security umbrella."

Rowen quoted former White House aide Jeffrey Garten: "We are competitors of the Germans and Japanese in a lot of

areas. They have been able to build their economies to a luxury level and we have defended them with our military might. They have got to pitch in, in the future. And their money is not enough." Garten is writing a book on Germany and Japan as America's new adversaries for the Twentieth-Century Fund.

## Death penalty for development?

A revised version of the Export Administration Act of 1979, adopted by the Senate in late February, attests to how far the U.S. is prepared to go to force Germany and Japan to adopt the policies that have devastated the United States economy, and abandon the policies—as did the U.S.—which gave them the sobriquet "economic miracles." The act includes additional sanctions against Iraq that make the Versailles Treaty look magnanimous. And it also includes drastic new sanctions against any country that either uses or *plans* to use nuclear, chemical or biological weapons, and against any country or company that assists certain categories of countries in developing these weapons.

To understand the real significance of these sanctions, it is necessary to realize that the Bush administration plans to use the bogeyman of Third World weapons proliferation, to bring about a policy of "technological apartheid," through which nearly *all* high-tech exports, civilian as well as military, to the developing sector will be ended. Germany and Japan, as important sources of capital-intensive exports, have got to be blackmailed or otherwise persuaded to stop.

The Senate debate over the measure made it readily apparent that Germany is a key target; nearly everyone who made a comment on the bill, or offered an amendment, referenced the recent media hype accusing German firms of supplying Nazi-like poison gas to the Iraqis.

The real killer, so to speak, was a set of amendments proposed by Sen. Alan Specter (R-Pa.), which would make it a terrorist act to either use weapons of mass destruction, or aid in the development of such weapons, against a U.S. citizen anywhere in the world. The amendments call for the death penalty for any person convicted of such a terrorist act (see *EIR*, March 8, p. 68). "This amendment uses an expanded definition of terrorism and provides that the *production of such biological and chemical weapons in itself* constitutes an act of terrorism. This criminalizes the transfer or development of chemical agents for use in biological and chemical weapons" (emphases added). It is also important to note Specter's reference to "chemical agents," for even some of the most common, necessary to produce fertilizers, pesticides, beer, and purify water, can also be used in making chemical weapons.

An aide to Specter confirmed that, hypothetically, a German firm that transferred chemical agents to a country that then used them to produce chemical weapons could, under the amendments, be labeled a terrorist and subjected to the death penalty. Trade war doesn't get much dirtier than this.

# Cult Awareness Network: thought police of the 1990s

by Our Special Correspondent

Beware of what you think, say the modern-day thought police! The Anglo-American financial elite and their associates in the Anti-Defamation League of B'nai B'rith (ADL) have created a private gestapo to maintain their own political and financial power, and to suppress any dissenting movements or individuals.

The thought gestapo in the United States is led by the so-called Cult Awareness Network (CAN) and the American Family Foundation (AFF), two organizations with interlocking advisers and associates. According to documents from the Internal Revenue Service (IRS), numerous prominent Anglo-American Wall Street families are, through their foundations, the major financiers of the AFF, including the Scaife Family Foundation, headed by Richard Mellon Scaife, a close personal friend of former FBI director J. Edgar Hoover, and the Pew Foundation. As the gestapo methods of these organizations are described below, it should be of no surprise to learn that the Pew family was a secret funder of pro-Hitler organizations in the United States during the last Great Depression.

In recent years, large sums have been donated by the Swig Foundation, which is headed by ADL National Commissioner Melvin Swig. According to our sources, CAN hides the names of its contributors by raising amounts of money just under the threshold requirement for reporting to the IRS.

## Profile of a gestapo

CAN/AFF is a network of psychiatrists and self-proclaimed "deprogrammers," whose ostensible purpose is to retrieve family members who have been brainwashed into joining cults. In reality, CAN/AFF's function is twofold: to retrieve family fortunes which have been donated to independent religious and political organizations that are not controlled by the Eastern Establishment, and to provide law enforcement officials with information and witnesses for prosecution of target organizations.

CAN recently announced the formation of "The LaRouche Victims' Support Group," whose spokesman is CAN director Cynthia Kissler. This group asks family mem-

bers to monitor the political activities of their relatives, and "turn in" anybody caught giving financial support to the political movement associated with Lyndon LaRouche, to CAN's network of Nazi psychiatrists, deprogrammers, and law enforcement officials. Their aim is to psychologically break supporters of LaRouche, to brainwash them into thinking they were defrauded, and to turn them against their former political associates.

## The case of Helen Overington

Currently, Kissler is highlighting the case of Helen Overington, who has appeared on radio talk shows with her daughters Mary Rotz and Peggy Weller.

Helen Overington is a former financial and political supporter of the LaRouche movement. Her real story is told in bits and pieces of the truth that have made their way into otherwise slanderous articles that have appeared over the past year. The truth is that her daughters opposed her political views, wanted her money, and called upon CAN thought police to end her political association.

According to a May 1990 article in the *Sun Gazette* of Loudoun County, Virginia, Mrs. Overington was a charitable woman who had given hundreds of thousands of dollars to charitable, educational, and political causes. The *Washington Post* of May 21, 1990 reported that she donated "to more than 200 mostly conservative charities and causes." According to the same article, Mrs. Overington supported President Reagan's Strategic Defense Initiative, a policy that LaRouche had authored years earlier, about which, she said, "my children didn't want to hear."

In a January 1991 article in *Woman's Day*, Mrs. Overington revealed, "When I tried to talk politics with my children, they'd say, 'Oh, Mom, you really don't believe that stuff, do you?' or 'Oh, Mom, you've been reading all that conservative literature again.' Especially Peggy, the most liberal. She finally told me, 'Look, Mom, we can't discuss these things. We just don't agree.'"

In that same article, Mrs. Overington detailed how she had the same concerns about drugs, nuclear energy, and other matters as LaRouche associates, and said, "They wanted to

make the world better, and so did I.”

The article further revealed that even after she had been confronted by her daughters and others in their attempt to get her to drop her association with LaRouche, it took several weeks and meetings with several law enforcement officials to get her to “rethink” the matter.

What occurred is that Mrs. Overington’s daughters called the Virginia Attorney General’s office, who put them in touch with Mira Lansky Boland, the LaRouche case officer for the ADL. Boland in turn put them in touch with CAN. Soon, Mrs. Overington found herself under virtual house arrest, with visits from Boland, CAN president Mike Rokos, and Virginia State police special investigator C.D. Bryant, who worked her over with lies, slanders, and half-truths, like a prisoner of war, until she finally broke.

### Thugs and perverts

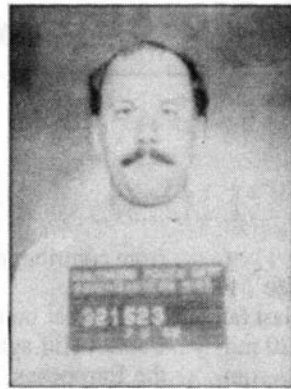
The following selections from *EIR*’s dossier on the CAN/FPP/ADL network gives the flavor of what kind of dirty operation they are running:

**Mira Lansky Boland** is a former employee of the Central Intelligence Agency. She is the ADL’s “LaRouche expert,” who has provided intelligence and counsel for every criminal and civil case brought by the “Get LaRouche” task force. Lansky Boland works closely with CAN.

**Rev. Michael Rokos**, the national president of CAN at the time that he “counseled” the Overingtons, is himself a fraud, a criminal, and a pervert. In October 1990, news stories broke in the *Baltimore Sun* and elsewhere in the Washington, D.C. area, that Rokos had been arrested in July 1982 for soliciting sex with a Baltimore vice squad officer posing as a minor. According to an affidavit from arresting officer Joseph G. Wyatt, Rokos solicited him, saying, “I want you to tie me up, put clothespins on my nipples, and make me—” (perversion deleted by editor). While hiding his criminal past, Rokos spoke before police and civic groups and on numerous radio shows slandering LaRouche. Rokos also fraudulently portrayed himself as the chaplain for the Maryland State Police, while in reality, he was one of several ministers who volunteered at one of the police barracks. After he was exposed, Rokos resigned as national president of CAN and from his position with the Maryland State Police.

**C.D. Bryant**, special agent for the Virginia State Police, spent over 20 years with the IRS and retired from its Criminal Investigative Division (CID). Documents obtained under the Freedom of Information Act and congressional testimony have shown that CID has taken part in the IRS’s secret operations which collected intelligence files on political opponents and carried out investigations and indictments that were politically motivated.

**Galen Kelley**, head of Security for CAN and their current national “LaRouche expert,” is a “deprogrammer” who, according to court documents, has been convicted of assault and has had his pistol license revoked. Kelley has carried



Police mug shot of the Cult Awareness Network’s number one pervert, the “Rev.” Michael Rokos.

out “deprogrammings” with Harlin Killstein of the terrorist Jewish Defense League, whose associate Mordechai Levy was recently convicted of attempted murder in New York City. Levy publicly threatened the life of Lyndon LaRouche on several occasions. According to sources, Kelley has direct ties to the FBI and other federal agencies.

### The brainwashers

Giving this gestapo an air of respectability are the Nazi psychiatrists who are official advisers and collaborators of CAN/AFF:

**Dr. L. Jolyon West** received CAN’s 1990 Leo J. Ryan Award. West was a pioneering member of the CIA’s MK-Ultra Project, which was designed to spread the use of LSD and other mind-altering drugs among American youth in the 1950s and 1960s. West’s research on brainwashing began with his stint in Air Force Intelligence during the Korean War. After the war, West ran studies of the effects of psychedelic drug use, at the University of Oklahoma. Drugs and Satanism promoter Aldous Huxley praised West in 1957 for his work on LSD, and a *New York Times* article of August 1977 revealed West’s ties to the CIA. In the early 1970s, West proposed an experimental violence center, which was to include the work of psychiatrist Frank Ervin, a notorious racist who advocated the use of lobotomies for rioters in black ghettos of American cities.

**Margaret Singer**, an adviser to AFF, is the *grande dame* of CAN. Together with West, she ran a survival and torture resistance study for Air Force Intelligence and studied the Haight-Ashbury, San Francisco drug “culture.” Her work is frequently cited by social fascists.

**Dr. Robert Lifton** is noted for his “groundbreaking” work on Nazi interrogation and torture techniques. He is the ADL’s darling, and is often cited as an authority on mind manipulation. Lifton worked for military intelligence, and analyzed Korean brainwashing techniques by studying American POWs and Korean War veterans.

## Aid from U.S. helped murderous Khmer Rouge

A report required by Congress last fall as a condition for approving \$20 million in nonlethal aid to two anti-communist resistance groups in Cambodia, showed that the groups had collaborated with the genocidal Khmer Rouge, which, during its term in power in Cambodia in the 1970s, killed off about one-third of the country's population and virtually eliminated the educated strata in that country. The Khmer Rouge is now battling to regain control of Cambodia.

The two groups had used Khmer Rouge supplies and "conducted coordinated attacks with the Khmer Rouge" in their fight with the pro-Vietnamese government, according to the report.

New conditions added to the terms of the aid package last year required President Bush to suspend funds not only when the money might help the Khmer Rouge, but also when a recipient was found to be "cooperating tactically or strategically" with Khmer Rouge military operations. The report could lead to a cutoff of further aid to the U.S.-backed groups.

## Congressmen want to 'bill' allies for war

The House Appropriations defense subcommittee voted on Feb. 28 to provide the \$15 billion in funds which the Bush administration wants to finance the war with Iraq. But the panel also decided to limit to \$43 billion, at least for the time being, the total amount the President can spend for the war. The subcommittee decided to limit spending until the actual costs of fighting are known.

The remaining money is to come

from contributions promised by allied countries.

A great outcry is being raised on Capitol Hill against the Japanese and the Europeans, notably Germany, to shell out more for the Gulf massacre. Sen. Dale Bumpers (D-Ark.) urged, in floor comments on Feb. 27, that the United States "bill" the Japanese "while the tears are falling."

Rep. Pat Schroeder (D-Colo.) whined that "exactly those countries that we helped to rebuild after the war, are letting the U.S.A. down in one of the biggest crises after the Second World War. The fact that it is all that difficult to have the money passed by the Tokyo parliament is a clear sign that one can't talk about real solidarity." Schroeder also criticized Germany for transferring the money too slowly.

According to a report in the German newspaper *Süddeutsche Zeitung* on Feb. 28, senior officials of the Bush administration warned Germany and Japan not to try to pay less than the promised \$20 billion, by using the excuse that the war took less than the projected three months. The Germans and Japanese are to cover also a more substantial part of the estimated \$50-70 billion that the war did cost, the administration thinks. Bonn and Tokyo are to answer the question who, if the Iraqis can't do it, would pay the immense war reparations in the end.

If squeezing the allies doesn't yield enough money, Schroeder proposes that "war bonds" be issued in the U.S. to help cover the \$300 billion budget deficit: "Support in Graham the U.S. population for this war is so big, that a government bond that contributes to the funding of the war should turn into a big favorite."

Rep. Charles Schumer (D-N.Y.) took aim at the Germans: "If Chancel-

lor Kohl is allegedly forced to increase the taxes because of the war, he should also contribute a bigger share."

## What does Moynihan know about anything?

Responding to Sen. Daniel Moynihan's (D-N.Y.) threat that the United States was considering cutting off aid, including anti-drug aid, to Thailand in light of last month's military coup, Army Chief Gen. Suchinda Kraprayoon laughed and said it might be a good thing for the U.S. to cut off the aid.

According to the *Bangkok Post* of March 2, the general pointed out that Thailand is an independent country and was unlikely to be hurt by such a cut. "What does the U.S. senator really know outside his home? He does not really know anything," Suchinda said.

## Moynihan sees Soviet shift on Zionism

In floor comments on Feb. 28, Sen. Daniel Moynihan (D-N.Y.), a long-time operative of the Zionist lobby, claimed that the Soviets are prepared to abrogate the U.N. General Assembly Resolution of 1975 which labeled Zionism a form of racism and racial discrimination.

Moynihan referred to an article in the Feb. 15 issue of the *Long Island Jewish World*, which reports Soviet U.N. Ambassador Yuli Vorontsov declaring at a recent press conference that "the idea of the Zionism resolution was false. It should be repealed." Moynihan claims that this represented

a "forthright declaration" rather than a "reappraisal" by the Soviets of their position.

Moynihan had asked Secretary of State James Baker if he thought that the Soviets were prepared to rescind the resolution, Baker replied that although he thought such a move would be beneficial, he did not know "whether or not there would be any chance of success" in getting the Soviets on board.

It is highly unlikely, with the enhanced role of Israel in the Mideast in the aftermath of the destruction of Iraq by U.S. and allied forces, that the Soviet Union would want to add further grist to the mill of an Israel anxious to expand its power at the cost of neighboring Arab states.

## House freshman Ramstad demands Saddam's head

Rep. Jim Ramstad (D-Minn.) introduced a House resolution on Feb. 28 calling for the United Nations to try Iraqi President Saddam Hussein for war crimes. Ramstad claimed that Iraq was "responsible for turning over Saddam to the other convention signatories," and that the U.S. must insist that he be turned over to allied forces "before Iraq is allowed to rejoin the peace-loving nations of the world community."

Meanwhile, Sen. John McCain (R-Ariz.), who was a POW in Vietnam for many years, has introduced a resolution into the Senate to create an international tribunal which would try Saddam Hussein, among other things, for his "hostile use of Environmental Modification Techniques" in allegedly setting fire to the Kuwaiti oil fields. (In fact, most of the fires were caused by bombing raids by the "co-

alition" forces.)

Neither congressman said anything about the murder of some 200,000 Iraqis, most of them civilians, by U.S. "precision" bombing.

## AIPAC warns Senate to back Israel, or else

Columnists Rowland Evans and Robert Novak reported on March 6 that the American-Israeli Public Affairs Committee (AIPAC) is pushing for the Senate to vote for the full \$1 billion that Israel is demanding from the United States for the damage caused by the Gulf war. This is twice the amount President Bush wanted to give. If the money is not forthcoming, senators will find themselves without campaign financing.

One high administration official told Evans and Novak: "I have been told that [Senate Minority Leader Robert] Dole was warned not to fight this billion-dollar figure if he wants a Republican-controlled Senate after the 1992 election."

On March 1, AIPAC issued an "action alert," urging its members to start working on Congress to vote for the \$1 billion figure. Especially targeted, according to Evans and Novak, are Senate Republicans.

The House Appropriations Committee panel voted on March 5 to approve \$650 million in aid for Israel at the request of the Bush administration. Secretary of State Baker had sought to pare the Israeli request for \$1 billion in aid to \$400 million in cash plus a gift, valued at \$400-500 million, of the four Patriot missile batteries the U.S. sent there as protection against Iraqi Scud missiles. Israel had countered the Baker proposal by asking for \$750 million in cash and two

Patriot batteries. The March 5 vote did not address the matter of the Patriots, although Appropriations Committee chairman David Obey (D-Wisc.) felt that Israel would ultimately get these.

## Resolution Trust Corp. is losing money fast

Citing a report on the work of the Resolution Trust Corp., the institution set up by Treasury Secretary Nicholas Brady to deal with the savings and loan crisis, Sen. Bob Graham (D-Fla.) noted in floor comments on Feb. 27 that from July 1990 to November 1990, the RTC had increased the amount it held in receivership by \$16 billion, thereby increasing its obligations.

One of the big problems has been the real estate assets, which, according to the report, represent only 10.4% of the conservatorship assets. Although noting that the real estate assets were only a small percentage of the overall conservatorship assets, Graham noted that carrying the \$17 billion per month of the real estate assets was costing the taxpayers \$80 million per month in the cost and depreciation of value.

The RTC has been slow in selling assets so as not to collapse real estate values and drive even more S&Ls and commercial banks into the arms of the RTC.

Graham also noted the enormous bureaucracy needed to maintain this administrative structure. The General Accounting Office, said Graham, "indicated that RTC now has 5,000 employees to manage these assets. They estimate that, under the current pace of activities, those 5,000 people could be employed as long as 10 years disposing of these assets."

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# National News

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## Lt. Gov. Beyer's loan repays not priority

Virginia Lt. Gov. Don Beyer is saying that repaying his campaign loans is not a priority over raising new campaign money. According to an AP wire in the March 5 *Richmond Times-Dispatch*, Lt. Gov. Don Beyer, who is considering a 1993 bid for the Democratic nomination for governor against Attorney General Mary Sue Terry, does not consider paying off his past campaign debt to be urgent, either on time or in any other fashion.

According to the wire, Beyer says that paying his debt—which includes a \$1 million loan “from a bank”—“isn’t really appropriate right now. As I raise money,” said Beyer, “I’m raising money for 1993, not to pay off the 1989 debt.”

Eight LaRouche movement fundraisers have been convicted and sentenced to between 10 and 77 years, and eight more await prosecution in Virginia for failure to repay political loans, which were alleged to be “securities” by Attorney General Terry’s office, who has trumpeted her role in the “Get LaRouche” task force. In the recent appeal hearing of one fundraiser, Rochelle Ascher, Terry’s assistant John Russell confirmed to the judge that he considers any campaign loans to be securities.

Nancy Spannaus, who led the LaRouche candidates’ slate in Virginia’s 1990 elections, held a press conference in Richmond, demanding to know why the other leading Virginia political figures with large campaign loans, have neither registered as securities dealers, nor been prosecuted for failure to do so.

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## Nicaragua protests U.S. deals with Moscow

Officials of the Nicaraguan government of Violeta Chamorro have charged that the Bush administration is using Nicaragua to test its global deal with the Soviet Union, but has refused to consult with the govern-

ment of Nicaragua about this, the *New York Times* reported March 2.

The complaint followed the report that Assistant Secretary of State for Latin America Bernard Aronson planned to demand that Moscow cut off shipments of spare parts to the Nicaraguan Army, when he met in Madrid with his Soviet counterpart Valery Nikolayenko, Feb. 28 and March 1. The Nicaraguan Army is almost entirely equipped with Soviet weaponry.

Antonio Ibarra, Nicaragua’s vice minister of the presidency, protested that the U.S. had not even consulted the Nicaraguan government on this action. “If the U.S. would like us to request that aide be cut off, Mr. Aronson should talk directly to us. Third parties should not be intervening in our relations with other countries,” he said. Ibarra compared the Aronson-Nicolayenko talks to “someone talking behind your back to one of your neighbors.”

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## Graham biographer sees fundamentalist threat

Bill Martin, a Rice University religion sociologist who is an author of an upcoming book on Rev. Billy Graham, *A Prophet With Honor: The Life and Ministry of Billy Graham*, warns that fundamentalism, which is influencing George Bush, threatens catastrophe.

In an interview in the Feb. 23 *Houston Post*, Martin indicated that Graham and Bush discuss prophecy. Martin spoke to Graham in early February, and they talked about Graham’s recent meeting with Bush. “Graham said the President had not asked him for his advice. He just asked him to lead the service. And he gave me an indication that he and the President had talked about prophecy.” Martin said that during the 1950s, Graham’s sermons stressed his belief that he expected Armageddon with five years, but Graham now says he doesn’t know whether it will occur “tonight, two months, or a thousand years from now.”

Martin indicated why he fears fundamentalism at present. “Islamic fundamentalists say they have the mandate to convert and govern the world, fundamentalist Jews in Israel say they have an absolute mandate

from God to take back the land of Israel that God promised to Abraham, and fundamentalist Christians say the Muslim shrines on the Temple Mount in Jerusalem must be razed and the Jewish temples rebuilt in order for the prophecies to be fulfilled. Obviously, the potential for catastrophe is enormous.”

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## Another cokehead in Thornburgh’s side

Ron Cobb, who worked as a stingman for the FBI in an operation against the entire South Carolina legislature and was responsible for netting indictments against 14 lawmakers in 1990, was indicted for cocaine possession on Feb. 21 in Columbia, South Carolina.

A former state legislator himself, Cobb had been caught in a drug deal in 1989, and was given immunity by the FBI to set up a phony company to frame up his former colleagues on bribery charges. In 1990, both houses of the state’s legislature were closed while the Justice Department agents seized campaign finance records.

The Justice Department had given Cobb immunity for his 1989 drug offense, but U.S. Attorney Bart Daniel said in late February that Cobb had violated the agreement by possessing cocaine while working for the government. The original FBI sting involved Cobb offering bribes in exchange for legislators’ support of a bill to legalize betting on horse and dog racing. The bill failed.

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## Couch potatoes for war, know least about it

A survey of 250 men and women in Denver in February found that the more people watched television for their war news, the more they supported the President, and the less they knew about the conflict itself.

“We had heard a lot about support for the war. But it seemed like people weren’t asking what the basis of that support was,” said Sut Jhally, a communications professor at the University of Massachusetts-Amherst



who helped create the survey. "We were interested in finding out exactly what people knew." Only 31% of those questioned were aware that Israel was occupying land outside its 1967 borders, and only 15% could identify the Intifada. Only 13% knew that the Bush administration said it would take no action last July when Iraq threatened to use force against Kuwait, but 65% were convinced that Bush had said he would support Kuwait with force.

Despite instant satellite news coverage of the Gulf War, "People who watched a lot of TV coverage knew the names of the Patriot and Scud missiles, but they don't know the background, the history of the area," said Jhally. The 18-32 age group, the heaviest TV watchers and the strongest supporters of the war, were also the most ignorant about it.

Justin Lewis, another professor who helped create the survey, said people aged 18-32 showed an "abysmally lower knowledge on every single question than other age groups," and this group was "almost unanimous in its support of the war and in its phenomenal ignorance."

## Chicago voting: little debate, lower turnout

LaRouche supporter Sheila Jones was given less than 1% of the vote, in a Chicago municipal election which had the lowest voter turnout in 20 years on Feb. 26. Jones's running mate for City Treasurer, Mark Fairchild, was credited with 5% (30,165 votes), and Dr. Charles Knox for City Clerk was credited with 3% of the vote in a four-way race (11,580 votes).

The voter turnout is a 20-year low, which seems to have been orchestrated by the non-campaign. Mayor Richard Daley, who won his Democratic bid to run for reelection, ran on a "program" of "lowered voices." The city of Chicago, which is usually posterized with election materials of all kinds, was completely bare. There were no debates, and the *Chicago Tribune* editorialized in favor of no controversy in the campaign. Organizers for LaRouche associate Jones—a controversial figure, since Mark Fairchild won the 1986 primary for lieu-

tenant governor in 1986—reported that many people they met in the streets were vehement that they were not planning to vote, because of the lack of politics in the political campaigns.

Sheila Jones and her running mates were blacked out of the major press except for their initial statements, and the subsequent slanderous press release from the Democratic Party. However, Jones Fairchild, and Knox had a bigger impact on the local black Democratic press, with their widely circulated brochure "Against the Cultural Degradation of Man," their anti-war stance, and the LaRouche economic program. Even figures close to the Democratic Party black machine told Jones and her organizers that she was the only one who had anything to say.

Daley will face token opposition in the April 2 general election.

## Americans 'smug' about disasters of war

"Don't be so damned smug," *New Republic* senior editor Michael Kinsley angrily wrote about those "reveling" over the victory in the Gulf. In an article in the Feb. 28 *London Guardian*, he wrote: "Like everything else about this war, the spread of callousness on the home front happened at lightning speed. . . . There is a blinding moral self-righteousness that keeps us from seeing what's right there." Throughout, Americans have been remarkably uncaring about the massive casualties against both Iraqi military men and civilians, Kinsley charged.

Americans persist in believing that Saddam Hussein staged the Amiriyah bomb shelter massacre in which 400 civilians died, but "many more than 400 civilians will have died before the effects of Operation Desert Storm are over. Baghdad is a city of 4 million people without water, electricity, sewers. Medicines are scant. Remember those Kuwaiti babies reportedly ripped from their incubators and left to die by Iraqi soldiers? There have probably been no operating incubators for several weeks in Baghdad."

Kinsley's article is a departure from his usually hard-core Anglophilia.

## Briefly

● **HAM RADIO** operator Danny Shaver of Carrollton, Texas heard a plea sent by an old friend, Luke Smith, a Baptist missionary in Cajamarca, Peru for help to treat the cholera epidemic that is ravaging the country. Patients are crammed into the 120-bed hospital in Cajamarca, Smith told Shaver. "They have put up more cots in the halls, and some people are on the floor. And there are many, many others not in the hospitals." Shaver hopes to collect thousands of pounds of medical supplies and have them shipped to Peru.

● **PAT BUCHANAN** is maintaining his opposition to the new world order. In a postwar post mortem, the columnist wrote, "Yet, if candor requires us to concede the effectiveness of Bush's war leadership, it always requires us to tell the truth: We cannot share this imperial spirit or this globalist vision."

● **LYNDON LAROCHE** forecast the outbreak of war in West Asia, a radio listener informed syndicated talk show host Larry King, recently. While King downplayed this fact in his answer, a few days later another caller asked replacement host Jim Bohanan if indeed LaRouche knew the war was coming and Bohanan replied, "He sure did."

● **U.S. STATISTICS** on Iraqi war dead will intentionally be kept "as vague as possible, in part because the true picture is so horrifying," wrote *London Sunday Times* Washington correspondent James Adams. According to Adams, "allied intelligence is speculating that as many as 200,000 Iraqis may have died in the Gulf war."

● **THE IOWA** state senate passed a bill 49-0 to repeal the bill which mandates the eradication of marijuana crops in the state on public and private lands on March 4. The bill to repeal eradication was sponsored by the senate agriculture committee. The bill means that the state will no longer take responsibility for destroying marijuana production.

## Editorial

### *The war that wasn't won*

Iraq lost the Gulf war, but so too did the United States—although President Bush and much of the American population are too stupid to realize this.

Gen. Norman Schwarzkopf's victory can be compared with that of Chief Crazy Horse. General Custer lost the battle, but the Indians lost everything.

Another name that might be mentioned in this connection, is General Wallenstein. He set out in the first half of the 17th century to conquer Germany for the Hapsburgs. After an initial series of so-called brilliant, or devastating, victories, he and his armies were destroyed, together with much of Germany, in what became the Thirty Years' War.

This is what we are already seeing unfolding in West Asia: a Thirty Years' War scenario, which is spreading to Turkey, and back into Iran, whose culpability in entering into this situation, will mean a new round of destruction of Iran itself.

This is beginning to be sensed in Europe.

The awful truth is that, despite the deliberate brutality of George Bush, James Baker, Norman Schwarzkopf, et al., even this evil crowd has not got the slightest idea of what they are really unleashing. Certainly they lack the mental and moral capacities to draw from the lessons of history. In that sense, the raw stupidity of the Washington elites is even more dangerous than the more cynical moral bankruptcy of the British.

Sinclair Lewis wrote a devastatingly accurate profile of this American phenomenon in his 1922 novel *Babbitt*. George Follansbee Babbitt, the anti-hero of the story, is the prototypical free-marketeer. He is a total conformist and opportunist, justifying his brutality with cheap rationalizations and sentimentality.

This is America today, a nation of cultural boors. A gang of Babbitts is running the United States—bunglers with too much power.

They're worse than the British on this account. The British, at least, have some brains, whereas the modern-day leading American has none at all. The British are evil, in general—at least the leading ones—

but they do have brains when it comes to doing their dirty work.

In Washington, there is a special kind of American populist-tinged stupidity and bungling. This is the weakness upon which toads like a Babbitt feed. And, we have Babbittry all over the Americas; we have it in the trade union movement; we have it in the parties; we have it in government. The way these parties, these organizations were destroyed, was by the Babbittry of these leading cynical so-called practical men who led them.

What is being unleashed in the Middle East now, by the United States, with aid of certain of its allies around Hashemi Rafsanjani in Iran, is very much like what was unleashed against the Abbasids and Fatimids by the followers of Al-Ashari and, later, Al-Ghazali.

We in the West owe a great debt to the Arab renaissance, which was a center of culture that linked up with a struggling Europe to help bring it out of the dark age of the domination of the Roman Empire. By 1111, when Al-Ghazali died, this great period had been brought to an end.

The result was the destruction of the Arab world, bringing it down from the level of high civilization it had attained, to barbarism, in a manner adequately symbolized by the destruction of the Library of Alexandria, under the influence of the crazy Turkish agent Al-Ghazali, who destroyed the Arabs for the Ottoman Turks, paving the way later for the emergence of the Turkish Empire in collaboration with the later Mamelukes.

We see a repeat of this history today. It began in the 1970s, when Henry Kissinger orchestrated the dismemberment of Lebanon. Now Iraq has been destroyed, and Syrian assassins are being paid by the slave-holding Kuwaiti royal family to exterminate Palestinians living in Kuwait and others of their opposition. We are truly seeing the beginnings of a new Thirty Years' War.

This is no victory for Bush. It's merely a defeat for civilization.

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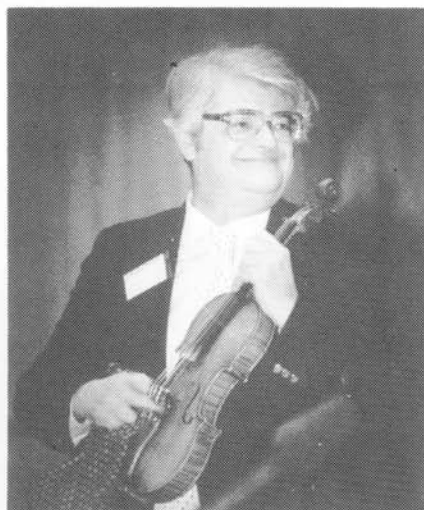
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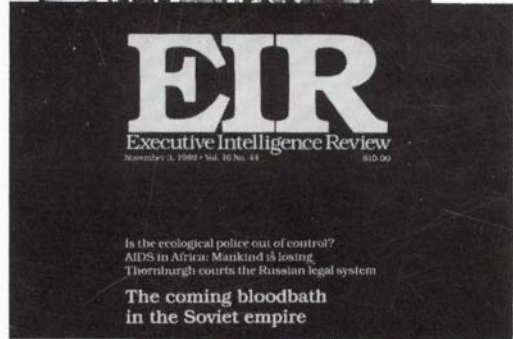
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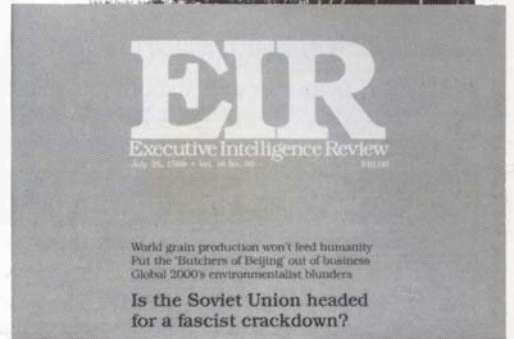
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