

# EIR

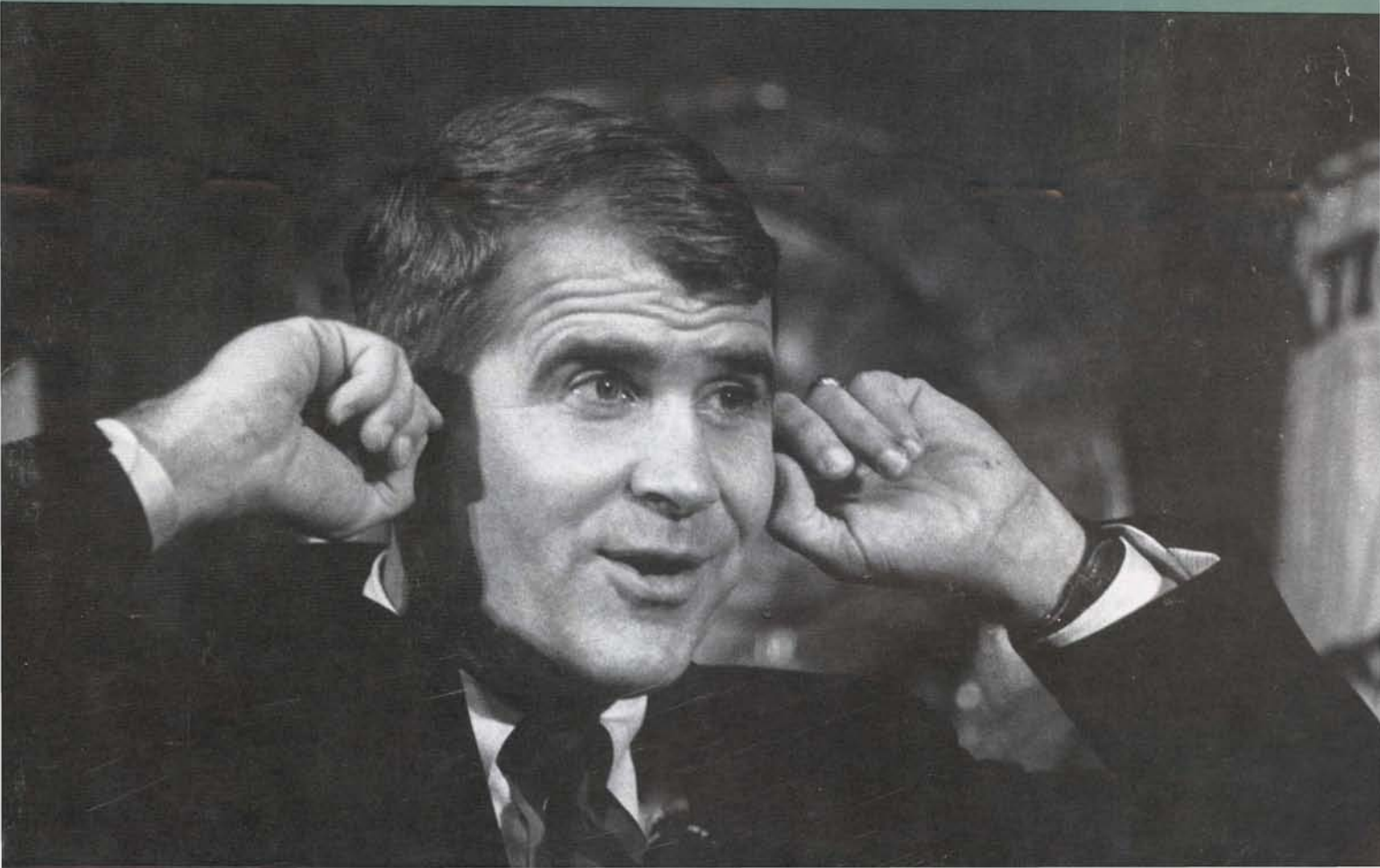
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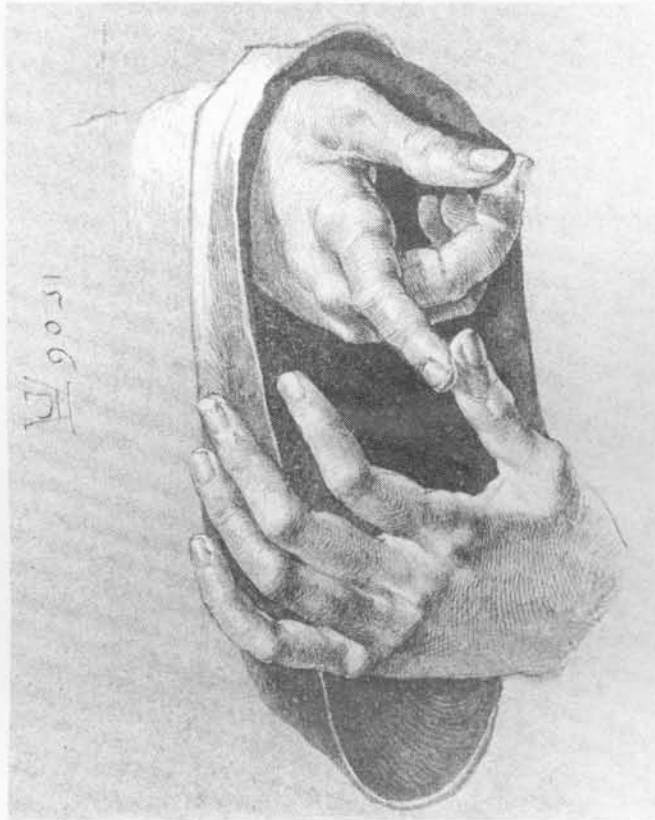
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## From the Editor

As we open the last month of 1991, we are proud to present as our *Feature* the new introduction to the book *Dope, Inc.* First issued in 1978, *Dope, Inc.* documented the continuity of political-economic policy from the British East India Company Opium Wars of the 19th century to the International Monetary Fund's "pay the debt, grow dope" regimes in Ibero-America. It drove Henry Kissinger and the Anti-Defamation League wild then, and again, when its second edition appeared in 1986.

At the core of the drug trade, both in the Opium Wars of Adam Smith's day, and the drug wars of today, is British free trade policy, whose mortal enemy remains the American System of Political-Economy. Lyndon LaRouche insisted on this 13 years ago, when he first commissioned the book. Today, he is the "only opponent George Bush feared enough to put in prison." This, more than mere exposé, is what drives the likes of Henry Kissinger and the ADL wild.

Today, the battle is joined as never before. In Berlin, the Schiller Institute assembled over 300 people from 31 countries, to deliberate: How will we, the freedom-yearning people of the world, implement a new, just economic world order, a True Fourth Development Decade (see *Economics*)? Many former political prisoners under communism were aghast, but hopeful upon hearing LaRouche's taped address from prison. Representatives of the newly freed nations of eastern Europe benefitted immensely from hearing personally from Ibero-America editor Dennis Small, convicted along with LaRouche for his own role in fighting the IMF conditionalities and the drug mafias. "This policy of injustice," Small said, "explains the economic destruction in Latin America, as well as drug traffic. Either this policy shall be abandoned or the next victim will be eastern and western Europe, which is presently attacked by Jeffrey Sachs's shock therapy."

There's another thing Henry Kissinger doesn't want you to know: After the Tampa, Florida federal indictments against BCCI, Kissinger Associates negotiated the damage-control publicity with BCCI chieftain Swaleh Naqvi, flaunting their insider ties to the White House (p. 60). This, and the U.S. policy of "ignoring" Israel's nuclear buildup (see *Books*) indicate how demagogic the Bush anti-crime and anti-terror policy really is.

*Nora Hamerman*

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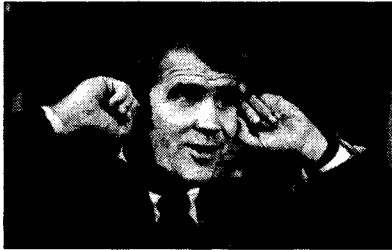
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The new introduction to the third edition of *EIR*'s bestselling book, *Dope, Inc.* In the 13 years since it was first commissioned by Lyndon LaRouche to name the names of the people "above suspicion" who launder the money and protect the trade, the U.S. branch of the drug cartel—led by Henry Kissinger and the Anti-Defamation League of B'nai B'rith—launched a years-long effort to silence the authors, starting with LaRouche. George Bush has kept LaRouche in jail for reasons that include what Bush and his backers most fear about the information contained in this book.

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## 'Peace through development' coalition born in Berlin

by Gabriele Liebig

More than 300 people from 31 nations came together on Nov. 22-23 at the invitation of the Schiller Institute in the Köpenick section of Berlin for a most out-of-the-ordinary conference called to address the issue of world economic recovery. From the northern-most tip of Scandinavia and from Africa, from France and Afghanistan, from the U.S. and distant Peru, as well as from all the nearby states of western and eastern Europe and the former Soviet Union they traveled: legislators from Hungary, Peru, Jordan, and the U.S. state of South Carolina; farmers from Germany, Sweden, Denmark; representatives of human rights organizations, economists, businessmen, and union councils alongside representatives of the Ukrainian government and Ukraine's Rukh independence movement; delegates of Croatia, Slovenia, and Kosovo in the former Yugoslavia.

Berlin, which until two years ago was still a city divided by the Wall which had been a symbol of despair and enslavement for nearly three decades, and is now the designated capital of reunited Germany, became the gathering place for an international movement, which was clearly conscious of the urgency of its own decisive intervention at this critical point in history.

"We are already living through the second war in this year," after the Gulf war now the slaughter in Croatia, said the president of the Schiller Institute of Germany, Helga Zepp-LaRouche, in her opening speech. "It is clearer than before, that a change in policy is needed on a global scale, if the explosion of regional conflicts is not to expand and lead sooner or later into a world conflagration." The goal of the conference is "to discuss the concepts and unify the forces, upon whose intervention a change in policy will depend. This means concretely, to link the perspective of an all-European infrastructure program and the Paris-Berlin-Vienna 'Produc-

tive Triangle' as the locomotive of the world economy, with the onset of a 'True Fourth Development Decade' for the nations of the developing sector."

Later, the main resolution, "Europe's Role in the Reconstruction of the World Economy," was passed unanimously, and in nearly identical wording, was signed by 113 participants as the founding document of the World Coalition "Peace through Development."

### War in Europe

Naturally, the bloody, expanding war of conquest against Croatia stood in the foreground of the Berlin conference. Dr. Barki from the presidium of the Austrian-Croatian Society of Vienna condemned the immoral policy of the European Community. The expanding war against the Croats has already cost 20,000 dead and 30,000 wounded, while 500,000 people, or 10% of the population, are already refugees. For this, people like Lord Carrington must be called to account.

Edita Taheri from Kosovo appealed to the gathering to adopt the cause of the 3 million Albanians who live in former Yugoslavia and over the last 10 years have suffered more and more under Serbian oppression. When, in 1990, Serbia took power militarily in the formerly sovereign region of Kosovo, thousands of Albanians were thrown into prison, and more than 100,000 have been expelled since July of last year.

Dr. Socan, Slovenia's envoy to the European Community in Brussels, sketched the background of the Balkan crisis. The dramatic collapse of the Yugoslav economy since 1986 has fed Slobodan Milosevic's Serbian fascism. The EC and the U.S. caused great harm, because the promotion of a "homogeneous Yugoslavia" meant support for a militarily controlled, totalitarian Greater Serbia. That caused the war

this summer.

The speech of Yolande Tabak-Raibaldi, president of the French-Croatian Association, was read in French. On the evening before, the French delegation held a memorial vigil for Croatia at the Brandenburg Gate, and several people from the vigil then took part in the conference. One Resolution (“Save Croatia and Europe’s Conscience!”) was adopted unanimously, after the condemnation of European policy toward the former Yugoslavia had been formulated more sharply as “in favor of the aggressor and at the expense of the victims.”

### Revolution in credit policy

The American economic scientist Lyndon LaRouche, who has announced his candidacy for the Democratic Party’s presidential nomination despite his nearly three-year incarceration as a political prisoner of the Bush regime, had sent a speech from prison, which thrilled the participants by providing historical depth (see page 8). Just as the bankruptcy of the Lombard usurers of the 14th century threw Europe into the Dark Age of plague and depopulation, so the inexorable collapse of the Anglo-American financial system today is making millions of people into victims of the “Horsemen of the Apocalypse”—famine, pestilence, war, and death. Yet just as in Italy before, a renaissance can still follow this horror. To stop the bottomless slide into world economic depression, the “shock therapy” of Margaret Thatcher and Jeffrey Sachs must be scrapped and a “general policy of the creation of state credit” must be introduced to foster, chiefly, “the productive union of idled productive capacity with idled sections of the labor force.”

Helga Zepp-LaRouche had previously compared today’s International Monetary Fund (IMF) shock policy with the deflationary policy of the Brüning regime, which totally ruined the already-battered German economy and thus had paved the way for National Socialism. Frank Hahn of the Schiller Institute in Hanover, Germany contrasted to this, the idea of productive credit creation, which was introduced by the first American Treasury Secretary Alexander Hamilton. Had it been applied in time in Germany, it would have saved the world from the Hitler regime.

The IMF policy, the so-called Polish model, was unanimously rejected. The warning by the American economic writer William Engdahl to East European participants, that after throwing off the communist yoke they must not now allow the IMF, World Bank, or General Agreement on Tariffs and Trade (GATT) to rob them of sovereign control of their national economic development, was underlined eloquently by the speakers from East Europe.

Professor Nikolov from Sofia, Bulgaria rebutted the IMF model, which in Russia, for example, would sink “the living standard below the biological minimum.” He warned Russia not to adopt it, and criticized the current situation in Bulgaria as the “Pakistan model,” because there is only a tiny layer of

super-rich, along with a broad population for whom things are getting a lot worse than before, and no middle class.

A representative of Rural Solidarity from Poland said that the Polish government’s privatization policy is above all a job-creation program for the ex-communist *nomenklatura*, who now grab lucrative jobs for themselves in the free market. Production is still dropping, and 2 million Poles are jobless. The direction of a positive economic program must be to put the unemployed to work in goods production for Polish domestic use and in projects like the construction of highways and railways, which contribute to the increase of production.

The reports of *EIR* Ibero-American editor Dennis Small and Peruvian Sen. Carlos Calderón Carbajal, which described the devastating results of IMF policies in Latin America, fell on eager ears: financial bloodletting through usurious interest rates, the boom of the drug cartels, control of whole land areas by the drug mafia and their terrorist bands, and famine and malnutrition, as well as outbreaks of cholera and other epidemics.

### The ‘Productive Triangle’

Dr. Jonathan Tennenbaum, co-author of the book *An Economic Miracle for Eastern Europe*, explained the proposed Eurasian infrastructure program of Lyndon LaRouche starting from the Paris-Berlin-Vienna “Productive Triangle,” with the details that have been worked out since the original conception appeared in the fall of 1989.

One particular project, the planned coastal highway from Lubeck to Gdansk, was reported on by the German businessman who initiated it, Walter Merz. The six-lane highway over the 50-60 kilometer distance will not only decisively improve transportation between western and eastern Europe, but also contribute to economically developing the 150 kilometer band along the route.

Professor Ilya Ryabchenko, chairman of the State Commission for Science and Technology for Ukraine—somewhat comparable to the office of science minister—revealed the high scientific and technological potential of Ukraine. Developing and using this potential to modernize industry is considered as the highest priority by the Ukrainian leadership. A national bank, national currency, and state-directed investment in R&D are urgently required to prevent the “brain-drain” of scientists and to secure fruitful scientific-technological collaboration with the other republics, especially Russia, and with western Europe.

Hungarian Member of Parliament Sandor Cseh admitted that he had initially feared the Productive Triangle was a “German project,” but this concern vanished as it became clear to him that the economic problems required a global solution. He also expressed the hope that Helga Zepp-LaRouche’s husband Lyndon will soon be released from prison.

Rosa Tennenbaum, who heads the Agriculture Commission of the Schiller Institute, discussed the world food crisis

## Ghana ambassador to U.N. sends greetings

*Dr. Kofi Nyidevu Awoonor, the Ambassador and Permanent Representative of Ghana to the United Nations, and chairman of the Group of 77, which represents more than 100 developing nations, sent the following "Greetings to the International Conference of the Schiller Institute for a New Just World Economic Order." The greetings were read from the podium to the participants.*

*EIR's interview with Dr. Awoonor appeared in our Nov. 1 issue.*

I have asked Warren Hamerman of the Schiller Institute to convey my personal greetings to your conference chairwoman, Helga Zepp-LaRouche, for your convening of this very important gathering at this urgent time in history.

I would like to indicate my deep appreciation of the work of the Schiller Institute for presenting to the world, in its proposal for a True Fourth Development Decade, a clear institutional alternative for a life more satisfactory

for the developing world.

The world cannot continue to have peace if so vast a part of mankind is poor, starving, and suffering.

I also believe that it must be emphasized that the concerns and focus of the advanced nations must be turned and focussed on the questions of improving the conditions of the poor. Therefore, I am deeply grateful for your work in struggling to bring this about.

Finally, I am highly appreciative of the Schiller Institute, for drawing the attention of the advanced world to the deprivations of the developing world and suggesting certain concrete proposals for ending poverty and misery everywhere with programs of education and economic growth.

I hope that this conference will be another major landmark in bringing the two worlds together.

I also call on our brothers from East European nations who have just thrown off the shackles of communist imperialism to join with us in building a New Just World Economic Order based on development for all.

My schedule does not allow me to be personally present with you, but I wish you all the best success in your crucial work for a New Just World Economic Order at this conference.

in the East and South, and the need for structural reforms of agriculture in eastern Europe and the republics of the former Soviet Union, with an emphasis on productive, private family farms. She counterposed LaRouche's "Food for Peace" policy to the dangerous GATT policy which would sink food supplies even lower by removing farm subsidies. "All nations have a common interest in sufficient food reserves, so that no one has to go hungry anywhere."

### **A worldwide movement for development**

The most surprising aspect of this conference was the harmony with which citizens from eastern and western Europe, the United States, Asia, Africa, and Latin America discussed problems and all pulled together to discover the solutions.

Democratic state senator and civil rights activist Theo W. Mitchell of South Carolina came as a representative of the real America: He lashed out at the Bush regime's policy for having driven the country into poverty and collapse. Yet Bush, and Reagan before him, would never have come to power, but for the timidity and cowardice of the Democratic Party. Lyndon LaRouche had dared a long time ago to come before the nation and world public opinion and to say that the fatal errors of Reaganomics would doom it to ruin and that the world economy would be brought down with it. Even today, LaRouche is the only one who knows a way out of the

crisis. Only an infrastructure program like the Productive Triangle in Europe will help the U.S. today. "Abolish the IMF!" Senator Mitchell said; the world needs a new, just world economic order.

Brig. Gen. Paul-Albert Scherer (ret.), who was the military intelligence chief of the Federal Republic of Germany during the 1970s, compared the decline of the Soviet empire with the fall of other empires, such as Rome or Byzantium. Despite the great dangers which such processes necessarily conjure up, we must welcome the end of Bolshevism, whose barbarity can only be compared to fascism. All the more indispensable is an organization like the Schiller Institute and its unique role of catalyzing a European-wide Renaissance and joint reconstruction.

It was happily noted that many representatives came from the former Soviet bloc. A delegation from Armenia was led by Yerevan city councilman Bhaboukian; Guntis Vilcans, a member of the Latvian Citizen's Congress from Riga was there; and Ukrainian economics professor Sikora and his colleague Filipenko from Kiev, along with their counterpart Prof. Dr. Taraz Muraniwski from Moscow University, and Professor Beletzki from the private consulting firm Sovintercontact, who belongs to the Boris Yeltsin camp. Dr. Kemur of Afghanistan, who played a leading role in the Finance Ministry before the 1979 Soviet overthrow of Babrak Karmal, spoke of the 2 million victims which the Afghan war



had cost. "But we are proud," he added, "that we beat the Red Army in Afghanistan and thereby contributed to the fall of the Wall in Germany in 1989."

There were significant contributions, too, from representatives of developing lands. Besides the dramatic speech by Senator Calderón Carbajal from Peru and the address by African architect Dr. Amadou Sakho on the development of a modern infrastructure in Africa, the chairman of the Group of 77 and ambassador of Ghana to the United Nations, Dr. Kofi N. Awoonor, sent greetings to the conference. Dr. Awoonor thanked the Schiller Institute for its proposal for a True Fourth Development Decade and appealed to the eastern European nations "to collaborate with us to build a new, just world economic order, based on the development of all" (see box).

### Human rights and cultural Renaissance

On the theme of human rights, the first to speak in Berlin was Dennis Small, who in 1988 was convicted together with LaRouche, and had been recently released from prison. He urged everyone to struggle for the release of LaRouche, who has now spent three years in jail: "Enough is enough!"

Ni Yu Xian, the vice chairman of the Liberal Democratic Party of China, reported on the democracy movement in Red China. Like himself, the movement was and is under gruesome persecution from the Beijing regime. At one point, he was barely able to continue speaking as he described how prisoners sleep in such close quarters that they could no longer move an arm, and how anxiety can make people small.

Further speakers were Dimitri Leonov from the Sakharov Memorial Foundation, Dr. Tibor Kovats, co-founder of the Association of Hungarian Political Prisoners from Budapest, and Pham Con Hoang from the Organization of Vietnamese Refugees.

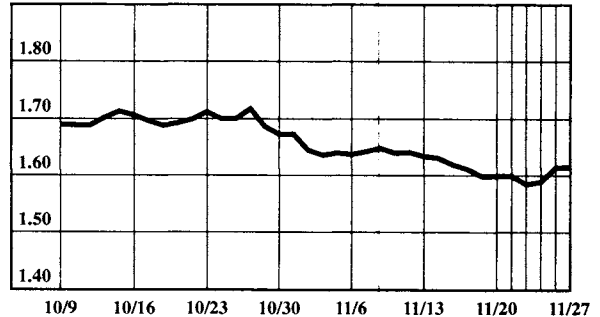
The closing remarks were presented by Elisabeth Hellenbroich, editor-in-chief of the cultural magazine *Ibykus*. She spoke on the Christian-humanist image of man, man endowed with reason in the likeness of God—in distinction to the anti-human concept of the malthusian Club of Rome—which must become the basis of the democratic reorganization of society in the East, if it is truly to lead to a new Renaissance. She cited the letters of Gottfried Wilhelm Leibniz to the Russian Czar Peter the Great, and praised the proposal of Karl Dedecius to set up an educational architectural project in Krakow for young Europeans of various nations, where they would rebuild a Renaissance villa by Berecci from the present-day ruins there.

The spirit of the discussion is perhaps conveyed by the remark of a Jordanian official who took the microphone and said that this last speech especially spoke to his soul, because everything that man undertakes, finally depends on these underlying values. Without the express concern for the value of the individual and humanity, "the most finely polished economic projects could become devilish," and fail to accomplish their goal.

## Currency Rates

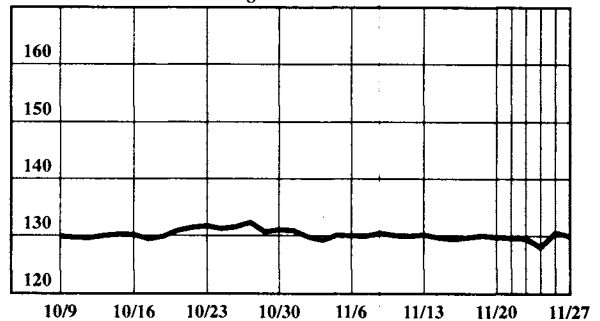
### The dollar in deutschemarks

New York late afternoon fixing



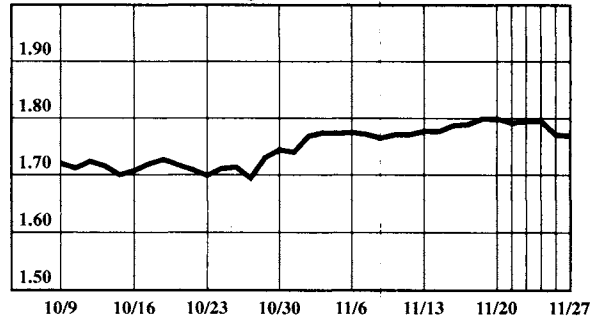
### The dollar in yen

New York late afternoon fixing



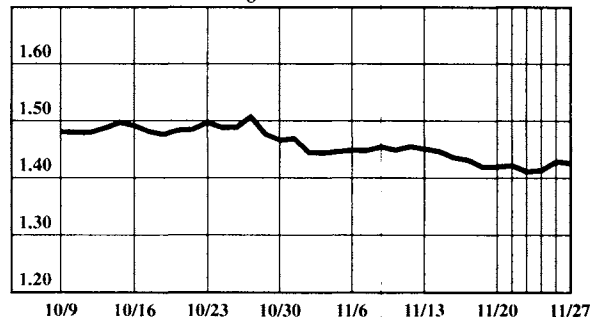
### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing



# LaRouche: Despite economic debacle, this is a moment of opportunity

*This address by U.S. presidential candidate and political prisoner Lyndon LaRouche was delivered by audiotape to the Schiller Institute conference in Berlin.*

During the past three years, since I was last in Berlin, one empire, the Soviet, has been dissolved, and the second empire, the Anglo-American Versailles system, is presently at the brink of its financial and monetary disintegration.

So, during the proceeding 75 years, the spiral of world history has come full cycle, once again, to the outbreak of a spreading Balkan War and once again to resonating debates in Moscow over the competing economic development philosophies of Ministers Witte and Stolypin.

Unfortunately, on the surface at least, it appears that the governments of the world's leading powers have learned nothing useful from the rudest experiences of those policies which caused two successive world wars, which caused the Bolshevik Revolution, and which also caused that disastrous financial and economic crisis of the 1930s.

Now, the legendary Four Horsemen of the Apocalypse are once again at work in more and more regions of the Eurasian, African, and American continents. Famine, disease, pestilence, and varying degrees of regular and irregular warfare, are proliferating.

If the past 25 years' current trends in economic and related policymaking continue to be supported or are even tolerated by nations such as those represented here today, we must foresee a vast depopulation of this planet, including the dissolution of many entire nations and cultures during the course of an oncoming, 21st-century new Dark Age.

To prevent such terrible calamities from destroying civilization, we must take into account certain leading points of similarity between the 1878-1914 policymaking of imperial London, and the Anglo-American policy trends of the 1964-91 period. We must recognize a similarity in philosophy of policymaking, a similar philosophy situated in what are admittedly the relatively significantly altered economic, political, and cultural circumstances of today.

## **The buildup to World War I**

The principal cause of the First World War was imperial Edwardian Britain's hysterical fear that a rising German

economy of the 1878-1914 period would link itself, in cooperation with Paris and Moscow, to establish the railway axis of a vast Eurasian powerhouse of technological progress for global economic development.

For that reason, imperial London utilized France's Théophile Delcassé over the 1898-1904 interval to establish the anti-Germany Entente Cordiale. For the same reasons, this gray Delcassé Entente Cordiale recruited a duped Russia and Italy as allies for a war against Austro-Hungary and Germany. To this purpose, imperial London and its friends in Venice ignited the Balkan Wars, plunging Europe into that vast ruin called World War I, from whose destructive effects Europe never recovered fully, even to the present day.

Since the close of 1989, the role of an emerging Germany as potential pivot of a Brest to Vladivostok Eurasian development initiative, is once again the obviously required immediate course of action for the world's economy.

For the republics of western and central Europe, and of the former Soviet Union, this natural course of cooperative action is the only rational choice of means to find mutual economic, social, and political security.

Unfortunately, as we have seen, since the end of 1989, among the London and Washington heirs of Castlereagh and Milner, continental Eurasia's great new opportunity is the dreadful geopolitical nightmare of Conor Cruise O'Brien, Nicholas Ridley, Henry Kissinger, Lord Carrington, and similar people.

Although Britain's guilty role in causing World War I must be acknowledged now, if we are to find the roots of the post-1989 Anglo-American sabotage of Eurasian security, we must not overlook the contributing follies of relevant other powers, the follies of those powers either before the First World War or at the present time. Then, before the First World War, we recall that imperial Edwardian London was enabled to play the Castlereagh Holy Alliance game of divide-and-rule, by exploiting such contemptible but popular follies as greed, power lust, ignorant bigotries, faddish delusions, and, above all, intellectual cowardice among the governments and populations of the powers.

Today's Anglo-American imperial faction of such figures as London's Chatham House's Kissinger, Eagleburger, and Carrington, plays the same kind of game upon the follies of

European and other powers.

Despite this cyclical pattern in this century's events, there is reason to hope that the present economic debacle of the Anglo-American system might become the opportunity, the stepping-stone, to a global moral and economic renaissance.

### **We are near a breaking point**

Future generations will look back upon our 1970s and 1980s, upon the cult fads of Thatcherism, free trade, deregulation, and lunatic forms of ecologism, with the same abhorrence which history has already shown toward the tulip mania of the Netherlands' past or the pathetic mobs of Flagellants of 14th-century Europe.

Fortunately, as in those earlier cases, there is a limit beyond which history will no longer tolerate such mass lunacies as these. We appear to have come near to such a breaking point inside the United States. The recent senatorial election in the U.S. state of Pennsylvania is one among a number of important recent positive signals which should encourage us. That Anglo-American global financial and monetary system which was established by the Versailles treaties, and which was reaffirmed by the forms of the close of World War II, is now bankrupt, and is in the process of disintegrating.

This collapse of that system not only demands radical reforms in economic institutions; the self-discrediting of the system defines the historic moment of political opportunity to establish long-needed reforms.

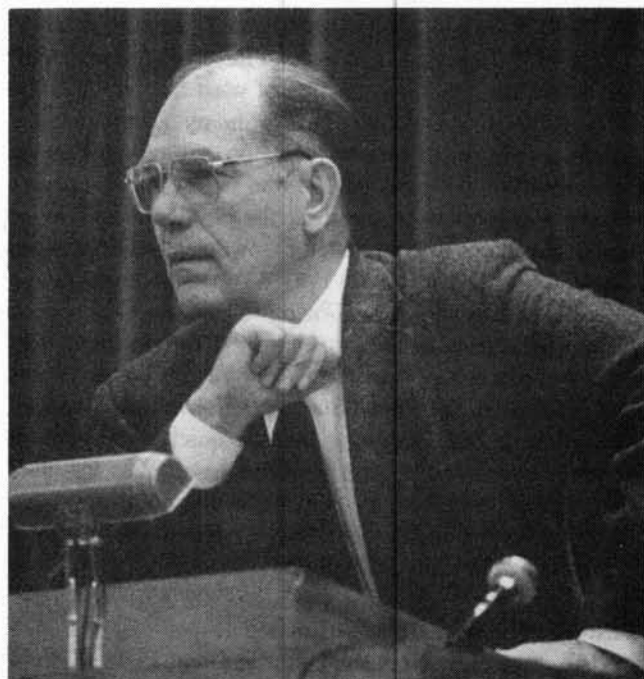
### **How the crisis was created**

To define this bankruptcy of the United States, of the Anglo-Americans, as briefly as possible, trace the principal turning points of the process since the 1957-58 Eisenhower recession inside the United States. That 1957 recession was the inevitable and relatively disastrous result of the policies which were introduced in 1954 under the influence of economic adviser and later ambassador to Germany, Arthur Burns.

Had there not been the recovery measures of the Kennedy administration, the monetary crises of 1968 and 1971 would have struck as early as the mid-1960s. It is important to note, that 1963, the year of the November assassination of President John F. Kennedy, was also a period of some very critical tectonic and correlated changes inside Europe.

The coordinated emergence and kindred policies of Britain's Prime Minister Harold Wilson and of the United States Johnson administration marked the beginnings of that Anglo-American bankruptcy erupting so conspicuously today. Wilson and Johnson introduced a turn away from the earlier emphasis upon capital-intensive investment in global scientific and technological progress, into the corrosive decay of what is fairly described as post-industrial utopianism.

By 1970, the inertia of growth left over from the Kennedy recovery measures was spent. In terms of net depreciation of capital improvements of basic economic infrastructure, there



Philip Ulanowsky

*Lyndon LaRouche, speaking in New Hampshire during the 1988 presidential campaign.*

has been an accelerating net erosion and collapse of the U.S. physical economy since 1970-71.

Until the successive financial and related crises of 1987, 1989 and 1991, the full impact of this cumulative U.S. economic contraction was masked, not merely by increasingly fraudulent official economic statistics, but also by a credulous, widespread misevaluation of the growth of incomes and relative employment in nonproductive categories of administration, services, and parasitical financial speculation.

Also, the fuller impact of the contraction upon the U.S. economy internally was masked by the ability of the United States as a superpower to loot offsetting concessions as tribute from not only developing nations, but even its industrialized allies in Japan and western Europe.

The 1967-72 stepwise termination of the Bretton Woods gold reserve agreements, and the substitution of a floating exchange rate system, brought to an end the possibility of the international long-term borrowing costs below the rates of achievable yields in long-term productive investments.

This was greatly aggravated by the so-called Kissinger petroleum price hoax of 1972-74. The continuation of the 1971-72 and 1973-74 events doomed the economies of the developing sector as a whole, for as long as these cruelly absurd monetary policies remain in effect.

This collapsing of the developing sector's potential for technologically progressive capital-intensive investments and increased productive powers of labor, defined a savage contraction of the world's economy, in per capita and in per square kilometer terms.

The U.S. deregulation of banking and transportation during the 1978-79 period, and Federal Reserve chairman Volcker's October 1979 introduction of what he had identified as controlled disintegration of the economy, sent the United States economy into the steep recession of 1980-82. Despite the foolishly much-admired 1983-86 expansion of nonproductive employment in incomes, the physical economy of the United States has continued a downward slide, without interruption, from the period 1971-82 up to the present day.

Instead of accepting a reform during the late 1982 period, when such financial reorganization of international debt structures might have saved the core of the United States banking system, the United States government and financial establishment launched what became quickly the greatest bubble of lunatic speculation in modern history, the so-called Thatcherite financial bubble, which is at this moment collapsing inward upon the ruined physical economies of North America and the United Kingdom.

### **The problem in policymaking**

This hundred-year history of the Great Powers' stubbornly repeated follies, presents today's statesman with two urgent queries.

First, why were these bankrupt Anglo-American policies not corrected years ago, when the danger should have been obvious already? Second, why might we hope today that we have a chance of changing those policies, in spite of the fact that we failed to make such changes in previous crises?

The core of the problem in policymaking up to now has been this. That oligarchy which is based upon quasi-immortal family foundations, which is the core of the Anglo-American Establishment, has reached the state of rarely challenged power over most of this planet. This has been generally the case and trend since the Versailles Treaty. As the power of stateless President Gorbachov has faded to a mere phantom, like the grin of the fabled Cheshire cat, the Anglo-American oligarchy has deluded itself, that the last agency capable of challenging its power over this universe, has faded away.

So in the imageries of classical Greece, the Anglo-American would-be rulers of the world, these would-be gods of Olympus, have fallen victim to a fatal infection which the classical Greeks called hubris: the delusion that even the Creator of this universe must submit to the merest whims of Washington and London.

There is an historical parallel most usefully considered in this connection.

We are situated today as the late 14th-century forerunners of the Golden Renaissance were politically advantaged by the mass bankruptcy of the usurious Lombard houses during the middle of that century. The present-day collapse of the financial and monetary power of the Anglo-American oligarchy constitutes a devastating tactical setback for the political power behind such London Chatham house agents as Henry A. Kissinger. This creates the political flank against which

we must move now, to create a new world monetary and financial order.

### **What must be done**

To organize a recovery from the bottomless global economic depression which is now in progress, we must move promptly to the following effect. I shall simply identify measures which will be presented and discussed in detail, I'm certain, later in this meeting.

1) The center of the economic recovery will be the scrapping of the lunacy of Thatcherite shock therapy and related delusions of the so-called free trade cult of fools such as Harvard University's notorious Prof. Jeffrey Sachs or former State Department official R. Mark Palmer.

2) We must adopt as our initial general policy of economic recovery the policy of the creation of state credit as a monopoly by sovereign national republics, credit used chiefly for the productive union of idled productive capacity with idled sections of the labor force.

3) This use of a monopoly of state credit among cooperating sovereign republics shall be chiefly for a massive development of national and international basic economic infrastructure and for promotion of capital-intensive modes of technological-progress investment in production and physical distribution of agricultural mining and manufacturing products.

The objective is to increase the productive powers and output of labor per capita and per square kilometer throughout the regions of northern Eurasia and the world as a whole.

4) It must be stressed, that the sovereign states' monopoly of power to emit legal tender is a central feature of Article I of the 1787-89 federal Constitution of the United States, as this monopoly is clarified by the relevant writings of United States Treasury Secretary Alexander Hamilton, one of the co-drafters of the U.S. Constitution. This policy respecting state credit *is and must be prominently identified as the American System of Political-Economy*, as that American System was so named and was so introduced into European thought and practice by Germany's Friedrich List and Russia's minister Sergei Witte.

5) We must extend these initial measures of economic recovery to establish a new, just, global economic order, an economic community of common principle among members of a global community of what are each perfectly sovereign nation-state republics. This new order, this new, just, world economic order, shall replace the Versailles system, and shall replace such amended features of the Versailles system, as the Bretton Woods monetary and financial institutions.

6) The implementation of such a just, global economic order must, as a practical matter, orbit around the center of the rapid development of a northern Eurasian railway axis, this axis to be the generator of that supply of high-technology capital goods required so urgently for the equitable transformation of the southerly portions of this planet.

# EIR's Dennis Small takes LaRouche case, and policy, to Europe

Speaking at a Schiller Institute press conference in Rome on Nov. 21, *EIR*'s Ibero-American editor Dennis Small, a former political prisoner in the United States, announced to the Italian press and diplomatic representatives the presidential candidacy of Lyndon LaRouche. "LaRouche may be the first U.S. candidate qualifying for matching funds from jail," Small said, reminding the press that LaRouche has been a political prisoner of Bush for three years, together with six more of his associates, some of whom, including Small, are now free.

Explaining the political motivations behind the arrest, Small emphasized LaRouche's opposition to the austerity conditionalities policy of the International Monetary Fund, which is destroying Ibero-America, and to George Bush and Henry Kissinger's free-market economy dogma. "This policy of injustice," Small said, "explains the economic destruction in Latin America, as well as drug traffic. Either this policy shall be abandoned or the next victim on the chopping block will be Europe, eastern and western Europe, which is presently attacked by Jeffrey Sachs's shock therapy." "Enough is enough," he concluded.

## A warning in Prague

Earlier in his European tour, Small and his wife Gretchen, who is a journalist with *EIR*'s Ibero-American bureau, visited France, Germany, Hungary, and Czechoslovakia.

At a packed press conference held in the Czechoslovak capital of Prague on Nov. 14, Small urged journalists and representatives of numerous government institutions and political parties to learn some crucial lessons in order to avoid the economic collapse of the eastern European countries which is associated with the IMF "shock therapy" policies.

Referring to the devastating effects of IMF economic policy in Ibero-American countries such as Brazil, Mexico, Argentina, and Peru, Small warned that the same policies are now aimed at the Czech and Slovak Federal Republic: "I am not saying that you are a Third World country, but I am saying that the Bush administration wants to convert your nation into exactly that. If you wish to avoid that, you have to know what happened to Latin America in the '80s. Did you

know that some Latin American countries had been relatively developed in the '60s? Did you know that Argentina had the same GNP per capita as Japan? Japan developed and Argentina collapsed. Why? Because of the IMF."

Small presented an alternative development strategy for Ibero-America and eastern Europe, based on the "Operation Juárez" and "Productive Triangle" proposals developed by LaRouche. "The current international financial crisis and the LaRouche case are closely interrelated, because LaRouche symbolizes the alternative to the IMF, the Wall Street banks, and Henry Kissinger," he said. "To understand the nature of the political confrontation between LaRouche and the U.S. government, and to understand why the man who has got the solutions to this crisis is now in jail, you have to go back to 1982."

He detailed LaRouche's crucial role in the 1982 Ibero-American debt crisis, when LaRouche recommended a comprehensive debt reform, contrary to the murderous IMF conditionalities. He also briefed the audience on LaRouche's influence in shaping the anti-IMF decisions taken at that time by Mexican President José López Portillo. "In 1982, the forces of Bush and Kissinger in the first Reagan administration won out over LaRouche, and as a result he went to jail, with most of the Third World economies being destroyed."

Today, Small warned, the genocidal policies of Bush's new world order threaten to turn eastern European nations into new Mexicos, Perus, or Zaires.

These remarks were more than welcome to an audience which, in large part, represented a spectrum of politics which is opposed to the "Bushman" in the Czechoslovak government, Finance Minister and IMF toady Vaclav Klaus. An economist for a Prague-based institute for international relations charged that it is not the IMF, but the national governments that follow its letters of intent, which are to blame: "Mr. LaRouche calls for a change in attitude toward the Third World—can you detail his economic system? How can the capital that is required for development be generated?" he asked.

A leading member of the Movement of Democratic Citizens compared the recent devaluation of the Czech crown to the IMF's devastating conditionalities in Ibero-America. Journalists were eager to take down quotes (which Small provided) straight from the mouth of Harvard economist Jeffrey Sachs, in which Sachs admits that his shock therapy included the conversion of Bolivia into a drug economy.

Small also answered numerous detailed questions about the atrocities in the LaRouche legal case. His briefing stunned people in whose minds is still fresh the memory of 40 years of a totalitarian police-state system, because most of them have begun to view LaRouche as an alternative to the Sachs-Klaus shock therapy. LaRouche's Productive Triangle proposal for the rapid development of eastern European infrastructure has been presented to the Czechoslovak political and industrial elites in a variety of seminars and conferences.

### An 'economic miracle' on borrowed time

*The Mexican government can play the fool, but that won't change the reality of enormous current accounts deficits.*

**M**exico is currently running an enormous deficit in its current account—the measure of the total value of exports, minus that of imports, plus the balance, positive or negative, of tourist expenditures, freight costs, interest payments, and other services. A current account deficit means that more money is leaving the country than is coming in.

Incredibly, the government forecast a \$4.3 billion current account deficit for 1990, and wound up with a \$6.35 billion one; and a \$6.1 billion deficit for 1992, but will end up with one of over \$11 billion, 80% higher than anticipated. For 1992, the government is assuming a \$13 billion deficit, a further 16.6% increase from 1991, and all observers expect a similar degree of underestimation.

In 1990 and 1991, the government financed this immense imbalance by having a net inflow of capital in excess of the current account deficit, which permitted the country to continue to run such deficits, and pushed foreign reserves to \$17 billion. The record is impressive: Mexico has run up the largest current account deficit in its history; the largest negative trade balance in its history; and the highest level of reserves in modern history. So, where did so many dollars come from?

The reasons for the huge inflow of capital between 1989 and 1991 are not far to seek: Capital has entered to take advantage of the policy of reprivatizing most state sector companies, to invest in government bonds newly available for foreign investors, to invest in the Mexican stock market,

presently rising at dizzying rates, to finance loans taken out by the private sector at an increasingly rapid rate, and as direct investment, although this has been the smallest category.

But the privatization program will end in 1992, and the international panorama, which has been a major factor sustaining the government's "expectations," is becoming more and more dubious, with the result that the capital inflow can be expected to decline. Not to mention the ever-present threat of a reversal of the flow and a recurrence of massive capital flight.

But the government stupidly affirms that massive imports are essential to maintain a 4% growth rate of Gross National Product. Just to achieve an increase in GNP about equal to the population growth in 1990, imports were \$31.1 billion, 32.8% higher than projected. In 1991, imports have been 20.7% above projections, at \$38 billion. For 1992, the government projection for imports is \$41.6 billion, almost impossible to achieve.

The "economic success" which the government claims to have achieved is based on a huge miscalculation. The very existence of such large deficits is proof positive that the Mexican "model" is really just a disaster waiting to happen, once certain short-term factors cease to exist.

Three such factors keep the government foolishly convinced of the permanent and unlimited support from the international financial community. The first is that the Mexican economy has "overachieved" the austere conditionalities set by the Inter-

national Monetary Fund. According to sources in the Finance Ministry, this is supposed to inspire confidence.

The second factor is the supposition that since the February 1990, Brady Plan restructuring of Mexico's debt, bankers have full confidence in the Mexican economy. The truth is that more and more bankers are recognizing the fragility of Mexican finances and economy, precisely because of the huge deficits being run and the speculative nature of the dollars flooding in to cover them, as evidenced by the recent Standard and Poor's warning that Mexico could face default if and when the money flows dry up, or even reverse.

With debt service payments of \$12-15 billion due in 1992 and 1993, the international financial organizations are beginning to disbelieve in the "Mexican miracle" and are starting to warn about the reappearance of the "specter of default." The outside date for this explosion of the debt bomb is 1993.

The third element is the "Tony Ortiz Mena" factor—a reference to methods used by Antonio Ortiz Mena, former head of the Inter-American Development Bank, who resigned that post to return to Mexico and work on President Carlos Salinas de Gortari's 1988 election campaign. In the deep recession of the U.S. economy in the late 1950s, Ortiz Mena, finance secretary to two Presidents, maintained a flow of dollars into Mexico by offering financial yields much higher than in the United States, just as Mexico offers now.

Ortiz Mena achieved this by his close relationship with the American "institutional investors." The mistake which Mexico's current technocrats are making, however, is that what is occurring in the U.S. today is no mere recession, but a depression worse than that of the 1930s.

## Real food aid requires real farm aid

*Bush has offered an "aura" of food aid to the former U.S.S.R., while bankrupting farmers in the West.*

**B**y any standard of morality and statesmanship, food relief and the means to produce food should now be flowing in an orderly way to various strategic locations in the former Soviet Union, as well as to points of need elsewhere around the globe. This is not happening. Moreover, Anglo-American policy has been so characterized by grandstanding and wrangling, that it has become necessary to review the facts.

First, the need is real. Adequate supplies of both cereals and fodder for overwintering livestock, are lacking. For example, one report on the harvest in a Russian publication, *Selskaya Zhizn*, (*Village Life*), in November was entitled "Everything Is the Way It Used To Be: A Commentary After the Completion of Harvesting." The article reported: "The results of grain harvesting are not gratifying. On the whole, 157 million tons of grain have been threshed. This is almost 62 million tons less than was harvested in 1990. Taking into account loan returns, 39.1 million tons of grain were delivered to state stocks. This is 51% of state requisitions, or 24% of the grain threshed. For comparison, in 1990, 65.8 million tons of grain were procured from all categories of farms." Other sources' figures may vary, but not the grim overview.

Secondly, the expression of concern over these food shortages coming from the likes of Margaret Thatcher, who made a tour in early autumn, Robert Strauss, the new U.S. ambassador to Moscow, and their ilk, is *not* real. These individuals are spokesmen for a financial clique of food cartel compa-

nies, banks, and international enforcement agencies—like the International Monetary Fund and the General Agreement on Tariffs and Trade—which are committed to imposing mechanisms of food control and providing food "relief" as a boondoggle for themselves at taxpayers' expense. Under the U.S. Export Enhancement Program and food relief programs (Public Law 480 and others), a select group of companies is being paid royally for its monopoly on food flows, while these same companies systematically underpay farmers. The companies include Cargill, Archer Daniels Midland (ADM), Bunge, Louis Dreyfus, and Garnac/André.

When the Soviet Union dissolved, this circle of giant companies scrambled for new arrangements. In September, representatives of these companies trekked to Congress and howled for billions of dollars of government-backed credits for the former U.S.S.R., or some yet-to-be-identified entity, to continue their government subsidies. Dwayne Andreas, the head of ADM, dripped words of humanitarianism and quoted Thatcher that "food must be put on the shelves" to avert a "winter of hunger."

House Agriculture Committee Chairman Rep. Kika de la Garza (D-Tex.) did the cartels' bidding and introduced legislation for federal funds to pay the expenses of cartel companies to station agents all around the former Soviet domains.

On Nov. 13, farm representatives echoed the cartels' appeal in a press conference with Rep. Dave Nagle (D-Iowa), castigating Washington for not announcing a package of food aid

credits to the Soviets. Nagle said that he had been told by the Soviet Economic Office that they would request \$3.5 billion in agricultural credits and \$1 billion in credit guarantees. Nagle was joined by officials from the National Farmers Union, the National Farmers Organization, and the American Agriculture Movement. Nagle said that Mikhail Gorbachov had sent a letter requesting billions in aid, but it was classified by Bush and nothing was done.

Bush's response? To stall and play the "perception" game. He sent Secretary of Agriculture Edward Madigan to Moscow, then said that "study time" was needed. Under pressure, on Nov. 20, he announced a total of \$1.5 billion in credits. This came on top of \$1.9 billion in credit guarantees granted as of the end of the fiscal year Sept. 30, with another \$500 million-plus for FY 1992.

Congress likewise flip-flopped. One group in Congress made the question of food aid contingent on eliminating nuclear weapons. Rep. Les Aspin (D-Wisc.), chairman of the House Armed Services Committee, proposed \$1 billion for food aid from the defense budget. This was squashed in late November, and replaced with \$500 million authorized for destroying Soviet nuclear weaponry.

Ambassador Robert Strauss, formerly on the board of ADM, bemoaned the lack of congressional action on food aid.

A counter-chorus was led by Senate Agriculture Committee Chairman Patrick Leahy (D-Vt.), who criticized giving credits that "the Soviets cannot repay and will not repay."

Instead of this flim-flam, a real mobilization must involve: 1) government-to-government commitments for food flows; 2) emergency measures to aid U.S. farmers with higher prices; and 3) cutting the cartels out of policy.

# Business Briefs

## Eastern Republics

### German bankers call for emergency loan

German banking representatives are calling for an emergency state-backed bridge loan to the former Soviet Union.

Eberhard Martini, national chairman of the German Banking Association, said in Bonn Nov. 19 that the former U.S.S.R. urgently needs a large liquidity input to overcome certain debt payment problems in the weeks immediately ahead. The best approach would be to have the Group of Seven governments guarantee a bridge loan, on which condition the private banks would join in, said Martini.

Karl-Hermann Fink, managing director of the Eastern Trades Division of the Congress of German Industry and Commerce, also called for a bridge loan in an interview with DLF radio the same day.

Other bank chairmen, like Werner Roeller of Dresdner Bank, Friedel Neuber of WestLB, and Albert Schmidt of the Bavarian State Bank, endorsed a joint bridge loan of the state and private banks to the republics of the former Soviet Union.

## Free Trade

### Mexico, U.S. workers attack trade treaty

Agricultural organizations from Mexico, Canada, and the United States have denounced the North American Free Trade Agreement between the U.S. and Mexico as a threat to Mexican agriculture. It has also come under attack by Mexican and U.S. auto workers.

Some 20 million Mexican peasants will be displaced if Mexican agriculture is subjected to free trade, speakers told the "Trinational Meeting on Agriculture, the Environment, and the Free Trade Treaty," held in Mexico City the week of Nov. 22. Speakers from dozens of organizations agreed that the treaty should be put aside, and in its place just trade should be instituted, to eliminate the intermediaries,

namely, the international grain companies. In the words of one speaker, "The free trade treaty doesn't speak to the necessities of agricultural producers in the U.S., in Mexico, or in Canada, but to the interests of the large transnationals that control the production of food at the global level."

All participants from the 38 attending organizations agreed on the necessity of protecting their farmers, "seeking more favorable trade terms for their development, and to promote policies that guarantee the production of basic grains."

U.S. and Mexican auto workers are also rejecting the free trade plan, saying that free trade will only benefit the governments and the large corporations. Representatives of the United Auto Workers and the union that represents Mexico's Ford workers, the SNT, denounced the free trade pact at a recent meeting in Mexico. Speakers pointed out that it will be used to batter down wages in both countries.

## AIDS

### Half of all German hemophiliacs infected

Between 1983 and 1987, 50% of all hemophiliacs in Germany were infected with the HIV virus, the cause of AIDS, because officials of the Federal Health Ministry failed to screen out infected blood, reports the weekly *Der Spiegel*.

According to *Der Spiegel*, the risk of being infected with HIV by coagulation products was known by January 1983. But on Oct. 25, 1983, a "group of experts" at the Health Ministry announced that there was no reason to fear AIDS transmission by transfusions. Another 120 "experts" had a meeting at the Health Office on Nov. 14, 1983, and announced that there was "no risk of transmission by these products," and even raised doubts that AIDS is an infectious disease!

In fact, no screening or cleaning of blood products occurred until October 1985. Infected blood was still in use until 1987.

Since 1983, there has been no reason for anybody to become "infected with HIV due to infected coagulation products," Mrs. Gnade

told the magazine. She is the widow of the now-deceased vice chairman of the German Hemophiliac Society, who died of AIDS. "For me this is murder," she said. Mrs. Koester, vice chairman of another hemophiliac organization, is quoted: "They infected patients consciously." She has just lost her son. Bavarian Health Minister Peter Gauweiler characterized Federal Health Ministry policy as a "crime."

## Depression

### Galbraith: U.S. needs a 'New Deal'

The United States is heading for another great depression, and needs to revive the "New Deal" approach, said John Kenneth Galbraith in a recent address to the National Press Club in Washington.

"The present recession is not an autonomous, self-correcting economic drama. It is the wholly predictable response to the speculative extravagances and insanities (and the government policies) of the '80s," said Galbraith, a Harvard economist who was the chief economic adviser to John Kennedy.

"As the Great (and enduring) Depression of the '30s was the clear response to the speculation of the previous decade, which ended in the crash of 1929, so, though perhaps less dramatically, now. We are paying for the mergers and acquisition mania which left around a third of our large corporations with a heavy, sometimes crucifying burden of debt. And we are experiencing the consequences of an extreme and often mindless speculation in urban real estate. And of the junk-bond miasma. And of legislative and regulative measures that, in effect, put government funds . . . at the disposal of some of the fiscally most extravagant, and felonious entrepreneurs since John Law and the South Sea Bubble."

Galbraith recommends that two immediate measures be taken to stop the "spiral of despair" that attends the deepening depression: 1) Create unemployment compensation as it exists in Europe, and launch big, "greatly needed public works" using the idle labor and equipment "for highways, bridges, airports, transport, school buildings; what is called the



infrastructure." 2) A well-considered levy on the more affluent.

"Those of us, a diminishing band, whose memory goes back to the New Deal, remember the ferocity with which the mellowing reforms of that time were resisted. These reforms, we now agree—social security, farm price supports, public works employment, financial legislation, support to unions—mitigated the cruelties of capitalism and did much to save the system."

## Industry

### Aviation Week queries Bush plan for Soviets

*Aviation Week*, speaking for a segment of the military-industrial complex, scores George Bush for urging the conversion of Soviet defense industries to civilian production, in a mid-November editorial. The editors report that while many Soviet capital goods enterprises are branching into producing consumer goods, "a great deal of money, time, and effort could be wasted in learning that a Soviet aircraft plant can produce a washing machine, but at 10 times the cost of one in the West."

The editorial states that many Soviets point to the U.S. conversion following World War II as a model, but overlook the fact that the U.S. had a large consumer goods industry before the war, which the Russians lack, and that the U.S. had a strong economic base after the war, while the Russian economy is collapsing.

## Aerospace

### McDonnell Douglas sells division to Taiwan

McDonnell Douglas Corp. has announced that it will sell 40% of its commercial aircraft manufacturing industry to Taiwan Aerospace Corp. for \$2 billion. The sale is motivated by a desperate need for cash, a need for new production facilities, and a foothold in the Asian market, said spokesmen for the company.

The sale is being opposed by Sen. Jeff Bingaman (D-N.M.). Bingaman has asked the White House to intervene to stop the sale because it would "transfer a tremendous amount of aerospace technology at bargain basement prices." He complained, "Something is very wrong when a large U.S. corporation is forced to seek help not from the U.S., but a foreign government, to stay competitive in the commercial aircraft business."

McDonnell Douglas chairman John McDonnell told workers in Long Beach, California, who fear for their jobs, that the move was essential and that without it, "We will be unable to grow as a commercial airplane company."

## Health

### Lack of insurance means crowded emergency rooms

Lack of health insurance in the United States has enormously increased emergency room (ER) visits by people who cannot afford medical treatment until a condition becomes acute, the American Hospital Association reports in its annual *AHA Hospital Statistics*. AHA found the largest increase in inner-city areas.

In Seattle, the average increase in ER patients was 104% in 1990 over 1980—more than double. ER visits increased by 59% in Cleveland, 33% in Los Angeles, 32% in Dallas, and 29% in Chicago. In smaller communities, Long Beach reported a 69.5% increase; Nashville, 67%; Minneapolis, 62.8%; St. Petersburg, 60%; and Providence, 55%.

"Inner-city hospitals are asked to be the source of primary care for millions of uninsured and underinsured urban residents, because there's a shortage of inner-city doctors. So, the emergency room is where the care takes place," AHA spokesman Robert Katzfey said. "Emergency rooms face overcrowding that stretches the urban health care system to the limit."

But while emergency room visits are up, other hospital usage is down, the AHA said. The number of hospital beds fell 6% nationally between 1980 and 1990, while the number of admissions fell 14%.

● **PUBLIC HEALTH** officials are warning of the earlier-than-usual outbreak of influenza in the United States. Dr. Walter Gunn of the Centers for Disease Control in Atlanta, Georgia told the *New York Times* that there has been no perceived rise in the death rate from the new epidemic. But, he said, the outbreak has yet to hit the nursing-home residents who are most susceptible to fatality in flu cases.

● **7.5 MILLION** Bangladeshis, about 7% of the population, take drugs regularly. "About 250,000 take heroin only," the *Dainik Bangla* newspaper quoted narcotics control officials. There was no problem "until 1981 when international drug dealers started using this country as a transit," the paper said.

● **CHINA** proudly announced Nov. 5 that it has become the second nation, after France, to mass-produce the abortion pill Mifepristone. It induces abortion up to 49 days after pregnancy.

● **ALBANIA** is comparable to a Third World country, a member of the Catholic aid organization Caritas told a press conference in Vienna. "The population is desperate, there is little food, and in rural areas people only have food for two more months."

● **THE FEDERAL RESERVE** decided at the beginning of this year that its "policy target should be the profitability of the banking system," reported Martin Mayer in the Nov. 21 *Wall Street Journal*. That policy allows "whatever makes money for the banks, whether it's manipulation in the bond market or gouging consumers," he said.

● **MALAYSIA** is doing well economically precisely because it rejected all plans proffered by the International Monetary Fund, stated an editorial in that nation's Nov. 20 *Business Times*.

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## A world without solar neutrinos

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*German physicist Erich Bagge discusses how he came to understand, and ultimately prove, that neutrinos do not exist, in an interview with the Fusion Energy Forum's Jonathan Tennenbaum.*

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*Erich Bagge, a student of Werner Heisenberg and Arnold Sommerfeld, is a pioneer of the nuclear energy industry in West Germany and the designer of the world's first nuclear-powered commercial vessel, the Otto Hahn. Bagge is a professor emeritus of physics at the Christian Albrecht University in Kiel, Germany. The interview was conducted by Jonathan Tennenbaum, director of the European Fusion Energy Forum, and first appeared in the German-language magazine, Fusion in 1991 (No. 1). It was translated from the German by John Chambless.*

**Q:** Recently, sensational results were announced from the Soviet-American Gallium Experiment (SAGE). This experiment was supposed to have measured the flow of neutrons from the Sun, and yet it seems that they measured exactly nothing! Some physicists have already reacted, and have announced a "revolution in physics." They want to explain the negative results by means of "neutrino oscillation," whereby neutrinos are changed on their way from the Sun to the Earth and therefore could not be measured in the SAGE experiment. This attempt at an explanation seems to be somewhat far-fetched.

You, Professor Bagge, have asserted for years that solar neutrinos do not exist! You developed a theory of beta decay in which, in contradiction to the neutrino hypothesis of Wolfgang Pauli from the 1930s, neutrinos are not necessary. And in your early 1990 book *Welt und Antiwelt als physikalische Realität (World and Anti-World as Physical Reality)*, you referred to the SAGE experiment and predicted the negative

results. Your predictions are now confirmed. Please tell us how you came to doubt the existence of beta-decay neutrinos.

**Dr. Bagge:** In fact, it happened like this: Until 1972, I supported the idea in my lectures that neutrinos must play an important role in elementary particle physics and also in the realm of nuclear physics because, otherwise, there is no way to understand the electron energy deficit in beta decay. There, neutrinos were a marvelous help, and I supported this old idea of Wolfgang Pauli for almost 40 years and passed it on to my students.

Then, I first heard of the experiments to detect solar neutrinos, especially after the experiments to measure neutrinos (or, more precisely, anti-neutrinos) that come from nuclear reactors had not yielded the desired results. It simply didn't work out very well. They were working with extremely delicate effects that demanded a very complicated and difficult technology. Those were the experiments of Prof. F. Reines [University of California at Irvine] and his colleagues in the United States. Then, however, the idea was broached that it would be much more simple to directly seek for the proper neutrinos that must come from the Sun.

In the Sun, other processes occur than in a nuclear reactor. In a nuclear reactor, there is a normal beta decay in which electrons are produced and, in combination with the negative electrons, anti-neutrinos. Reines attempted to detect these. In the Sun, one of the essential processes is that in which two protons unite into a deuteron, liberating one positron and then producing one proper neutrino. And these neutrinos are produced in such a quantity that they should be measurable



Stuart Lewis  
*Prof. Erich Bagge during an August 1985 seminar with the U.S. Fusion Energy Foundation.*

even here on Earth, despite the low probability of such particles setting off a nuclear process. Professor Davis in the United States first attempted to do that, for which he constructed a fantastic experiment. I often expressed my admiration to my students that this experiment had been done, at such expense, to detect solar neutrinos.

At that time, Davis held a lecture at the international cosmic-ray conference in Denver in 1972 on his measurements. The result was—in the solar neutrino units, or SNU, which Davis also introduced—0.4 SNU, where 5 SNU really should have been observed. The inaccuracy that he specified for his measurements was 0.6 SNU. That meant, at least for any normal physicist, that the result was null; the range of variations was twice as large as the measured effect.

**Q:** Was that the conclusion that was drawn then?

**Bagge:** Yes, of course, there was discussion of that. Davis himself said that what he observed was essentially a null effect. But that was in 1972. I did not directly take part in this discussion, but was deeply impressed by it. I went home and, so to speak, carried the results around with me, and reflected on what the reason could be that nothing came out of the experiment. And then, at some time or other, it became clear to me: If we can observe nothing, we must explain the beta effect in a different way. Although Professor Reines believed he had observed the anti-neutrinos from a nuclear reactor, his colleagues ultimately doubted that result. It spread in the literature, and Reines was always asked whether it were credible.

Then, however, Davis “improved” his results by interpreting the same experiment a year and a half later in a different way, and, in fact, in such a way that criticism was again set off, not only from his American colleagues, but particularly from us here. For example, one of our earlier colleagues, Professor Grupen, looked at the new interpretation by Davis and said that this is not in the least supportable from a physics point of view.

Davis had done the following: He took certain of the measures and to a certain extent dropped the cases in which his original procedure gave negative results. These negative values had come about in that he received, in addition to the effects that had to be set off by solar neutrinos, additional effects as the result of cosmic radiation, and thus a background effect that had to be subtracted from the measured values. Since these radiation effects have natural variations, it can happen, as chance would have it, that, on subtracting the average variation, a measured value below the theoretically expected average background effect appears, that is, a negative value. But a positive effect can also be set off by the variations of the cosmic radiation. Davis then said, negative values cannot occur in reality, and so he set the negative values to zero and then recorded only the positive values. And if these are fit together, he suddenly had 1.6 SNU rather than 0.3 SNU plus an inaccuracy of 0.6 SNU. And is that is quite a lot!

I knew about that, because Professor Grupen informed me of it very early. In the meantime, but independently of this development, and thus until Davis announced his new

interpretation, at the end of 1973 or beginning of 1974, I had reflected on how beta decay can be explained without neutrinos. At any rate, I experienced this entire development of neutrino theory.

When I was studying in 1935 with Werner Heisenberg in Leipzig, I saw that people were a bit hesitant about Pauli's theory. Of course, Fermi's theory of beta decay with the help of Pauli's neutrino hypothesis yields the right electron energy spectrum—and for that reason it must somehow reflect an important aspect of reality—but it caused anxiety that people were operating with something that really can't be observed. Neutrinos are supposed to be electrically neutral and could actually not be observed with the technology of that time. At that time, this anxiety was rather serious.

As was later reported, Pauli himself said at that time, "I have done something that a theoretical physicist really should never do, namely, attempted to explain something that cannot be understood with something that cannot be observed." I didn't know then of this statement, but noticed Heisenberg's uncertainty. He said many times about Fermi's theory, "It's very beautiful, but. . . ."

In short, I was carrying all this around. Then it suddenly struck me that everything could be brought into order by means of Dirac's picture of the anti-particles of the "anti-world."

**Q:** Can you describe that more exactly?

**Bagge:** Yes. The Diracian anti-world comes about more or less of itself from a consistent interpretation of Dirac's theory of electrons, and it is nothing more than a consequence of Einstein's energy expression in the special theory of relativity [see box]. This expression is, in fact, ambiguous, and points to, in addition to the usual positive energy values, the possibility of negative energies. At first, people were happy to ignore this because they said to themselves, there can't be negative energies. In Dirac's theory, however, negative energies are unavoidable.

Dirac's theory is so symmetrically constructed on positive and negative energies that we really have to ascribe a physical reality to the negative energies. If all states of negative energy are occupied by electrons, then the "Dirac sea" or anti-world is produced. It is an old idea from potential theory that if all such states are occupied, then the electric fields of the electrons so to speak balance one another out. Essentially, they set up a constant potential that is, however, not observable. Thus, it appears to us in the "upper world" of positive energies as though it were an empty vacuum. In fact, however, the vacuum is, according to Dirac's theory, anything but empty, and is rather densely filled with electrons of negative energy.

If an electron is lacking anywhere, a state in the "sea" of negative energy states is not occupied, then it appears to us as if a particle had been produced there with a positive charge, but otherwise with properties quite similar

to those of the electron. Briefly put, that is Dirac's theory of positrons as "holes," as gaps in an otherwise fully occupied "sea" of electrons of negative energy. This theory has similarities with the conception that arose simultaneously, and is now quite common, according to which gaps in the layered structure of solid bodies behave like electrons with a positive charge.

If we assume, I said to myself, that there really are such negative energy states, then beta decay can be explained quite differently. Ultimately, beta decay of a nucleus is nothing more than a transformation of a neutron into a proton. Now, we know from physical experience that the neutron is 1.26 million electron volts (MeV) in mass equivalence heavier than the proton, and this energy surplus can, so to speak, serve to make a proton out of the neutron.

Then, I thought to myself: If the neutron consists of an electron and a proton—thus it appears because afterward it is a proton and an electron, and today we can even produce a neutron out of a proton and an electron, under appropriate conditions—if the electron is, so to speak, there, the neutron can use the energy surplus it has over the proton to transfer an energy surplus to an electron of the anti-world. Then the anti-world electron flows up into the upper world, and the hole in the sense of Dirac's theory that is produced in the anti-world is united in the next moment—it is produced in the same place at which the neutron is—with the electron into a "nothing." The charge is balanced for, and the electron has vanished, so to speak, into the neutron and becomes a proton. Thus we have an electron and a proton in the upper world. That was the idea.

Naturally, I said to myself, if we ascribe a certain character of reality to the anti-world electron, we can't act as if it merely had a negative energy, but it must also have a corresponding *impulse*. This impulse must be taken into consideration, and we can calculate the beta-decay process quite normally with conservation of energy and impulse. That runs practically according to the pattern discovered by Fermi as early as 1934. In this connection, we do not only speak of a neutrino, but rather of an anti-world electron that in the nucleus makes an exchange of energy and impulse with a neutron, and exactly the energy spectrum as calculated by Fermi is produced.

Yet something made me uncertain—and as long as it has remained with that, I would not have dared to publish anything on it. I thought, what interaction can it be that could have the effect of lifting an anti-world electron into an electron of the upper world? And that can only be the magnetic moment of the neutron.

As is known, the neutron has a certain magnetic moment. A neutron cannot have an effect by means of a Coulomb field since it is electrically neutral. But it can enter into combination with an anti-world electron via its magnetic moment. And the interaction is large enough, it can even be very strong. If that is calculated with quite ordinary quantum me-

## Dirac's theory and pair production

*The following is excerpted from "What Really Happens in Pair Production and Beta Decay? Why Neutrinos Don't Exist," Fusion, Nov.-Dec. 1985.*

English theoretical physicist Paul Dirac developed a relativistic theory of the electron in 1927 that defined positive and negative energies of electrons, independent of their positive and negative charges. Negative energies proved necessary to account for observed physical processes.

Dirac's theory had the Special Theory of Relativity as its point of departure and took its fundamental features from it, including the fundamental postulate that positive and negative energies are equally warranted. This heritage, together with the fact that positrons normally do not occur in nature as stable—that is, as permanently existing particles—was the basis for Dirac's formulation of his famous Hole Theory.

Dirac postulated that the physical world has a double structure with positive and negative electron energy states. The positive energy state is the condition of the observable "upper world," while the negative state is in the "anti-world" (or Dirac sea) and is initially unobservable. According to Dirac, given the full occupation of

negative energy states, it can be demonstrated mathematically that the interactions of all electrons exactly compensate for one another.

Dirac reasoned that if an electron from the anti-world is hit by a highly energetic photon (gamma quantum) of the upper world, the electron can absorb the photon's energy by interaction in the electron's electromagnetic field. The electron then appears in the upper world. Simultaneously, a hole appears in the anti-world that represents a disturbance of the condition of full occupancy. This deficit in negative charge in the anti-world is observed in the upper world as a positron.

With conceptions developed in this manner, Dirac explained the production of electron-positron pairs by gamma quanta, and simultaneously explained why a positron of the upper world can vanish when an electron from the upper world refills the hole in the anti-world, with both particles then becoming unobservable. Both processes are totally easily observable in physical experiments.

Dirac's interpretation of pair production and annihilation automatically gives the quantum theoretician a rule for calculating the frequencies of the corresponding processes. Following preliminary work by the theoretical physicist F. Sauter in 1933, and calculations by Sauter and W. Heitler, these computations were done in an extremely comprehensive and detailed investigation by Hans Bethe and Heitler. Their results, the Bethe-Heitler theory, have played a major role in modern physics.—*Erich Bagge*

chanical methods, it emerges that the neutron has a lifespan of the order of magnitude—as is known today—of 800 seconds. Back then, Fermi could not calculate that, he didn't have this concept. In 1934, he thought there must be another interaction, a so-called weak interaction, as he called it then, that set off this beta decay. The neutrino that he had taken over from Pauli was, so to speak, switched on in this weak interaction. But he didn't know the constant; he had to determine it from empirical data.

This constant isn't at all needed in the methods as I used them. The magnetic interaction that is obtained is exactly large enough so that the right lifespan of the neutron and the right spectral distribution for the beta decay is produced. I said to myself, this conception could not work so well if it were not a good representation of reality.

I was thus involved in these things and had calculated everything when I got an invitation from Leningrad. The head of the Joffe Institute in Leningrad, who is still alive, invited me for a lecture on cosmic radiation. But I thought at the time, why should I always talk about cosmic radiation; for once, I'll give a report on these other things. And that is what I did, and the following happened: On their own, the

Russians had brought an Italian physicist, Pontecorvo, who had quietly gone to Russia after the war. He was present at my lecture. He asked me questions that I could answer without difficulty. Nonetheless, Pontecorvo, as a student of Fermi, said, "I don't believe it." What could I do?

One or two years later, I was, however, invited back to Leningrad to present these things more precisely. The Russians took my work from me, translated it without asking me, and published it in the academic reports out of Moscow under my name! They didn't say a word to me about any of that! I later heard of it from a Russian colleague. Thus the Russians learned very early of what I had done.

At this latter lecture, one of those who attended said, if all of this exists, couldn't experiments be done? In between, I additionally considered that pair production must be interpreted fundamentally from the way that Bethe and Heitler had done.

I knew the Bethe-Heitler theory well, since I had become acquainted with it as a student under Heisenberg. I had also always presented the Bethe-Heitler theory in my lectures as the *nec plus ultra* of modern physics, because to a certain extent, it correctly represented the effective cross-section of

pair production, and because this theory played a fundamental role in understanding extensive [cosmic ray] air showers.

The Bethe-Heitler theory is, in fact, *almost* right. That is connected with the fact that it does use the Diracian picture as an idea, and thus the theory of holes, according to which an energy quantum flies past and lifts an underground electron into the upper world and there, where the hole has been produced, a charge deficit is produced that is observed in the upper world as a positron. Here, however, the energy of the hole, previously of the underground electron, is simply “knocked upstairs” so that the positron receives exactly the energy that the anti-world electron had as negative energy, merely in absolute amount. They form a circle, as it were, and have knocked it around at zero from negative to positive energy.

That was not a truly physical thought, since it observed the law of conservation of energy but not of impulse. I made that clear to myself very early. So I thought, we must change the Bethe-Heitler theory on this point. In this connection, it turned out that that doesn't make a *large* deviation since the theory of conservation of energy is fulfilled. What merely effects the conservation of impulse are small corrections. But they are corrections that are nevertheless large enough that, with pair production through light quanta of 6 million electron volts—more precisely, 6.3 MeV—approximately 570,000 electron volts are lacking. It does make a difference, but it is only about 10%, which today is easily measurable. And we measured it.

I had previously referred to the idea of such an experiment in Leningrad. At that time, I thought and hoped, perhaps someone has the guts and will do such a thing. But I waited years. I attempted then to persuade some of my students at Kiel to do it. But you know, my Kiel students were all so well trained in the old way of thinking that began with Pauli in 1930 that they now no longer believed “old Bagge” at all! They said, “Old Bagge is now suddenly doing something entirely different with all the physics that he taught for so many years.” All my old students who were now assistants told the new students that anything from Bagge is all junk. And so I got no one to do the experiment.

Subsequently, I thought, there is probably nothing left but to do it myself. At first, I had only failures in Kiel, but then in 1981-1982, an Egyptian student came unexpectedly to me, Ahmed Abu El-Ela. I knew his teacher, Professor Nadi from Cairo, a first-rank physicist, well. His student was to take a degree with me. I said to him, “Mr. El-Ela, I am emeritus; I cannot give you normal doctoral work. But I would like to have something that interests me. You do some pair production with light quanta in Wilson cloud chamber.”

Fortunately, we had had a cloud chamber in Kiel in operation for years. So we began first with light quanta of 2.6 MeV from thorium. I knew other similar experiments had already been done and that approximately the Bethe-Heitler spectrum had been produced. But if we consider, for 10,000 Compton

electrons there is only around one pair. The effective cross-section for the production of pairs at energies of 2 MeV is very small, but the cross-section for Compton electrons is much greater—it's a matter rather of impacts with electrons in the target. And I said then, we won't be able to see anything here.

Now, I knew from my own work with nuclear reactors, that Compton electrons become more and more infrequent the higher the energy is, but at around 6 MeV, there is a point of intersection where the curve for Compton electrons drops downward and pair production begins to predominate. That is a wonderful point. I proposed to Abu El-Ela that he do the experiment at [the nuclear research reactor] in Geesthacht where we have light quanta of 6 MeV. These irritate the physicists in Geesthacht, who have to do everything to screen these quanta—but for us, they would be just right.

First, Abu El-Ela wanted to carefully go over the literature of pair production, and after he had read it all through, he came to me one day and said, “My dear Professor, please give me some other work. Nothing will come of this. I've read the entire literature on pair production, and it has all been so well measured. There is this American work of Delsasso, Fowler, and Lauritsen, and then there is other work—it is all so well measured that there just isn't any doubt about it any more.” I replied, “Now listen, that isn't true at all because I know that if you look at pair production in other experiments then there are always a lot of Compton electrons that simply *should* not be there.”

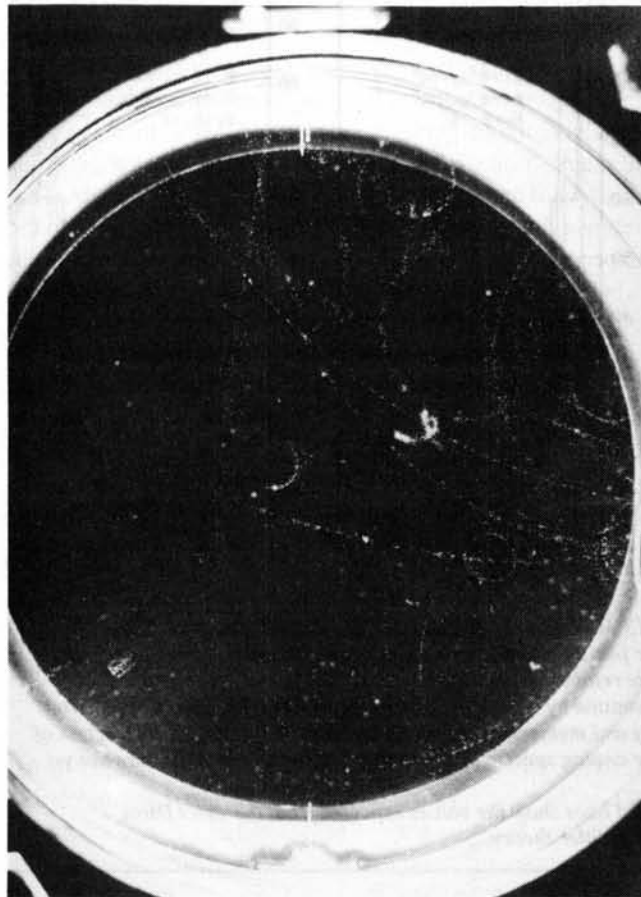
Poor El-Ela then reluctantly went to Geesthacht. In the course of time, in fact, he made 4,000 photographs of pair production with the help of 6 MeV quanta that otherwise so horribly upset the reactor physicists. We irradiated nitrogen in the reactor, whence nitrogen-16 is produced from nitrogen-15, which then decays within 10 seconds into oxygen that is excited to 6.3 MeV. This excited oxygen decays and emits a light quanta of 6.3 MeV. That is almost the perfect energy, and it also worked. We had to quickly “shoot” the nitrogen-16 out of the reactor into an experimental chamber, which took place within 2 seconds. Then it activated its gamma, which radiated into the Wilson chamber [see **Figure 1**].

Now, we already knew all the old experiments. We knew that we must not in any case use a target that was too thick. The American [physicists who tried to test the Bethe-Heitler theory in 1936-1937] L.A. Delsasso, W.A. Fowler, and C.C. Lauritsen had used a target 0.3 mm thick, which meant that an electron or positron that went through the foil had to have at least 800,000 electron volts. If by chance the positron has a lesser energy, then it is trapped in the layer and not observed at all. Then an electron comes out with a relatively larger energy and that was taken to be a Compton electron.

Delsasso, Fowler, and Lauritsen fell into this rubbish. That is, a surplus of positrons are produced accidentally—they couldn't have known that then—with quite small energies, a 100,000 or less electron volts. Anyway, they do not

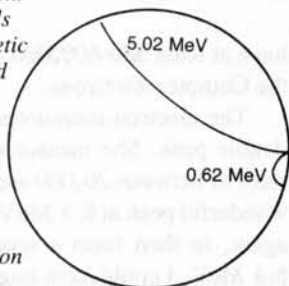
FIGURE 1

**Inside the Wilson cloud chamber at Geesthacht**



The chamber is filled with helium and surrounded with two Helmholtz coils that produce a homogeneous magnetic field of 703 gauss. A cartridge filled with nitrogen is irradiated in the reactor and then "shot" into an experimental chamber, where a gamma then radiates into the cloud chamber.

The electron exits upward, with energy of 5.02 MeV, and the positron exits downward with 0.62 MeV, as shown in the schematic. Under the Bethe-Heitler theory, the two energies were supposed to be nearly equal in most cases.



Sources: Erich Bagge, *Fusion*, Nov.-Dec. 1985.

emerge from a 0.3 mm thick layer of lead. But I said to the Egyptian student, we will make a film out of gold—that is somewhat lighter than lead—as thin as is possible. We used 25  $\mu\text{m}$  of gold, while the American was 330  $\mu\text{m}$  of lead.

Thus completely beautiful pairs came out. First, El-Ela made his 4,000 pair photographs, and then he returned to

Kiel in order to analyze them. In fact, in Kiel I had a machine for analyzing such cases, a stereo-comparator. With that, the radii of curvature of positrons and electrons can be rather exactly measured.

One day, he came to me and was miserably depressed. He said, "I am standing between two stools. I am getting something that doesn't fit the theory *at all*." (He meant the Bethe-Heitler theory.) "I am getting far too many slow positrons and far too many energetic electrons" [see **Figure 2**].

So I answered, "For Heaven's sake, that is exactly what I wanted to prove! That is exactly what my theory predicts!" My theory predicted that the positrons must have a smaller energy—I knew that already, and that is very easy to explain. If the light quantum travels into the anti-world, so to speak, it has a large value for its effective cross-section with an electron of the anti-world if this electron has a small energy. And if it has a small energy, then after it has moved into the upper world, it remembers that it had a small energy. That means, the light quantum, so to speak, "fishes" out electron fish swimming on the surface of the anti-world, and therefore, the positrons that are produced as holes naturally have a smaller energy. That emerges automatically.

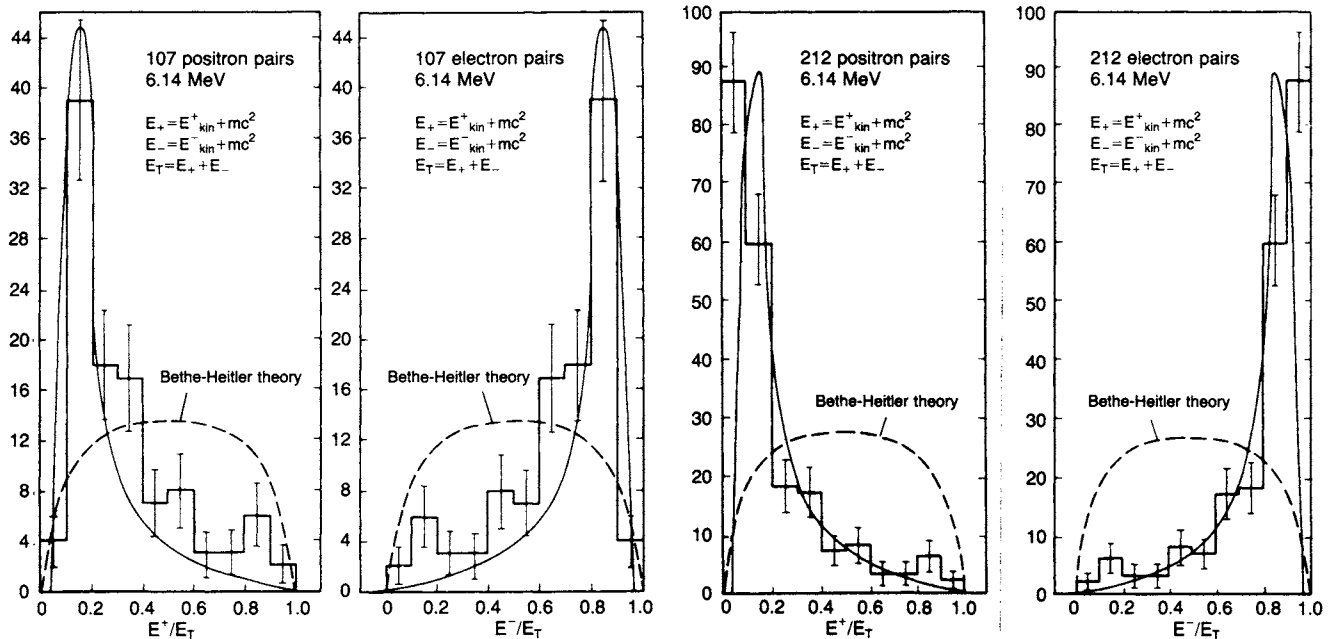
I was still doubtful because I thought, perhaps he's done something bogus. But it wasn't bogus, he had actually worked very cleanly. It was, however, my job as a physicist and head of the institute to pay attention to make sure that nothing stupid is submitted to me. So I said to him, "Work for a while on something else, and then after some time passes do a new analysis." He did that, but got the same result again. In the meantime, he had analyzed them so much that his measurements could now be summarized. They fit my theoretically expected curve rather well, not exactly, but well enough that we had to say that it's completely out of the question that the Bethe-Heitler theory is true.

There was, nevertheless, a small surplus at higher energies with regard to my theory. In this area, it didn't fit altogether well. But I had a degree conferred on El-Ela, and I told him that we had to see how we can continue the experiment. A few days before he left, he was still here with his wife. She was also a physicist and at least as clever in physics as he. She worked as an assistant at the University in Egypt. He told me that his wife still didn't have her doctorate and asked if she could continue the work. Naturally, he realized that the whole thing was still going well.

I replied, "Your wife should prove that it can't be otherwise. And for that, there is one possibility, that a portion of the positrons remain in the target because they have too small an energy, then fundamentally we're still getting too many quasi-Compton electrons since we see Compton electrons in the pictures as well as pairs, half and half approximately. We can now quasi-identify the pair electrons that appear as widowed pair electrons, because their positrons remain in the gold layer, since the authentic Compton electrons must have on average a greater energy. And that is what your wife

FIGURE 2

**Energy spectra of pairs observed at Kiel Geesthacht**



At left are the energy spectra positrons and electrons emitted by 6.13 MeV gamma quanta in a 25  $\mu\text{m}$ -thick gold foil. The discrepancies between the theory and experiment with the energy-richer positrons and the energy-poorer electrons, can be ascribed to the fact that formation of pairs, by which the energy-poor positrons were retained within the gold foil, was found not to happen.

At right are corrected energy spectra of positrons and electrons emitted by 6.13 MeV gamma quanta in a 25  $\mu\text{m}$ -thick gold foil. Their lines are in full agreement with a theory that the halving of energy and momentum is exactly satisfied by the mutual interaction of quanta with the anti-electrons of the Dirac sea. The discrepancies of the analog spectra in which the "widowed" electrons are not yet eliminated, are now gone.

In both figures, the histograms show the observed values. The solid lines show the values expected from the strict Dirac conception; the dotted lines show the distribution predicted by the Bethe-Heitler theory.

Source: Fusion, 1991, No. 1

should do. She should take the data from Geesthacht, leave out the positrons and measure the energies of *all* the electrons, the pair electrons and the Compton electrons together."

His wife then did fantastically well. First she had remeasured some of the pairs, to see if Abu El-Ela had measured correctly, and she got practically the same as he. She remeasured almost the all of the group that he had, because she got so good and could measure quickly, even better than he. Finally, she measured the electrons quite by themselves. And what emerged?

We could now consider: If a quantum comes along and knocks an electron out of a gold atom, it could only give its full energy to the Compton electron if it flies off in a straight line. This Compton electron must have the full energy of 6.3 MeV. Pair electrons, in contrast, that fly around as widowed electrons, could have only approximately 5.7 MeV. That must be so because the positrons take away some energy, even something more than their rest energy of 0.511 MeV. In brief, the widowed pair electrons always

have at least 500-600,000 less electron volts of energy than the Compton electrons.

The electron measurements by Mrs. El-Ela produced a double peak. She measured the electrons with a margin of error of between 20,000 and 50,000 electron volts, and got a wonderful peak at 6.3 MeV. The curve then fell off, climbed again, to then form a second maximum at approximately 5.4 MeV. I could have hugged Mrs. El-Ela! What she measured was wonderful! After a few months' pause—she was working in the meantime on questions in theoretical physics—she analyzed the material again. And once again she got the double peak.

That was the decisive proof that my theory was working. Now we could distinguish the pair electrons from the Compton electrons. The valley between the two energy peaks was so deep that they could be easily separated. Mrs. El-Ela had simply taken the widowed pair electrons, which could not be distinguished from the Compton electrons, and combined them with the pairs that her husband measured. Accordingly,



the frequency distribution agreed with my theory so well that it really couldn't have been better! All that is now in my book.

Mrs. El-Ela also received her doctorate, and returned to Egypt. She took her measurement data with her, but left the pictures here, and we finally analyzed a part of them again with an improved electronic procedure. Mrs. El-Ela knew nothing of that, and we merely asked her to send up the corresponding values once more. I sat at my table in Kiel with her values, and compared them with the new measurements that had been told to me by telephone from Geesthacht. Although none of the Egyptian measurements fit exactly with the new, when the given error range was considered, then they fit in every case within their margin of error. That was the best control for Mrs. El-Ela's work!

After that, so I thought, people will have to believe our work. It is the best that has been done in this area up to this point.

That proved that we really need the conception of the Diracian anti-world. At least, it shows that this anti-world cannot simply be ignored. If calculations are made as though the anti-world exists, then we get something right. If calculations are made as if it doesn't exist, then we get something wrong. I can't say any more than that.

**Q:** What should be done further at this point?

**Bagge:** We made measurements at 6 MeV. What I would like to have done is to determine the energy dependence of the energy deficit of pair production. That must be measured at higher energies, in accelerators. For example, the American experiment done by Fowler, Delsasso, and Lauritsen must be done again. They had quanta of 17 MeV, and they could measure the whole thing with a thinner layer, perhaps gold layers of 20 or 15  $\mu\text{m}$  thickness. Then we would be quite certain that we will get the positrons.

And measurements should be done along the entire energy spectrum. Please consider the following: Today, there is hardly any work done on the large accelerators in which there are not huge energy differences between what is observed and what is really expected theoretically. The energy deficits we measured at 6 MeV could play a role in that. Other physicists must now make measurements that involve the relevant possibilities for that. Fowler et al., for example, could do that immediately. However, there is one thing they must do: They should not fill their Wilson chamber with air, because that has too great a braking effect; they must fill it, as I did, with helium. I did that from the well-thought-out reason that braking of positrons and electrons in helium is less by a factor of four than in the air. And the factor of four makes a great deal of difference for the precision of the measurements. The experimenters in America simply must do this experiment again.

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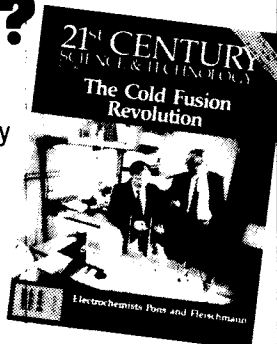
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## The book that drove Kissinger and the ADL wild

by the Editors of EIR

*We present an abridged version here of the new introduction to EIR's bestselling book, *Dope, Inc.*, which is about to be republished.*

Thirteen years ago the first edition of *Dope, Inc.* was released. Commissioned by anti-drug American statesman Lyndon H. LaRouche, Jr., it was the first book to reveal that the illegal drug cartel was becoming the world's biggest business; to name the causes of the war "Dope, Inc." has waged against every nation in the world; and to reveal the names of the "untouchable" figures who protect it, including the European monarchs, whom our Hollywood media have sold to the public as veritable deities. The book, which has since come out in several foreign-language versions and a second edition, remains unique.

Its effectiveness is attested to above all by the fact that the kingpins of the U.S. branch of the drug cartel—led by Henry A. Kissinger and the Anti-Defamation League of B'nai B'rith—launched a years-long effort to silence the authors, starting with LaRouche, who was railroaded to federal prison in late 1988 on trumped-up "conspiracy" charges, and is now fighting in the courts to overturn that travesty of justice.

Lyndon LaRouche was jailed within days of George Bush's inauguration in January 1989, and Bush has kept him there, for reasons that include a fear by Bush and his backers of the information contained in this book.

Former Secretary of State Henry A. Kissinger ran the risk of federal criminal prosecution as the result of his persistent interference into the conduct of the U.S. Department of Justice, the FBI, and the White House to stoke up the government campaign to silence LaRouche.

The dope lobby's hysteria over LaRouche's campaign to put them out of business was not restricted to the United States. In Venezuela, the Spanish-language edition, *Narcotráfico, SA*, has been banned since 1985 because the local Kissinger- and Rockefeller-linked bankers are terrified that a few bland references



Stuart Lewis

*Cocaine counterculture is flaunted at a carnival in a small town in the United States in 1986, the year the second edition of "Dope, Inc." was published, and six years after American voters booted Jimmy Carter out of office for trying to decriminalize drugs.*

in the second edition to the bad company they keep might lead to the exposure of much bigger crimes. Recently, some of Dope, Inc.'s Venezuela operators have been publicly linked to two major terrorist bombings (one in Washington, D.C.) and at least one cocaine bust in Miami. As a result, scores of parliamentarians throughout Ibero-America have publicly demanded the lifting of the ban on this book.

It was in 1977 that Lyndon LaRouche realized Americans must be mobilized against the illegal-drug plague being spread by the Jimmy Carter administration. The campaign drew together a broad coalition of concerned citizens in the United States and abroad. By spring 1978, the coalition's intelligence on the higher-ups behind the narcotics cartel had grown to the point, that LaRouche commissioned a U.S. Labor Party investigative team to draft a comprehensive profile of the international dope trade. LaRouche warned that, unless the United States fought the undeclared war which Dope, Inc. was waging on it, the nation would be destroyed within a generation. There could be no "national security" without a commitment to destroy Dope, Inc., he argued.

Instead, three successive U.S. administrations have made their peace with the dope cartel, and as a result, America is swimming in addictive drugs and the U.S. economy is drowning in narco-dollars.

The Carter-Mondale administration (1977-81) openly embraced the dope lobby agenda of drug legalization. White House drug adviser Dr. Peter Bourne not only pushed "decriminalization" of marijuana, but he claimed, as late as

1978, that cocaine was not a narcotic. Vice President Walter Mondale owed much of his political career to the Minnesota organized crime cronies of Meyer Lansky.

The U.S. Labor Party, an electoral arm during the 1970s of LaRouche's political movement, published the first edition of *Dope, Inc.* and led a nationwide campaign to defeat the Carter White House-backed effort to legalize marijuana on a state-by-state basis. Out of that campaign emerged the National Anti-Drug Coalition, which helped shape the political climate leading to the defeat of the Carter-Mondale team in the 1980 U.S. elections. In 1980 LaRouche challenged Carter for the Democratic Party's presidential nomination, and began building the anti-drug, American System wing of the Democratic Party.

Both President Ronald Reagan and Vice President George Bush, reflecting that popular rejection of the soft-on-drugs policies of their predecessors, mouthed anti-drug slogans. But as their lips were flapping about "war on drugs" and the threat of "narco-terrorism," behind the scenes, White House and CIA officials like National Security Council staffer Oliver North were peddling drugs to covertly finance their favorite secret missions.

### **Attack the money-laundering capability**

And nobody in the White House or the Congress dared to take up the most essential message of *Dope, Inc.*: Shut down the drug money-laundering by the major Anglo-American banks, and the dope cartel would choke to death on its

own profits (see box, page 28)!

When George Bush succeeded Ronald Reagan in the presidency, things got even worse than they were under Jimmy Carter. Not only did Bush keep the dope cartel's most feared enemy, Lyndon LaRouche, in prison, but, as two new chapters in this third edition will detail, *Dope, Inc.* is doubling every five years and marijuana has replaced food as America's number-one cash crop. George Bush talks about shutting down the dope trade, and then secretly turns over the government of Colombia to the cocaine cartel and joins the narco-terrorist regime of Syria's Hafez al-Assad in an obscene embrace.

In the first edition of *Dope, Inc.*, Lyndon LaRouche also warned that the International Monetary Fund and World Bank were committed to imposing narco-economies on many nations of the developing sector as part of a conscious policy of genocide on a scale worse than Adolf Hitler. LaRouche identified the IMF-World Bank as synonymous with *Dope, Inc.* These words have been borne out with a vengeance.

### The ADL and Kissinger react

Even before the first copies of the first edition of *Dope, Inc.: Britain's Opium War Against the United States*, rolled off the press in December 1978, leaders of the narcotics enterprise were busy trying to stop LaRouche. Beginning in summer 1978, the Anti-Defamation League (ADL), known to well-informed people as the "American Dope Lobby," launched a multimillion-dollar campaign to label LaRouche and his political associates as "anti-Semites" for daring to expose the involvement of gangsters like Meyer Lansky and Zionist lobby leaders like Edgar Bronfman and Max Fisher in the dope business. The fact that LaRouche also identified the powerful British Crown bankers as partners in the dope trade along with the Jewish crime syndicate, marked him as one of the most dangerous men alive in the eyes of *Dope, Inc.*

The ADL's "anti-Semitic" smear against LaRouche was pure Big Lie terrorism in the tradition of Nazi propagandist Joseph Goebbels. Everyone who bothered to look into the matter knew that LaRouche's political career had been built around his discoveries in physical economy, and that by 1978 he had written hundreds of articles and several books exposing the fascist economic austerity policies behind the Nazi holocaust which killed millions of Jews and other victims. The ADL's bizarre slanders prompted *EIR's* investigators to scrutinize the history of the supposed "Jewish civil rights" organization.

The probe turned up a 70-year legacy of intimate ADL ties with Jewish gangsters, from Meyer Lansky and his "Our Crowd" sponsor Arnold Rothstein, to more contemporary *Dope, Inc.* figures such as Max Fisher, Edgar Bronfman, Edmond Safra, Meshulam Riklis, and the ADL's own national chairman, Kenneth Bialkin, the lawyer for the Medellín Cartel's "American connection," Robert Vesco. We also discovered that much of the ADL's financial backing comes

from leading families of the Anglo-American establishment, whose fortunes trace back to the British banks and trading companies that ran the opium clipper ships in and out of China in the last century.

Given the ADL's organized crime pedigree, it was also no surprise that one of the earliest and nastiest of the ADL-commissioned slanders against LaRouche was published in *High Times* magazine, the unofficial house-organ of the dope lobby. That article, by Chip Berlet, was run under the headline: "War on Drugs: The Strange Story of Lyndon LaRouche: Sinister Mastermind of the National Anti-Drug Coalition—They Want To Take Your Drugs Away!"

To this day, the ADL holds the key to the corruption of the American political and judicial system, a corruption that was bought and paid for by the proceeds of the international dope trade. Lyndon LaRouche was railroaded to prison on a train built by drug money and stoked by government officials and private agencies on the pad of *Dope, Inc.*

By the summer of 1982, the ADL was joined in its "Get LaRouche" efforts by Henry A. Kissinger, former secretary of state and recipient of the ADL's Man of the Year award. Kissinger launched a vendetta to get the federal government to shut down the LaRouche movement.

### Kissinger: a British agent of influence

Although Kissinger has been historically a close ally of the most rabid factions inside Israel and within the Zionist establishment in the United States, his primary allegiance throughout his political career has been to the British Crown and its intelligence and financial tentacles.

On May 10, 1982, addressing a celebration at the London Royal Institute for International Affairs at Chatham House in London, Kissinger boasted that throughout his career in the Nixon and Ford administrations, he had always been closer to the British Foreign Office than to his American colleagues, and had taken all his major policy leads from London. Kissinger set up the international "consulting firm" Kissinger Associates, in partnership with Britain's Peter Lord Carrington, shortly after he delivered that Chatham House lecture.

Chatham House is a successor to the old British East India Company, and serves as the think-tank and foreign intelligence arm of the British Crown. The roots of Chatham House are to be found in Britain's nineteenth-century Opium War policy.

Kissinger is no stranger to the world of international dope trafficking. The 1978 edition of *Dope, Inc.* told how Kissinger played a pivotal role in covering up the involvement of the People's Republic of China in the Southeast Asia Golden Triangle heroin trade in the early 1970s when he was shuttling between Washington and Beijing playing the "China card." Tens of thousands of American GIs who became addicted to drugs in Southeast Asia during the Vietnam War should hold Kissinger at least partially responsible for their habits. Later, during the 1980s, through Kissinger Associates, Henry be-

came a business partner of some of the same Chinese opium lords he protected from American drug enforcement for over a decade.

Kissinger was furious that LaRouche and his associates widely circulated the official text of his Chatham House speech to document that Kissinger was a loyal asset of the British Crown. He went head-to-head with LaRouche over Reagan administration policy. By 1982, a major battle had broken out within the administration over the emerging Ibero-American debt crisis, a crisis of which LaRouche had been warning senior White House officials for months. A confrontation evolved between LaRouche and Kissinger over whether Washington would negotiate an equitable solution to the debt crisis, on a government-to-government basis, or back International Monetary Fund policies aimed at further looting our hemispheric neighbors.

A paper trail of personal letters from Kissinger to then-FBI Director William Webster during the summer and autumn of 1982 documents Kissinger's role.

### **'Get LaRouche' task force formed**

On Aug. 19, 1982, Henry Kissinger wrote the now-infamous "Dear Bill" letter to Webster, demanding action against the LaRouche movement: "Because these people have been getting increasingly obnoxious, I have taken the liberty of asking my lawyer, Bill Rogers, to get in touch with you and ask your advice, especially with respect to security. It was good seeing you at the Grove [Bohemian Grove, where male invitees dress up as women and romp in the woods—ed.] . . . warm regards."

Kissinger's own efforts, aided by the ADL's so-called Civil Rights Division, were augmented in January 1983 by a Kissinger-solicited intervention on the part of several members of President Ronald Reagan's Foreign Intelligence Advisory Board, led by Edward Bennett Williams, David Abshire, and Leo Cherne. The PFIAB members demanded that the FBI launch an international investigation of Lyndon LaRouche, in effect claiming that LaRouche's exposé of Kissinger's record of selling out the United States to British, Soviet, and Dope, Inc. interests was somehow "subversive."

Government documents catalogue the role of Kissinger's PFIAB cronies. A memorandum from Webster to his chief deputy, Oliver Revell, dated Jan. 12, 1983, stated in part:

"At the PFIAB meeting today, [name redacted] raised the subject of the activities of the U.S. Labor Party and Lyndon LaRouche. He noted that he and a number of other Americans in public life had been the subject of repeated harassment by LaRouche and wondered whether the FBI had a basis for investigating these activities *under the guidelines or otherwise*. A number of members present, including Edward Bennett Williams, raised the question of the sources for these U.S. Labor Party activities. In view of the large amounts obviously being expended worldwide, the question was raised whether the U.S. Labor Party might be funded by

hostile intelligence agencies" (emphasis added).

The PFIAB inquiry led in early 1983 to the opening of a formal FBI investigation into Lyndon LaRouche and his associates. That inquiry provided the legal cover for an all-out offensive to drive LaRouche and his associates out of business and into prison. The "guidelines" under which the unconstitutional "Get LaRouche" campaign was conducted, were contained in a little-known White House document, Executive Order 12333, signed by President Reagan in December 1981. EO 12333 gave the FBI and U.S. intelligence agencies a broad mandate to spy on and conduct covert actions against American citizens deemed to be opponents of the incumbent administration. EO 12333 also allowed these agencies to use private citizens as their agents in carrying out these operations. At this point, the ADL became an integral component of the government's "Get LaRouche" task force.

The ADL and Kissinger found their most willing collaborators inside the Reagan-Bush administration among the spooks and White House staffers involved in the illegal secret Iran-Contra program. Once again, the pawprints of Dope, Inc. were everywhere.

### **LaRouche objects to Contra policy**

In the first years of the Reagan administration, LaRouche had collaborated with several senior administration officials in the development of the Strategic Defense Initiative and other national security policies. During the 1982-83 period, LaRouche and his colleagues had been quietly approached and asked to also cooperate with the administration's effort to support the Contra guerrillas fighting to overthrow the Sandinista regime in Nicaragua. LaRouche warned the Reagan administration that the Contras were a wholly owned asset of international gun- and drug-trafficking organizations and that the entire anti-Sandinista program—and the Reagan administration's widely publicized anti-drug efforts along with it—were doomed to disaster if the administration went ahead with its Contra support program. As an alternative plan of action, LaRouche proposed that the administration focus its Central American efforts on an all-out war on drugs which would, among other things, expose Soviet, Cuban, and Sandinista involvement in the dope trade.

By this time, with pressure from Wall Street and the Zionist Lobby, Henry Kissinger had been named to head up the Reagan administration's Blue Ribbon Commission on Central American Policy. A one-time paid employee of the ADL, Carl Gershman, had been named as the chief of the administration's National Endowment for Democracy, a covert operations funding agency housed in the State Department's U.S. Information Agency. The NED was at the center of the secret support for the Contras.

For Kissinger and the ADL-led NED, dealing with cocaine traffickers was no problem. But LaRouche's public exposé of leading drug traffickers on the government payroll was a problem.

## The LaRouche method: follow the money trail

In 1978, when Lyndon LaRouche first commissioned the investigation that led to the publication of *Dope, Inc.*, no U.S. government agency had developed an accurate estimate of the dollar value of the world's illegal narcotics trade. After months of reviewing current and historical documentation, and debriefing scores of anti-narcotics officials from governments all over the world, the *EIR* team concluded that the annual revenue of *Dope, Inc.* exceeded \$300 billion.

Based on this estimate, the *EIR* team drew the only possible conclusion: Many of the world's key financial institutions had to be wittingly involved in the laundering of illegal dope money. How else could such enormous volumes of cash be shuttled from one corner of the globe to another in a nearly continuous cycle of drug production, processing, marketing, and refinancing?

This view was buttressed by mountains of historical evidence showing that by no later than the nineteenth-century British Opium Wars against China, major City of London banks, trading companies, and shipping lines had been officially engaged in the opium trade. Public archives revealed that the Hongkong and Shanghai Banking

Corp., a conglomerate established by the big five London banks, had been created as the clearinghouse bank for the world opium trade.

When the same HongShang bank attempted in late-1978 to buy up Marine Midland Bank, the eighth-largest commercial bank in New York, *EIR* investigators began seriously questioning whether the British banking establishment had ever gotten out of the opium business. The conclusion: No!

In fact, *EIR* researchers soon discovered that an international web of off-shore unregulated financial centers had been established for the primary purpose of facilitating money laundering, and that many of the major banks dominating these centers were the original British and American opium financiers.

These facts may seem far from startling by today's standards. The Bank of Credit and Commerce International (BCCI) indictments are but the latest in a string of recent scandals linking such financial giants as Merrill Lynch, American Express, and the Bank of Nova Scotia to big-time dope money. But, back in 1978, the *Dope, Inc.* charges were electrifying.

And then, as now, Lyndon LaRouche has argued that the most efficient way to destroy *Dope, Inc.* is to follow the money trail and hold the banks responsible for the illegal cash that passes through their accounts. Thirteen years later, the world is still waiting for a single government to adopt the LaRouche method for crushing *Dope, Inc.*

A May 1986 memo from White House Iran-Contra operator Gen. Richard Secord to National Security Council staffer Oliver North confirms that the Contra support apparatus—what Sen. David Boren (D-Okla.) labeled the “secret, parallel government”—was gathering “information against LaRouche.”

### Dope, Inc. runs ‘Get LaRouche’ force

By the spring of 1986, following dramatic electoral victories in the statewide Illinois Democratic Party primary by two LaRouche-backed candidates for lieutenant governor and secretary of state, the “Get LaRouche” forces inside the government had built up momentum, especially inside the deeply corrupted Department of Justice and the FBI.

Two of the most zealous of the Justice Department “Get LaRouche” activists were William Weld and Arnold Burns. Weld was the U.S. Attorney in Boston who led the federal government's pioneering strike force against LaRouche. He became head of the Department of Justice Criminal Division in September 1986, the number two position at the DoJ. Now governor of Massachusetts, Weld is the scion of a prominent blueblood family that made its fortune in the China opium trade.

Arnold Burns, the deputy Attorney General, was a director of the ADL's Sterling National Bank, an outfit founded by mob cronies of Meyer Lansky and implicated in hot-money dealings in the United States, Italy, and Israel. Burns himself was nearly indicted in a money-laundering scheme run by Israel's secret service, the Mossad. It would later emerge that Burns's partners in that scheme were part of the Jonathan Jay Pollard Israeli-Soviet espionage ring.

In October 1986, an army of over 400 federal and state police, accompanied by helicopters, fixed-wing planes, and an armored personnel carrier, conducted a raid against the offices of several LaRouche-associated publications in Leesburg, Virginia. This was the largest domestic paramilitary action by the federal government since the urban and student riots of the late 1960s and early 1970s. The purpose was simply to execute two search warrants and make four arrests of people who had no criminal records!

Over the next several years, LaRouche and dozens of associates were arrested and put on trial. A prosecution of LaRouche and a dozen co-defendants in a Boston federal court ended in a mistrial on May 4, 1988. The Boston jury had heard 92 days of testimony from government witnesses.

The defense never got to present its case. However, the jurors, according to press accounts, were so angry at the government's behavior that when they polled themselves after they had been dismissed by the judge, they voted LaRouche and the others "not guilty" on all 125 counts. One juror told the *Boston Herald* on May 5, 1988 that he and his colleagues were convinced the government had committed crimes against LaRouche. LaRouche told the press that he had been defrauded of a verdict of "innocent."

Six months later, the Justice Department re-indicted LaRouche in an Alexandria, Virginia federal district court on nearly identical charges. The judge and the jury were rigged. The jury foreman, a Department of Agriculture official named Buster Horton, had been a member of a secret government task force that also included Oliver North. The judge, Albert V. Bryan, had been a business partner of the CIA's biggest secret arms dealer, Sam Cummings. In that federal trial and at subsequent state trials in Virginia, leading officials of the ADL operated as de facto members of the government's prosecution team. In one telling incident, the ADL was caught attempting to bribe a Commonwealth of Virginia trial judge with a promise of a state Supreme Court post in return for throwing the book at the LaRouche defendants.

On Jan. 27, 1989, just days after George Bush was inaugurated as President, LaRouche was deprived of bail pending appeal and thrown in federal prison, along with six colleagues. LaRouche was sentenced to 15 years in prison—a life sentence for a man already in his mid-60s. Bush added his imprimatur to the jailing by refusing to release thousands of pages of exculpatory evidence under the control of the White House. Of all of his political adversaries and critics, Lyndon LaRouche was the one man whom George Bush desperately wanted out of the way.

But the jailing of LaRouche and some of his closest colleagues was not enough to satisfy the Dope, Inc. crowd. Two LaRouche-linked publications, *New Solidarity*, a twice-weekly newspaper with over 100,000 subscribers, and *Fusion*, a science magazine with over 114,000 subscribers, were seized by the government on April 21, 1987, and shut down in an action that federal courts after the fact declared to have been illegal. [Federal Bankruptcy Court Judge Martin V.B. Bostetter wrote in his Oct. 25, 1989 decision, which was upheld on appeal, that the government action had been in "bad faith" and that the government had committed a "constructive fraud upon the court"—ed.]

### **Pushers can't be patriots**

When Lyndon LaRouche first warned senior Reagan administration officials about the drug cartel links of the Nicaraguan Contras, it was not yet publicly known that the U.S. government was selling dope to American children to fund the secret Contra war in Nicaragua (even at the same time that some well-meaning government officials thought they were genuinely fighting drugs). Within days of the Leesburg raid,

the first details of the Iran-Contra scandal surfaced following the crash of an American supply plane over Nicaraguan territory and the arrest of Eugene Hasenfus, a member of the crew. In the months following the Hasenfus capture, more and more pieces of the secret government corruption came out.

The case of Lt. Col. Oliver North is one good example of this corruption, especially because so much media attention has been directed toward building up the image of the Marine-turned-White House superspy as a model of American patriotism.

Evidence made public during the congressional Iran-Contra hearings, through federal and state court cases and international criminal prosecutions, reveals that Oliver North was in the middle of a major international arms-for-drugs trafficking operation which was run out of his National Security Council office at the Old Executive Office Building next door to the White House.

### **Bush formally in charge**

Colonel North was the day-to-day operations officer for the Contra resupply program. But it was Vice President George Bush, the former CIA director, who was formally in charge of the entire Reagan administration Central America covert operations program. Under National Security Decision Directive 3, signed by Ronald Reagan in May 1982, Bush was placed in charge of two little-known White House secret committees: the Special Situation Group (SSG) and the Crisis Pre-Planning Group (CPPG). Oliver North was the secretary of the CPPG, and it was in this capacity that he ran the Central America spook show—under George Bush.

North's personal notebooks, which catalogued most of his meetings, telephone calls, and personal observations during his White House days, betray the fact that he was well aware that the Contras were being heavily financed by Miami-based cocaine traffickers. For example, a March 26, 1985 handwritten entry in North's notebook read: "Rafael Quintero—Secord's Agent should be on shore when arrivals occur—as liaison w/ APLICANO . . . Quintero . . ." Several days later, on April 3, a sequel note read: "0600—RAFAEL QUINTERO—(captured)—known narcotics trafficker—Enrique Camarena . . ."

Camarena was a Drug Enforcement Administration (DEA) agent in Guadalajara, Mexico who was kidnaped and tortured to death in February 1985. In 1990, Juan Ramón Matta Ballesteros, a Honduran national who helped set up Colombian cocaine routes through Mexico, was convicted along with several other men in federal court in Los Angeles of conspiracy to kidnap and murder Camarena. At the time of the Camarena affair, Matta Ballesteros was the owner of a Honduran charter airline, SETCO Air, which was paid over a half-million dollars by the U.S. State Department to airlift "humanitarian aid" to the Contras in a program run by Oliver North from the White House. Other funds, drawn directly from secret North-Secord bank accounts in Switzerland,

were also funneled into SETCO Air.

Worse, according to a report published in the *Washington Post* on July 5, 1990, a ranch near Vera Cruz, Mexico owned by Rafael Caro Quintero, the mastermind of the Camarena torture-murder and the head of the Mexican drug mafia, was used by the CIA to train Central American guerrillas as yet another feature of the North-White House effort. According to DEA informant Laurence Victor Harrison, the CIA used Mexico's Federal Security Directorate (DFS) "as a cover in the event any questions were raised as to who was running the training operation. Representatives of the DFS, which was the front for the training camp, were in fact acting in consort with major drug overlords to ensure a flow of narcotics through Mexico into the United States."

Another North notebook entry on Aug. 9, 1985 removes any shadow of a doubt that Oliver North was fully aware of the Contra-cocaine connection: "Honduran DC-6 which is being used for runs out of New Orleans is probably being used for drug runs into U.S." The Honduran plane referenced by North was owned by Matta Ballesteros.

North and company were aware of the cocaine connection even earlier, according to other government records. On Sept. 26, 1984, the Miami Police Department provided FBI Special Agent George Kiszynski with an investigative report identifying a network of Miami cocaine traffickers which was pouring money into the Contra's coffers. Within days of the report being turned over to Kiszynski, according to congressional testimony, it had been passed on to Oliver Revell, a key player in the "Get LaRouche" effort and North's FBI liaison for the White House Central America program.

That Miami Police Department document stated in unambiguous terms: "Frank Castro is a close associate of an individual by the name of Francisco Chanes. . . . Chanes is a narcotics trafficker. . . . Chanes was giving financial support to anti-Castro groups and the Nicaraguan Contra guerrillas; the monies comes from narcotic transactions. . . . Frank Castro contacted Mr. Coutin to give the Legion Cubana financial support to fight the Nicaraguan Sandinista Marxist government. . . . the financial support was from drug monies."

### White House ties to terrorists

North's collusion with dope peddlers was not limited to Central America. In the spring of 1986, according to the congressional Iran-Contra investigation, North, then-National Security Adviser Robert McFarlane, and other administration officials opened a so-called "second channel" to secretly negotiate the arms-for-hostages swap with the Lebanese-based terrorists holding American hostages. That second channel was a Syrian national named Mansur Al-Kassar. A well-known international heroin, hashish, and cocaine smuggler, Al-Kassar was also implicated in a string of terrorist attacks and kidnappings in the Middle East, including the infamous *Achille Lauro* cruise ship hijacking, in which an American citizen, Leon Klinghoffer, was killed. Al-Kassar

provided arms to the Palestine Liberation Front, the group responsible for the *Achille Lauro* attack, and for years ran a mercenary kidnaping ring inside Lebanon with Abul Abbas, head of the PLF. Al-Kassar also sold Soviet-made weapons to the Black September group of Abu Nidal and to the Syrian-sponsored Popular Front for the Liberation of Palestine-General Command of Ahmed Jibril.

Al-Kassar was a black market partner of Syria's Vice President Rifaat al-Assad, the brother of President Hafez al-Assad. In 1986, Spanish authorities obtained photographs of Al-Kassar and Rifaat al-Assad meeting in the city of Marbella with Medellín Cartel boss Pablo Escobar Gaviria. The purpose of the meeting was to establish expanded cocaine-trafficking operations in continental Europe. Al-Kassar, throughout this period, was identified in CIA files as an agent of the Soviet KGB who had been a leading smuggler of Soviet bloc arms into the West.

None of this dissuaded North and company from bringing Al-Kassar into the White House "Enterprise." He never succeeded in winning the freedom of any of the hostages, but he did become one of the suppliers of Soviet bloc weapons to the Contras. In 1986, one transaction alone netted Al-Kassar \$1.5 million in payments from the North-Second Lake Resources Swiss bank accounts.

In return for these favors, Al-Kassar's drug-running and terrorist activities were protected by the National Security Council. This protection continued long after the Iran-Contra scandal had blown up in the faces of North, Secord, CIA director William Casey, et al. And, according to one report, Al-Kassar's cozy ties to the White House may have led to the deaths of 270 people.

### The Pan Am 103 bombing

On Dec. 21, 1988, just weeks before George Bush's inauguration as President, a bomb exploded aboard Pan American World Airways Flight 103 above Lockerbie, Scotland. Some 259 passengers and crew aboard the plane, and 11 people on the ground, were killed.

It is still not known exactly how the bomb was placed on board the airplane. The full story may never come out. Attorneys and investigators for the airline, as well as U.S. Rep. James Traficant (D-Ohio), have suggested that Mansur Al-Kassar may have been involved. Allegedly, heroin smugglers in his employ at Frankfurt International Airport in Germany placed the bomb on board Flight 103, and Al-Kassar's men were protected by CIA personnel in Frankfurt as part of the hostage release deal and other features of the new "Syrian-American rapprochement."

According to syndicated columnist Jack Anderson, in April 1989, President Bush conferred with British Prime Minister Margaret Thatcher, and the two ordered British and American intelligence to cover up Al-Kassar's alleged involvement in the Lockerbie bombing. Whether Anderson's charges are true or not, the truth about the Lockerbie massa-



cre has been completely covered up, as has the role of Syria in the flourishing multibillion-dollar Middle East heroin and hashish trade.

One reason for the coverup is that the use of Middle Eastern dope-smuggling networks was as pervasive a feature of the Reagan-Bush era Iran-Contra misdeeds as was the hiring of Colombian cocaine cartel pilots and money launderers to supply the Contras. In fact, the Colombian and Middle Eastern dope connections have one recurring common denominator: a very prominent Israeli component.

During the very month—April 1989—that President Bush and Prime Minister Thatcher were allegedly ordering a coverup of the Pan Am 103 bombing, a DEA and U.S. Customs Service report was covered in the media alleging that New York's Republic National Bank was serving as a money-laundering facility for Middle East and Ibero-American narcotics-trafficking organizations. Republic National Bank is owned by Edmond Safra, a prominent Jewish banker of Lebanese descent whose worldwide banking operations extend from Aleppo, Syria, to Rio de Janeiro, Brazil, to midtown Manhattan.

According to a 13-page memo written by DEA agents in Berne, Switzerland and dated Jan. 3, 1989, Safra and Republic National Bank were implicated in a Swiss-centered drug money-laundering network run out of the Zurich-based Shakarchi Trading Co. U.S. investigators linked Shakarchi to a heroin-smuggling ring that enjoyed the cooperation of the Bulgarian secret police and the state-owned export-import agency, Globus (formerly called Kintex). An earlier DEA report had implicated Kintex's director in the attempted assassination of Pope John Paul II by Ali Mehmet Agca in May 1981. Kintex was identified as the hub of the "Bulgarian connection" international drug-smuggling network. We provide an inside look at this Soviet-Bulgarian dope ring in a chapter that follows. For now, it is sufficient to note the following:

According to the January 1989 DEA memo, "The Shakarchi Trading Company of Zurich, Switzerland, operates as a currency exchange company and is utilized by some of the world's largest drug-trafficking organizations to launder the proceeds of their drug-trafficking activities. . . . Shakarchi Trading Company maintains accounts at the Republic National Bank of New York, a bank which has surfaced in several previous money-laundering investigations. . . . While he was alive, Mahmoud Shakarchi maintained a close relationship with Edmond Safra and the banking institutions in which Safra had an interest, including Republic National Bank. Since the death of Mahmoud Shakarchi, Mohammed Shakarchi, doing business as Shakarchi Trading Company, has maintained close ties with the Republic National Bank."

### **Drug money funding ADL**

DEA and U.S. Customs investigators tracing the flow of heroin revenues from Lebanon through Turkey and Bulgaria

on to the Shakarchi firm in Zurich found that millions of dollars made their way into Account No. 606347712 at the main New York City branch of Republic National Bank. Meanwhile, DEA agents in Colombia and on the U.S. West Coast busted up the largest Medellín Cartel cocaine money-laundering scheme ever unearthed as part of the DEA's Operation Polar Cap. Known as "La Mina" (The Mine), the money-laundering circuit involved a string of banks in Colombia and Uruguay and a Los Angeles jewelry wholesale company called Ropex. Millions of dollars in Ropex deposits were traced by the Polar Cap team to Account No. 606347712 at Republic National Bank—the same Shakarchi Trading Co. account!

Not surprisingly, in 1989, as the Shakarchi-Safra story was grabbing headlines in Europe and the United States, banker Safra was donating a reported \$1 million to his favorite charity—the Anti-Defamation League!

Banker Safra's ties to the Dope, Inc. money laundering go back to at least the mid-1970s when Republic National Bank shepherded Argentine wheeler-dealer David Graiver into the inner sanctums of Wall Street. Graiver bought up American Bank and Trust in 1975, and, in less than a year, looted the New York bank of an estimated \$40 million. Graiver conveniently "died" in a plane crash in Mexico just as bank regulators discovered that American Bank and Trust's cupboard was bare during an audit of the bank. There was such skepticism over Graiver's disappearance that, for years, New York State prosecutors continued to list Graiver as a defendant in the bank fraud case.

Of course, Graiver was simply a front man for a Swiss-based Mossad money-laundering network known as the Centrade Group, one of whose leading figures, Tibor Rosenbaum, is profiled at length in this book. The point is that for the past 20 years, a large and growing component of Dope, Inc. has been the combined machinery of gangster Meyer Lansky and the Israeli Mossad.

### **White House-Israeli-British links to drugs and terrorism**

If there were any doubt about the pivotal role played by shady elements within the Israeli intelligence services, in partnership with British and American counterparts, in the world dope-for-guns bazaar, it was shattered in a hail of bullets in a desolate corner of Colombia on Dec. 15, 1989.

On that date, Colombian Army units invaded the compound of Medellín Cartel capo José Gonzalo Rodríguez Gacha near the town of Pacho. In a separate shootout at Rodríguez Gacha's bunker hideout, Rodríguez Gacha and several of his bodyguards were killed. On Jan. 24 and 28, in followup raids on two other ranches owned by Rodríguez Gacha, the Army seized large stockpiles of weapons—the majority of which were made in Israel. The Galil rifle used to assassinate Colombian presidential candidate Luis Carlos Galán in August 1989 was part of the shipment.

The discovery of the Israeli weapons caches prompted the Colombian government to make a formal inquiry to Tel Aviv: To whom had those particular weapons been sold? The answer came back from the Israeli Defense Ministry: The guns had been sold to the government of the tiny Caribbean island nation of Antigua, in a deal brokered by an Israeli national named Maurice Sarfati. According to the original Israeli version, Sarfati, a resident of Antigua, had supposedly brokered the deal for the Antiguan “national security adviser”—a nonexistent post.

Many months and cover stories later, at least a semblance of the truth came out. Israeli intelligence—through a string of front companies—had been providing weapons and terrorist training to the Medellín Cartel’s assassination squads in collaboration with British mercenaries. And the entire program had been run by senior officials at the Reagan-Bush White House and administered by the CIA and Project Democracy.

In fact, the funds to purchase the weapons found at Rodríguez Gacha’s farm had been provided by the U.S. State Department through a program personally run by Assistant Secretary of State Elliott Abrams, who recently pleaded guilty to Iran-Contra crimes. The weapons were bought through a fictitious “Panamanian government in exile” nominally headed by former Panamanian President Eric Delvalle, ostensibly to arm an anti-Noriega commando operation.

That program, which was part of the Reagan-Bush anti-Noriega effort, also involved high-power Republican Party operators, including John Zagame and Richard Bond. Zagame, a former aide to Sen. Alfonse D’Amato (R-N.Y.), set up a consulting firm and hired himself out as an adviser to the Delvalle group to the tune of \$15,000 per month. The funds came from the same accounts that bought the Israeli Uzis, Galils and other weapons discovered at the Rodríguez Gacha ranches. Zagame, the last time we looked, was running a public relations firm called PanAmerican, which had only one major client: Ollie North.

At the same time that Zagame was hired on to the anti-Noriega program, the same funds were also going to another “consulting” firm, Bond Donatelli, which shared offices with Zagame in Alexandria, Virginia. Richard Bond was Vice President Bush’s deputy chief of staff and a former deputy chairman of the Republican National Committee. He was asked in 1991 to become RNC chairman by George Bush, but turned down the offer. Frank Donatelli was at one point political director of the Reagan White House.

Among the casualties racked up to the marriage of the cocaine cartel to the CIA-Israeli intelligence were thousands of innocent Colombian nationals who were victims of cartel gunmen and bombers. During one particular bloody week in June 1990, according to Colombian government reports, over 640 people died violent deaths, the vast majority at the hands of the cartel. In one November 1989 airline bombing that has been linked to Israeli-trained cartel terrorists, 117 people perished. As we already reported, one of the guns

provided by the Israeli arms merchants was used in August 1989 to assassinate Colombia’s frontrunning presidential candidate, Luis Carlos Galán. Had he survived the armed assault against him at a campaign rally, Galán would have surely been elected President of Colombia, and he was committed to an anti-drug policy dramatically in contrast to the total capitulation that has occurred as the result of his murder.

### **The Panamanian ‘Contras’**

The trainer of Rodríguez Gacha’s killer squads was a reserve Israeli Army colonel named Yair Klein. His company, Spearhead, Ltd. (Hod Hahanit in Hebrew), set up shop in Colombia sometime in the late 1980s. Besides the Israelis, in a parallel operation, a group of British mercenaries also engaged in training the Cartel hit squads, and even participated in para-military operations inside Colombia. Among the British soldiers of fortune were David Tomkins and Peter MacAleese, a veteran of the Rhodesian Army. Most of the British mercenaries were former Special Air Services (SAS) officers.

The involvement of British Intelligence in the CIA-Mossad Colombia deal was further confirmed when Louis Blom-Cooper and Geoffrey Robertson, both officials of Amnesty International, which is funded by British Intelligence, were deployed to cover up the official U.S., British and Israeli government sponsorship of the Klein operation and to pin the blame solely on officials of the tiny island of Antigua, a former British Crown Colony.

Shortly after the Medellín Cartel assassins school got going, Klein was brought into a sensitive covert action program being run by the Reagan-Bush administration: the plot to overthrow Panama’s Gen. Manuel Antonio Noriega. In 1988, Klein was brought to Miami for a series of secret meetings with Col. Eduardo Herrera, the former Panamanian ambassador to Israel. Herrera got the boot from the Tel Aviv assignment after General Noriega discovered that he was working with both the Mossad and the CIA. Colonel Herrera was then relocated to the U.S. by Elliott Abrams and was put formally on the CIA’s payroll. Colonel Klein was assigned to work with Herrera on a plan to create a Panamanian “Contra” force that would be sponsored by the United States to oust the Panamanian general, who had become a thorn in the side of George Bush.

On behalf of this secret project, Klein visited Antigua in early 1989 to solicit permission from the local authorities to establish a “VIP security guard” training academy. Sarfati, a longstanding Mossad operator who had purchased a melon farm in Antigua with U.S. government funds arranged through Bruce Rappaport, a Swiss-Israeli Iran-Contra figure who was a golfing partner of the late William Casey, set up the local contacts.

According to Col. Clyde Walker, at the time the chief of Antigua’s tiny national defense force, after he had met with Colonel Klein and Sarfati in January 1989, he made formal

inquiries with CIA officials in charge of the eastern Caribbean. In a sworn affidavit, Walker stated, "I prepared an intelligence report on Colonel Klein and all the other names in the [Spearhead] pamphlets . . . and I gave the report to United States CIA agent Robert Hogan in his hotel room at St. James Club and I requested of him some investigation into Spearhead, Ltd. and the colonel and his trainers. I also discussed Spearhead, Ltd. and Colonel Klein with chief of the CIA Eastern Caribbean Mr. George Kenning, Barbados Embassy, in my office, and also in the VIP Lounge at Grantley-Adams Airport." Some months later, says Walker in his affidavit, CIA Chief of Eastern Caribbean George Kenning "told me Spearhead, Ltd. appears to be all right."

In spite of that CIA green light, the powers that be on Antigua decided in March 1989 not to approve Klein's request for the training school.

At that moment, a shipload of Israeli arms were steaming across the Atlantic on board the Danish-flagged ship *Else TH*. On April 24, 1989, the arms were transferred at the Antigua port onto a Panamanian-registered ship, *Sea Point*, and shuttled off to Rodríguez Gacha in Colombia.

The money to purchase the 1989 weapons shipment had come from a State Department-administered account under the control of Assistant Secretary for Inter-American Affairs Elliott Abrams. The escrow deposit to insure that the hundreds of guns left Israel on time had come through the Miami branch of the Israeli Bank Hapoalim.

### Installing Dope, Inc. governments

If there were any doubt that the arming of the Medellín Cartel hit squads was part and parcel of the same program that included the Dec. 20, 1989 U.S. invasion of Panama and overthrow of General Noriega, consider the following:

After the smoke cleared in Panama—thousands of dead bodies and billions of dollars in bombed-out property later—the Bush administration succeeded in installing into the presidency a local Panamanian lawyer, Guillermo "Porky" Endara. A review of court records shows that President Endara and several of his law partners were the owners of record of the ship *Sea Point* in April 1989 when the ship had delivered the Israeli weapons to Rodríguez Gacha! They still owned the ship in late 1989 when it was stopped off the coast of Mexico and busted for carrying a massive shipment of cocaine. For good measure, over half of the crew members busted by the Mexican authorities were also on board when the gun delivery was made to the Medellín Cartel. Back on dry land in Panama City, Endara was the co-owner, along with Rodríguez Gacha, of the drug-money-laundering Banco Interoceánico.

When the lid blew on the Mossad-Medellín connection in early 1990, the Israeli government scrambled to deny that Klein was on "official business" when he trained and armed the narco-terrorists. Unfortunately for this story's credibility, Klein had been not only linked to Sarfati in his Caribbean

## War over 'Dope, Inc.' in Venezuela getting hotter

In the latest phase of the war over the book *Dope, Inc.* in Venezuela, Alejandro Peña Esclusa, secretary general of the Venezuelan Labor Party (PLV), was subpoenaed for questioning Nov. 25 by the Sixth Circuit Criminal Court of Caracas. Forbidden to have a lawyer at the closed-door interrogation, Peña was listed as a "witness" in a criminal libel complaint brought by José Rafael Revenga, head of the Gustavo Cisneros-owned Venevisión television network, against various publications and entities.

In fact, the complaint and subsequent court proceedings are intended as a judicial threat against the PLV leader by the multimillionaire Cisneros and the U.S. Anti-Defamation League. Peña had asserted in a number of recent paid newspaper ads: "In 1985, the Constitution of Venezuela was flagrantly violated when, at the request of Mr. Gustavo Cisneros and of Mr. José Rafael Revenga, the book *Narcotráfico, SA* was prohibited from circulating in Venezuela." Those ads have also targeted the ADL for its ties to drug interests.

While Peña discharged his obligations as a Venezuelan citizen by answering the court's questions, there remains the threat that his testimony at the Nov. 25 fishing expedition can be used against him, a practice permissible under Venezuelan law.

adventures but, back in Miami, Klein's Spearhead, Ltd. had been managed by two rather important Israeli operatives, Gen. Pinchas Sachar and Pesach Ben-Or. Both men were officially designated representatives of the Israeli government's Israeli Military Industry, and it was Sachar's account at the Bank Hapoalim that had received the funds from Elliott Abrams to purchase the guns routed to Colombia.

Pesach Ben-Or had been installed back during the Carter administration as the Mossad's principal arms merchant in Guatemala City, a hub of later Contra supply action. According to eyewitness accounts, Carter's National Security Adviser Zbigniew Brzezinski quietly informed the Guatemalan junta in 1978—after Carter shut down all American military aid to the country over alleged human rights violations—that Ben-Or would fill all their arms and military training requirements with the secret blessing of Washington. Ben-Or did just that—at a 600% markup. A decade later, Ben-Or was still wheeling and dealing with Guatemala—out of offices he shared in Miami with General Sachar and Colonel Klein.

## 'New world order' gang flirts with war in Caucasus

by Konstantin George

On Nov. 26, an extraordinary session of the Azerbaidzhan Parliament voted to eliminate the autonomous status of the Armenian-inhabited region of Karabakh, thus officially annexing Karabakh to Azerbaidzhan. This act set the stage for the imminent outbreak of war between the republics of Azerbaidzhan and Armenia. A last-minute agreement reached Nov. 27 after a session of the State Council in Moscow, attended by Azerbaidzhan President Ayaz Mutalibov and Armenian President Levon Ter-Petrosian and chaired by Soviet President Mikhail Gorbachov, produced an agreement from Mutalibov that the autonomous status of the Armenian-inhabited region of Karabakh would be restored. The potential of war has been postponed, but not halted.

The Azerbaidzhan Parliament also voted to create a national council, headed by communist-turned-rabid-nationalist President Mutalibov, to rule all Azerbaidzhan, including Karabakh, by dictatorship. As Mutalibov returns home to get the parliament to pass his agreement, it was expected that he would face demonstrations demanding war with Armenia.

On the same day, in the neighboring Transcaucasian republic of Georgia, the dictator-President Zviad Gamsakhurdia addressed a rally of fanatical nationalists in the Georgian capital of Tbilisi, repeating a call he first made on Nov. 21, for "all Georgians who can carry a gun . . . to take up arms" and march on South Ossetia, a region of Georgia bordering on the Russian Federation. South Ossetia has been racked by a bloody low-intensity conflict between its Georgian minority and Ossetian majority since a December 1990 edict by Gamsakhurdia revoking its autonomous status.

Within hours of Gamsakhurdia's fiery address, units of the Georgian National Guard, as its nascent army is called, equipped with tanks, armored vehicles, and artillery, were moving on several fronts into South Ossetia. Already on

Nov. 23, in a parallel to what Serbia had done against the Croatian city of Vukovar, Georgian units had surrounded and laid siege to the South Ossetian capital of Tskhinvali. In response, the local South Ossetian authorities ordered the immediate mobilization for all able-bodied males between the ages of 18 and 60.

Through the actions of these despots, Mutalibov and Gamsakhurdia, the nightmare of simultaneous bloody wars in the Transcaucasus and adjoining North Caucasus regions of the former U.S.S.R. has come closer. The grave danger of spillover also extends into the autonomous republics of the North Caucasus region of the Russian Federation. Thus, Russian military involvement at some point looms, and the danger of escalation to a global crisis.

The regional crisis spawned by these wars in the Transcaucasus will embrace, for starters, Iran and Turkey, both of which border the Transcaucasus. The crisis in the Caucasus is being manipulated as the primary tool of the Bush administration, British, and Israeli interests in order to keep Eurasia unstable and maintain their monopoly of power. But they are flirting with world war.

### The pretext

The immediate trigger to the Nov. 26 events was the Nov. 21 downing of a Soviet helicopter containing high-ranking officials from Azerbaidzhan, Russia, and Kazakhstan, who were involved in trying to mediate the Azerbaidzhan-Armenia conflict. All 22 on board were killed. It occurred over Armenian-controlled territory, and immediately produced a flood of unproven and, given Armenia's predicament, absurd Azerbaidzhani allegations that the Armenian government had ordered the atrocity. The victims included a deputy prime minister and a state secretary from Azerbaidzhan, the deputy

commander of Soviet Interior troops in the North Caucasus, the chief prosecutor for Karabakh, a deputy interior minister of Kazakhstan, and a member of the Russian Parliament.

The helicopter crash gave Azerbaidzhan its pretext to demand what it had been preparing for—war against Armenia. Since October, the Mutalibov regime had imposed a crippling energy, rail, and road blockade against Armenia. After the helicopter crash, Mutalibov announced that the blockade would become “complete.” To date, all attempts by Armenia, which is landlocked, to reach understandings with its other neighbors to circumvent the blockade have failed. Georgia has, in a silent but deadly way, joined Azerbaidzhan in blockading Armenia. Turkey, the first foreign country to recognize Azerbaidzhan as an independent state, has also refused to allow goods into or out of Armenia. The only overland route which could be open to Armenia, which faces a dreadful winter, is through Iran, and that is a slim hope.

Urgent warnings to prevent an Azerbaidzhan-Armenia war were issued Nov. 23 by “Soviet” Foreign Minister Eduard Shevardnadze. He called on both parties to “maintain the wisdom, self-control, and ability to listen to one another,” warning that “giving in to emotions leading to war between the republics” would be a “fatal danger.” His appeal concluded: “Only one step is lacking before a world conflict” emerges.

The appeal fell on deaf ears. On Nov. 24, as Mutalibov was proclaiming the completion of the blockade, Samed-Sade, head of the Azerbaidzhan delegation in the peace talks with Armenia, announced Azerbaidzhan was breaking off the talks. Then followed two days of orchestrated demonstrations on Nov. 24 and 25 in Baku, the Azerbaidzhan capital, by rabid nationalists who were demanding war against Armenia.

### **Global conflict and nuclear ‘proliferation’**

Based on the signals appearing in the media, the United States, Britain, and Israel appear poised to enter the former U.S.S.R. and internationalize the conflict and even to send in troops, on the pretext of stopping the proliferation of nuclear weapons. Since August, there has been a drumbeat of “concern” voiced from these quarters, over the acquisition of nuclear weapons by former Soviet republics and by Iran.

- Establishment mouthpiece Leslie Gelb, in the context of urging Bush to send food and aid to the Soviet Union, in the Nov. 24 *New York Times* virtually called for U.S. military intervention to seize Soviet nuclear warheads. “The spread of Soviet nuclear weapons could present the greatest threat to world peace, and there is only one way to guard against their misuse, theft, or sale. This is a joint crash effort by U.S. and Soviet specialists to secure them,” he wrote. Gelb claimed that U.S. military forces are “ready to help their counterparts gather and destroy Soviet nuclear weapons.”

- The U.S. Congress allocated, in lieu of a \$1 billion food and medicine aid package to tide the former Soviet Union through the winter, a half-billion-dollar package to dismantle Soviet nuclear weapons.

- The Nov. 24 *London Times* revved up fears of nuclear proliferation in the ex-Soviet republics in an article headlined “Analysts Fear Soviet Nuclear Warfare.” It reported on a CIA analysis completed in November and submitted to George Bush and British Prime Minister John Major. The article warned of a “nuclear Yugoslavia” emerging in the Soviet Union. The problem is that people are very well-armed and hungry, and will likely want to sell off some 5,000 tactical nuclear weapons to those with the money and food to buy them, the paper said.

The *Times* quoted intelligence sources as saying that the crisis in the Soviet Union is far worse than anyone believed. It is expected that Soviet production will go down by 70% in 1992. Before, analysts believed there would “only” be pockets of starvation, but now it is clear that there will be a total food crisis. The “whole Soviet structure will implode,” the *Times* warned.

- British Defense Secretary Tom King voiced fears on Nov. 23 for the security of the vast nuclear arsenal scattered around a disintegrating Soviet Union, Reuters reported. He told the British Parliament he had been assured by Soviet authorities that missiles remained under sophisticated control systems. But, he said, Soviet republics were in a “confused” state and there were questions about the loyalty of elite troops assigned to guard nuclear weapons. A possibility exists that the West might find those forces “actually not paid, actually not fed, seemingly abandoned by their authorities, which has to be a risk.” King said the vast number of warheads meant that destroying them would take a considerable time. King also said that 15 countries around the world had a ballistic missile capability, and that there would soon be 20 including Pakistan, India, Libya, Iraq, and Iran.

- An editorial in the Nov. 21 *Jerusalem Post* showed that Israel is claiming a “right” to militarily intervene into this regional conflict: “As Science and Energy Minister Yuval Neeman warned in a message to President Gorbachov earlier this week, nuclear weapons which used to be under exclusive central control in the Soviet Union may now be in the hands of newly independent republics. It is of little comfort that some of these republics are signatories to an agreement which puts their arsenal under Moscow’s exclusive authority. As the Soviet Defense and Interior ministries announced on Soviet television [on Nov. 19]: ‘Steps taken by some of the republics’ leaders are endangering the authority of the central command in Moscow.’ In what threatens to be an anarchic situation, the chances of nuclear weapons falling into hands hostile to Israel are all too real.”

- Israeli defense analyst Alon Pinkas indicated that Israel would, for regional advantage, welcome a broader conflagration in order to stop Iran from becoming a nuclear power. “The eight-year war between [Iran and Iraq] was a strategic blessing in disguise for the region. When it was all over the two seemed to have weakened each other considerably,” he gloated in the Nov. 21 *Jerusalem Post*.

# George Bush's deal with Colombia's Medellín Cartel explodes in his face

by Andrea Olivieri

President Bush's alliance with the cocaine-trafficking Medellín Cartel, evidence of which has remained in the shadows of the Iran-Contra scandal for years, has now exploded onto the public scene. In a deal which has revolted even some of the more hard-bitten elements of the corrupt U.S. justice system, the federal prosecution in the Miami trial of Manuel Antonio Noriega has offered as yet unspecified terms of leniency to cartel founder Carlos Lehder Rivas. In exchange, Lehder—who is currently serving a life sentence in the U.S. without parole—is to give testimony designed to bolster the prosecution's blundering case against the first Ibero-American leader to launch a real war on drugs, who said “no” to Panamanian support for the Reagan-Bush Contra policy, and who insisted on full U.S. compliance with the U.S.-Panama Canal Treaties.

The prosecution's deal with a self-avowed Hitler worshipper who has publicly sworn to use cocaine as a “revolutionary weapon” to destroy the United States, has now blown up in George Bush's face. During Nov. 25 testimony in a Miami courthouse, Lehder was forced to admit under intense cross-examination by Noriega defense attorney Frank Rubino that the Medellín Cartel had passed at least \$10 million to the U.S.-spawned Contra rebels, through U.S. government intermediaries! In testimony several days earlier, Lehder had revealed that an unnamed U.S. diplomat had offered the Colombian trafficker a “green light” to smuggle cocaine into the United States, in exchange for aid in smuggling weapons to the Contras.

According to Nov. 26 coverage in the *Washington Post*, Lehder's admissions corroborate testimony that had been given to a Senate subcommittee hearing back in 1987, to the effect that CIA agent Félix Rodríguez (a.k.a. Max Góomez), with “close ties to Donald Gregg, then national security adviser to Vice President Bush,” had channeled \$10 million worth of Medellín Cartel drug profits into Contra supply operations run by North.

Although that testimony was buried in 1987, and despite the fact that this publication had documented these Contra drug links at least one year earlier, Lehder's revival of the story today is causing quite a scandal. Jack Blum, the chief

Senate investigator behind the 1987 hearings, claims that Lehder's admissions “leave the government in an astonishing position, [since] he's their witness, and they can't impeach him.” In fact, notes Blum, precisely because “it is against his interest” to say anything that undermines the prosecution's case, “you have to ask why he would put this out.” Noriega's current defense strategy rests on the claim that any “collaboration” by him with the drug cartels was *at the behest of U.S. government agencies*.

In statements made during ABC's Nov. 25 “Nightline” television program, Blum confirms that the U.S. Justice Department had deliberately buried the 1987 testimony, because “they were trying to keep the Contras clean and make sure that that didn't lead to a vote that would cut off any new assistance to the Contras. [The cover-up] was really quite political, and it is something of a vindication to hear Carlos Lehder testifying to this today.”

## López Michelsen, the ‘Godfather’

Lehder delivered yet another bombshell when he revealed that former Colombian President Alfonso López Michelsen, the head of Colombia's ruling Liberal Party and long considered a friend to U.S. political interests, has been the “political godfather” to the Medellín Cartel for nearly a decade. Confirming information that *EIR* first made public in 1984, Lehder testified that López had accepted nearly \$1 million in cartel contributions to his (failed) 1982 presidential bid, was adopted as the traffickers' “political godfather” by cartel chieftain Pablo Escobar Gaviria, and that the highly influential ex-President had interceded repeatedly on behalf of the cartel ever since.

Noriega's defense lawyers immediately sought, and won, a subpoena to force López—who happened to be in Miami at the time—to testify at the Noriega trial. Colombian President César Gaviria rushed to contact the U.S. State Department and demand immunity for López, but the former President's diplomatic passport was blocked while the U.S. State and Justice Departments feuded over whether to let him leave the country. Noriega's defense team's efforts were thwarted when Venezuelan President Carlos Andrés Pérez, an intimate

## López Michelsen on the hot seat

On July 26, 1984, Colombian anti-drug fighter Patricia Paredes de Londoño was abducted on the streets of Bogotá, Colombia and subjected to druggings and “Patty Hearst-style” brainwashing techniques by figures linked to the drug cartels. Londoño, editor of the magazine *Guerra a las Drogas (War on Drugs)*, is married to Maximiliano Londoño, vice president of Colombia’s National Anti-Drug Coalition. Following an intense mobilization from anti-drug forces worldwide, including the efforts of this publication, Mrs. Londoño was freed on Aug. 1.

In mobilizing to win Londoño’s release, anti-drug forces targeted the so-called “citizens above suspicion” who stand behind the drug cartels, such as former Colombian President Alfonso López Michelsen. It was perhaps no accident that just prior to Londoño’s kidnaping, López had given a major press interview revealing his role as “political godfather” to the cocaine cartels. In that interview, López was asked why the country’s drug traffickers had sought him out as a mediator for conducting negotiations with the government, to which López revealingly responded: “Ex-Presidents . . . are a kind of mailbox. I get all kinds of tragedies and people’s problems here. *From a woman who quarrels with her husband, to some-*

one whose home is about to be auctioned at the bank” (emphasis added).

Significantly, Londoño’s captors later told the police that she had willingly gone with them following “a quarrel with her husband.” López was to repeat that formulation.

Immediately following Londoño’s release, López announced that he was leaving Colombia for an extended stay of at least three months in Europe. On Aug. 21, 1984, then-President Belisario Betancur made public the text of a telegram sent to him by López Michelsen from Paris:

“In Panama, New York, Copenhagen, and presumably all over the world, an *Intelligence Executive Review* [sic] story is being circulated, according to which I have been in the service of the drug mafia, threatening Your Excellency, and sponsoring the so-called kidnaping of Mrs. Paredes de Londoño, who is supposedly married to the president of the Andean Labor Party and the Anti-Drug Coalition, and who has emerged to explain her absence as a dispute with her husband. . . .

“I think that I—as an ex-President of Colombia and friend of your Excellency . . . have the right for my honor not to be so damaged universally and in newspapers such as *ABC* of Madrid, in the face of the indifference or silence of the agents of the Colombian government, whatever their political affiliation might be.”

López today is protesting that his honor is being damaged by Carlos Lehder. Perhaps no one has told him there is no honor among thieves?

of López Michelsen and vice president of the Socialist International, sought and received George Bush’s permission to whisk López out of the country on a Venezuelan jet.

But not before López issued a furious denunciation of the U.S. plea-bargaining system: “What is inexplicable is how U.S. justice encourages these kinds of statements, offering reductions of sentences for people who break the record for slanderous allegations . . . criminals in the process of saving their skins.” Ironically, López was personally instrumental in the Colombian government’s adoption of a U.S.-modeled plea-bargaining system earlier this year, through which Lehder’s former associates—Pablo Escobar, the Ochoa brothers, and others—were induced to “surrender” to Colombian authorities, *under terms they themselves have dictated!*

Although President Gaviria was quick to issue an official statement decrying the “false charges” against López, and describing the former President as a “fervent partisan of social justice and untiring worker for Latin American unity,” the Colombian population knows otherwise. During his 1974-78 presidency, López established the banking and tax “reforms” which opened the Colombian economy to the drug trade. When he departed from the presidency, he left behind

a political machine inside the Liberal Party which has fought “untiringly” for more than a decade to legalize drug trafficking.

In 1984, *less than one week* after the Medellín Cartel stunned the nation by sending assassins to murder justice minister and anti-drug warrior Rodrigo Lara Bonilla, López Michelsen traveled to Panama to meet with the fugitive chieftains of the cartel, and to convey their offer of billions of dollars in drug profits in exchange for an amnesty by the Colombian government. According to Lehder’s recent court testimony, Lara Bonilla was murdered precisely to prevent him from revealing López’s relations with the cartel.

In February 1987, López called on then-President Virgilio Barco to begin negotiations with the cartel. Again, in 1989, López charged that it was the Barco government’s refusal to negotiate a deal with the cartel that was responsible for the narco-terrorism ravaging the country. In a Nov. 3, 1989 address, just a few months after the cartel assassination of front-running anti-drug presidential candidate and López nemesis Luis Carlos Galán, the Godfather argued, incredibly, that “the so-called war against drugs [constitutes] a new element of destabilization” against Colombian society. And

in February 1990, López formed a group of influentials calling themselves “the Notables,” to offer themselves as a vehicle for negotiating the “surrender” of the cartel chieftains, while publicly promising the cartel “benevolent treatment.”

In May 1990, several of López’s closest accomplices were arrested by the Colombian military on charges of “aiding and abetting narco-terrorism.” It was simultaneously reported that the Army was in possession of a tape-recording implicating López himself. That tape-recording never made it into the courts, nor did López, despite a May 22, 1990 subpoena issued by a judge investigating “accessories to

narco-terrorism.”

The courts may have been bought, but the Colombian people were never fooled, and they certainly don’t need Carlos Lehder to tell them now what they’ve known all along. For years, anonymous patriots have been splashing the walls of Bogotá and other Colombian cities with the painted slogan “López, El Padrino” (“López, The Godfather.”) Visitors to Colombia may well be perplexed by another commonly appearing slogan: “El Pollo Pone Huevos de Coca” (“The Chicken Lays Coca Eggs”). However, every Colombian knows that *El Pollo* is López Michelsen’s official nickname.

## You read it first in EIR

*It is not necessary to rely on the tainted testimony of a crazed cocaine trafficker like Carlos Lehder to learn the facts about either the “narc-Contras” or Alfonso López Michelsen. The truth on both counts has been in the public domain for years, thanks to EIR. The coverage is from EIR unless otherwise indicated.*

### Narc-Contras

**July 1986:** *EIR White Paper: Who Wants to Destabilize Panama and Why?*: “Thus, [Elliott] Abrams has adopted the role of ‘Mr. Contra’ for the Reagan administration. Despite the widespread discrediting of the Nicaraguan insurgents for being up to their necks in drug trafficking, Abrams has not only been their fanatic defender, but has devoted the past few months to a series of personal meetings with the ‘Contra’ leadership to try to force through a ‘reorganization,’ or face-lift, of the motley crew.”

**Dec. 19, 1986:** “From the beginning, the Contras policy was designed to provide a ‘conservative’ cover for the sellout of Central America to Soviet-run narco-terrorists struck with the Soviet Union by Jimmy Carter’s Trilateral Commission government. Carter administration officials spoke of perpetual warfare in Central America, and argued that the United States could not allow any faction—‘left’ or ‘right’—to win. Central America’s militaries were cut off from U.S. assistance, and control handed over to Israeli arms- and drug-running networks under the Carter administration—*policies continued under the Reagan presidency by means of the Contras policy.*”

**Jan. 23, 1987:** “Long before ‘Irangate,’ *EIR* warned that President Reagan risked the biggest scandal of his presidency, if he continued with his ‘I’m a Contra’ policy. Even in the absence of the now voluminous evidence in the possession of the government, *EIR* characterized the



Contra-Sandinista struggle as an internal fight within the Central American branch of Dope, Inc., and urged that Reagan drop the Contras before his entire War on Drugs wound up in shambles.”

### López Michelsen

**September 1984:** *EIR White Paper: Narco-Terrorism in Ibero-America.* “Patricia Londoño’s abduction came in the midst of an all-out war by Colombia’s drug traffickers, who are getting political leadership from former President Alfonso López Michelsen, against the government of President Belisario Betancur.”

**April 1986:** The second edition of the book *Dope, Inc.*, by the editors of *EIR*, is published. “As President of Colombia from 1974 to 1978, López virtually organized the expanding narcotics traffic from the top. . . . Despite significant funding from such known, convicted dope traffickers as Carlos Lehder—whom we will meet later as Robert Vesco’s and Fidel Castro’s business partner—López’s 1982 attempt at a political comeback failed.”

**June 1, 1990:** *EIR* cover story, an updated exposé of Alfonso López Michelsen’s role in sponsoring the drug trade in Colombia, is entitled “Wanted: The Godfather of Colombia’s Drug Cartels.”



# Venezuelan President in Brazil, leads club of criminal fools

by Silvia Palacios

While George Bush's popularity is plummeting in the United States, the Ibero-American President who has most tied his political fortunes to the U.S. and its collapsing economy—Venezuelan President Carlos Andrés Pérez, known as CAP—just concluded a state visit to Brazil on behalf of Bush's "new world order." Along with Argentina's Carlos Menem and Mexico's Carlos Salinas de Gortari, Pérez leads the "Club of Fools" of Ibero-American heads of state who think they can advance the Anglo-American establishment's agenda, and prop up the international banking system's failing institutions, without unleashing political, economic, and military upheaval in virtually every country. Even while CAP was doing Bush's bidding in Brazil, social conflict in Venezuela forced his own defense minister to deny rumors of a military coup.

If it were only a matter of foolish behavior, one might laugh at the pathetic CAP. But the Venezuelan President, together with Bush's other fawning admirers among Ibero-American heads of state, will kill millions of people before they are through. In Brazil, Pérez called on all Ibero-American governments to unite behind the International Monetary Fund's demand that they "pay the interest and principal on their foreign debts." He issued wildly provocative attacks on Brazil's armed forces, at a moment of extreme tension in that institution's relations with the Collor de Mello government; and he fully backed the environmentalist movement's offensive against Brazilian sovereignty, expressed in the organizing for next year's "Eco-92" conference in Rio.

Collor de Mello, who has often been forced to consider his country's national interests in making both domestic and foreign policy decisions, jumped with abandon into Pérez's Club of Fools. The final communiqué issued by the two Presidents bound their nations to U.S. policy for the region, which among other things, contemplates imposing "limited sovereignty" over the strategically important Amazon region. For the first time, Brazilian foreign policy doffed its previous studied ambiguity, and fully joined Bush and Pérez's latest initiative to transform the Organization of American States (OAS) into a supranational force to intervene anywhere on the continent, as recently threatened against Haiti.

The communiqué included statements supporting two concrete instances of "limited sovereignty": the Brazilian

government's decision to create an enormous reserve for the Stone Age Yanomami Indian tribe, which Brazil's own Army cannot enter even for purposes of national defense; and, second, a call to replace Surinam's Army commander, under implied threat of economic or military aggression by the OAS to back up the demand.

## 'Protecting' the Yanomami Indians

The joint communiqué affirmed that "President Carlos Andrés Pérez emphasized the importance of the Brazilian government's recent decision to create a reserve for the Yanomami Indians, in an area of 9.4 million hectares." Several times during his visit, Pérez said that he was establishing a "Yanomami park" in Venezuela as well, which, in a moment of unguarded demagoguery, he referred to as "the patrimony of humanity."

CAP also provocatively backed the Collor government's decision to deny the Brazilian armed forces' request that the border of the Yanomami reserve leave a 150 km strip along the Venezuelan border that could be patrolled to ensure the integrity of the borders—a request ignored by Collor. In a Nov. 20 press conference, Pérez said that "such a security strip is useless, it makes no sense," and denied that there was any danger to Brazil from foreign countries to "internationalize the Amazon." The Venezuelan President even boasted that while the concept of "national security" had once prevailed in his own country, it was now outmoded.

Pérez went out of his way to insult the military of both nations, labeling Venezuela's as a mere institution of force, which fortunately has learned the lessons of the new world order. "I believe that in Latin America everything has changed quickly and for the better. Venezuela today has great pride in its Armed Forces, which once were an obstacle to the development of democracy, but now are integrated into democratic development." In Brazil, CAP added, "the same thing is happening."

## The Surinam scenario

Within the last several months, the possibility of a NATO invasion of an Ibero-American country—the first such action since the 1982 Malvinas War between Britain and Argentina—has reemerged, in threats from the United States and

Europe against the former Dutch colony of Surinam, which borders Brazil and Venezuela. The issue is the U.S. Justice Department's charge that Surinamese Army Commander Col. Desi Bouterse is involved in drug trafficking, and that Surinam is fast becoming a big drugs transshipment corridor. The matter was discussed privately between Bush and Collor in Washington in June, and it came up again during Pérez's visit.

As in Panama earlier and now in Haiti, the Bush administration is using the charge of drug trafficking as an excuse to demand the installation of a pro-IMF "democracy." The campaign against Colonel Bouterse has an additional target: Brazil's sovereignty over the Amazon. Last August, the Dutch newspaper *NCR Handelsblad* revealed parts of this "Surinam scenario." It reported that the U.S. Drug Enforcement Administration (DEA) is circulating a file in Holland linking Colonel Bouterse with Colombian cocaine trafficking, a report which could be used to justify a foreign military intervention much like the 1989 U.S. invasion of Panama to kidnap Gen. Manuel Noriega.

According to *NCR Handelsblad*, Dutch Foreign Minister Hans van den Broek favors military intervention to restore "order and democracy" in Surinam, and a resolution calling for such action passed the Dutch parliament last May. (Van den Broek is so democratic that as EC "peace envoy" he has handed over democratic Croatia to slaughter by communist Serbia.) The Aug. 17 issue of *Jane's Defense Weekly* reported that former Surinam Vice President Andre Haakmart, in exile in Amsterdam, recently said that "a task force" of OAS nations, backed by Netherlands, must be sent to Surinam, as the only way to keep the country from becoming the main exporter of cocaine in the region.

The Nov. 4 *Washington Post* ran a propaganda piece claiming that Surinam has become one of the major drug-trafficking centers, an important transshipment point in the cocaine route to Europe and to the United States. The article ignored the fact that Surinam lacks the communications and transportation infrastructure necessary for such a volume of drug trafficking.

Once in Surinam, whose jungles are contiguous with Brazil's Amazon region, NATO will have an onshore military base from which to threaten Brazil's vast Amazon territory, which has been the object of a worldwide campaign to limit Brazil's sovereignty over it. This is where the Brazilian Armed Forces' concern for defending national borders, CAP's opposition to that, and his backing for "democracy" in Surinam, all come together.

### **The rebirth of nationalism**

In the case of the tremendous pressures being exerted on Brazil, especially the "ecological" ones, the only support Collor got was from Pérez, the Anglo-American press, and the handful of environmentalists in the Brazilian government, who work for the British oligarchy.

Indeed, within Brazil, the decision on the Yanomami is a fighting matter for various nationalist groups. As soon as Collor made public his Nov. 15 decree setting aside the Yanomami reserve, the Armed Forces reiterated that they were utterly opposed. The military commander of the Amazon, Gen. Antenor de Santa Cruz, famous for having publicized last year the unanimous evaluation of the Armed Forces on the dangers of internationalization of the Amazon, posed the question, "Once demarcated, who is going to control this vast territory?" On Nov. 21, he said, "This is crazy. The Yanomami reserve is larger than the state of Pernambuco." He explained that the Army has no problems with the Indians, but only with their "self-appointed spokesmen." He pointed out that there exists "an extraordinary international interest in the Yanomami case"—an interest related to "the mineral riches of the region, gold, cassiterite, diamonds, and other strategic minerals."

The Brazilian press has churned out articles criticizing the Yanomami reserve and tracing it to Bush's new order. "It is incredible that Collor de Mello, in the name of protecting the Yanomami, has given them a reserve of 9.2 million hectares [22 million acres], an area twice the size of Holland or Belgium, in a region of abundant mineral deposits. . . . All of this is a well-thought-out plot, with the participation of our homegrown elites, together with the Council of the Americas of David Rockefeller, the Trilateral Commission, restructured by Henry Kissinger and Zbigniew Brzezinski, for the purpose of bringing about the submission [of the continent] to the new order," said one commentary published in *Jornal do Comercio*.

*Ombro a Ombro*, the widest-circulation periodical among the Armed Forces, devoted its November editorial to a defense of nationalism: "The resurgence of military nationalism, so-called by the media which are apparently angry at the phenomenon . . . is the fruit of the recognition that Brazilian patrimony is at risk. Sometimes it is [provoked] by international greed over the Amazon, and other times by resentment over unacceptable privatization of state sector companies. It is the awakening of people's awareness that, over time, Brazilian sweat has been transformed into the liquor of the rich countries, [which are] getting richer all the time."

Sen. José Sarney, himself a former President, has sniffed the political winds blowing against Collor. According to press reports, Sarney said that since Collor took office, the Armed Forces have twice ordered large-scale alerts, presumably warnings to the government. He may have been referring to maneuvers ordered by the Armed Forces in two states not far from the Yanomami reserve, the day after Collor issued his decree. Sarney further took aim at the way in which the Collor government is seeking artificially to include Brazil in the "First World" (of industrialized countries). "For this," Sarney said, "you have to have a winning hand, but Brazil doesn't have one."

# India and Pakistan balk on signing NPT

by Susan Maitra and Ramtanu Maitra

U.S. Undersecretary of State for Internal Security Reginald Bartholomew's Nov. 19-25 visit to the Indian subcontinent, which aimed to persuade India and Pakistan to sign the Nuclear Non-Proliferation Treaty (NPT), met with mixed responses. While Pakistan reasserted the necessity for establishing a nuclear-free zone in South Asia, India rejected Bartholomew's request, but agreed to study the U.S. suggestion.

The buildup to the Bartholomew trip was quite disproportionate to the outcome. In India, particularly, hackles were raised over a number of events recently. In one way or the other, these events involved the United States and were a preview of what the State Department official would be demanding.

## Nuclear-free zones in the 'new world order'

The first salvo was fired in mid-November, when the United Nations General Assembly voted overwhelmingly in favor of the Pakistani proposal for a South Asian nuclear-free zone, despite India's spirited opposition. The proposal is Pakistan's chosen card in this game, with which it hopes to protect its own nuclear options and keep both India and the superpowers on the defensive. The Soviet Union of Leonid Brezhnev had for many years helped India to block such proposals from a vote at the United Nations. But, not so this time. Both the Soviet Union and the United States backed the proposal, isolating India in the process.

To many Indians, the Soviet vote was cruel, a kick in the teeth; others expected it. It is evident that the Soviets voted against India, not only because Moscow now believes that it is not necessary to hand out special favors to New Delhi, but also because it wants to be consistent with its traditional policy of backing nuclear-free zones.

According to one analyst, it is the U.S. vote that sent a message. Washington, which has cut off all military and economic aid and made public its displeasure over Pakistan's covert efforts to develop nuclear weapons, had no qualms about supporting the proposal, whose core theme has been violated by the proposer itself. In addition, the United States threw consistency to the winds, opposing the creation of nuclear-free zones in Europe, the Korean peninsula, South-

east Asia, and the South Pacific, while endorsing the proposal for South Asia. The message, as understood in New Delhi, is the Bush administration's determination to make the non-proliferation issue one of the centerpieces of the "new world order."

## Deal with Iran opposed

A few days later, the stakes were raised further, when the *Washington Post* puffed a leak from a Bombay paper on India's plans to sell a 10 megawatt research reactor to Iran, the arch-enemy of the United States in West Asia (notwithstanding the Iran-Contra arms deal, which also involved Israel and Pakistan). Never mind the fact that the United States itself had supplied Iran with a 5 megawatt research reactor which is still operating. The record was set straight by India's Atomic Energy Commission chairman, Dr. P.K. Iyengar.

The *Washington Post* article triggered off the usual tough rhetoric from the U.S. State Department. When the dust settled somewhat, a few facts came to light. First, while Washington questions Iran's integrity, although Iran is a signatory of the NPT, it is simultaneously pointing an accusing finger at India for engaging in "horizontal proliferation." Second, India has made it clear that if and when a reactor is sold, a tripartite arrangement involving Iran, India, and the International Atomic Energy Agency will be made, ensuring full safeguards, as required by a nuclear weapon state.

## Pressure on Pakistan

In such an environment, Bartholomew went on to pressure Islamabad to sign the NPT. Since it was obvious to Washington that no political leader in Pakistan can sign the NPT, and thus give away the country's own security, Gen. Joseph Moar, commander-in-chief of the U.S. Central Command, was also sent to Pakistan to dangle a few carrots before the most organized and powerful of all Pakistani institutions, the Army. These carrots, as reported in the media, included acceptance of Pakistan in the yet-to-be-finalized Persian Gulf security arrangements and resumption of military hardware to Pakistan, if the latter signs the NPT. There was also speculation that General Hoar might have proposed the possibility of setting up a revived version of the old SEATO pact, which would include Pakistan. This speculation gained ground when General Hoar's trip was quickly followed by two high-level military delegations from Italy and Great Britain—both members of NATO.

But despite such elaborate efforts, available reports indicate that Bartholomew's trip failed to generate much enthusiasm in Pakistan. Prime Minister Nawaz Sharif, who is besieged with domestic political problems, has simply reiterated the Pakistani proposal that sailed through the U.N. General Assembly, and effectively left the next move up to Washington. Bartholomew reportedly told Indian officials

that he has a card to play and that he had cautioned Pakistan to restrain itself from aiding and abetting terrorism inside India. But Secretary Bartholomew never identified just what stick the United States proposes to use if Pakistan throws caution to the winds, and, as a result, few in New Delhi believe that Islamabad's response to the warning will be meaningful.

### **India is unenthusiastic**

In India the situation was slightly different. The United States is aware that India has the capability to make nuclear weapons, if it so chooses, at the drop of a hat. It is also understood that India is not at all willing to give up its fully developed nuclear option, no matter how much assurance Washington pours into India's ears about U.S. control over Beijing and Islamabad. It is obvious, then, that a dialogue is called for and a comprehensive arrangement which satisfies both parties is necessary.

Bartholomew did not come with any deal worked out. Politely acknowledging the "good intentions" of the United States, India continued to express its reservations about a nuclear-free zone in South Asia when its immediate neighbor, China, is sitting pretty with a formidable nuclear stockpile. Indian leaders told the U.S. official that while India is not rejecting out of hand the proposal that the United States, former Soviet Union, China, Pakistan, and India hold a conference to work out the nuclear-free zone, it would nonetheless like a direct arrangement with Pakistan without involving the United States, the Soviet Union, and China.

Bartholomew made it known to the Indians that the United States would be happy to see real improvement in Sino-Indian relations, and insisted that any suspicion in India about China's intention to harm India in any way is unjustified. He also repeatedly assured the Indian side that China will sign the NPT, and when it does, it will be bound by the protocols of the NPT, which will prevent it from exporting nuclear material to non-signatory countries.

But since India's main concern is China, with its nuclear arsenal, any pressure exerted on New Delhi to sign the NPT and give up its own nuclear options, will be fruitless. Under the terms of the NPT, only those signatories that exploded a nuclear device before 1968 can be classified "nuclear weapons states" and allowed to keep their nuclear weapons capability intact. The thought that China will become the only Asian nation with a nuclear stockpile that can threaten the neighboring nations will hardly inspire New Delhi to compromise or be more accommodating on the NPT issue.

Under the circumstances, it would be easier for New Delhi to sign the NPT if India were given the status of a nuclear weapons state. If Washington wants to make the non-proliferation issue part of its new world order, it is becoming increasingly clear that it would have to make some difficult deals in South Asia, where the nuclear threshold has been crossed.

## **U.S. threats against North Korea escalate**

by Michael Billington

The United States further escalated a campaign against North Korea in late November, attempting to coerce other Asian nations to participate in joint actions aimed at forcing North Korean compliance with the dictates of the "new world order." Defense Secretary Richard Cheney and Joint Chiefs of Staff Chairman Gen. Colin Powell visited South Korea on the heels of Secretary of State James Baker III, whose trip was a generally acknowledged failure, and issued new demands.

Baker had been rebuked by both China and South Korea for demanding that a coalition of Japan, the Soviet Union, China, and the United States be given joint power (with the two Koreas) in determining the direction of policy on the peninsula. China rejected the plan as an attempt to "gang up" against the sovereignty of their ally, and South Korea then refused to submit to such supranational control, insisting that the issues between the divided Koreans must be settled between themselves.

Secretary Cheney downplayed the "coalition" part of the proposal, but reiterated the demand that the North open up its nuclear research and development projects to international inspection. He hinted (through unnamed "high government officials") that nothing less than shutting down the nuclear waste-reprocessing facility now under construction in North Korea would satisfy the United States.

### **Target: peaceful uses of nuclear energy**

North Korea has become a "target of convenience" to extend the anti-nuclear policies developed since the Iraq war. Using the hysteria generated around the war to justify the blatant destruction of the notion of national sovereignty, the U.N.'s International Atomic Energy Agency is being transformed into a policeman against even peaceful uses of nuclear energy, under the excuse that some of the technologies could potentially contribute to weapons production.

South Korean officials are anxious to prevent the development of nuclear weapons in the North, but they want to preserve their national sovereignty, while moving toward eventual reunification. Besides rejecting Baker's call for foreign control over the issues between North and South, the South Korean Defense Ministry Nov. 18 also accused the U.S. of refusing to transfer the technology necessary to make the South Koreans capable of self-defense. Reuters quoted the ministry: The U.S. "wall for protecting its technology has been thick, and in particular, it is almost impossible for us to cooperate in high-technology transfers." They indicated that

they would be forced to look to Europe and the Soviet Union for the defense technology which they have been denied.

Secretary Cheney made no concessions on the issue of technology transfer, in keeping with the Bush administration policy of "technological apartheid" against the Third World. But Cheney did announce the postponement of the scheduled U.S. troop withdrawal from the U.S. bases in South Korea, calling the North's nuclear research "the most serious threat to peace and stability" in the region. He accused the North Koreans of "40 years of aggression, terrorism, and irresponsible weapons sales." Japan joined the attack, calling the North Korean nuclear program "our country's foremost security threat."

North Korea announced in its official newspaper *Rodong Sinmun* that Cheney's new arrangement with the South made a "provocation of an adventurous war against the North a *fait accompli*." Sources in the U.S. intelligence community say that North Korea officials warned the Soviets last year, when Mikhail Gorbachov moved to establish relations with South Korea, that they would be forced to develop an independent nuclear weapons capability if they were to lose the Soviet nuclear umbrella. Facing the massive U.S. nuclear weapons deployment in the South, they may well have made such a decision. On the other hand, since the fall of the Soviet Communist Party, they have moved to establish relations with Southeast Asian nations and to talk to the South about reunification. They deny any ongoing or planned development of nuclear weapons, and have agreed to allow the inspections on the condition that the peninsula be made into a nuclear-free zone—i.e., that the U.S. remove its nuclear weapons—and that inspections in the South take place simultaneously. Bush has announced the removal of all tactical nuclear weapons (the U.S. previously denied that it even had any such weapons in Korea), while not mentioning strategic nuclear weapons.

The primary factor, however, is not the nuclear issue, nor even the instability of the North Korean regime and its Chinese allies—but the insanity of President George Bush. Faced with the collapse of the U.S. economy, along with his paper-thin "popularity" at home, Bush appears ready to launch another military adventure to attempt to cover over the economic debacle. In late November, the administration announced possible military operations against Libya and stepped-up efforts against Iraq. That Bush believes that a military adventure in Asia would function as it did in the Middle East is indicated by the repeated comparisons between Iraq and North Korea (see *EIR*, Nov. 22, p. 53) by U.S. officials. The London *Economist* carried an editorial entitled "Be as Tough on North Korea as on Iraq."

Thus far, the administration has insisted that only "diplomatic" measures are being planned. But such "diplomatic" measures have increasingly included economic sanctions leading to force, as the cases of Panama and Iraq demonstrate, and as is now threatened in Haiti.

## Indonesia targeted over East Timor

by Lydia Cherry and Mary Burdman

Indonesia is facing the worst crisis over the annexed region of East Timor in several years, following an incident Nov. 12 in which Indonesian Armed Forces shot into a crowd of approximately 3,500, killing at least 19 people and perhaps more. Uncertainty remains as to exactly what happened; whether troops were told to shoot or not; whether the crowd, gathered to attend a memorial mass for an East Timor youth killed two weeks before, was orderly or unruly. The Indonesian government has stated that it "deeply regrets the loss of lives from this incident" and has established a high-level National Commission of Inquiry to be chaired by a Justice of the Supreme Court. Whatever the exact circumstances of the tragedy, it has provided a pretext for a clearly orchestrated campaign against Indonesia, spearheaded by Australia and Portugal and backed by Britain.

The incident in the East Timor capital Dili occurred the same day that Indonesian President Suharto began a 26-day tour of the Third World as the next head of the Non-Aligned Movement. The focus of the tour, which is taking place in spite of the incident, was planned to be on economic cooperation between developing nations.

An indication that East Timor was to become an international flashpoint was signaled by a London *Times* editorial last April 20, which demanded that Indonesia be treated vis-à-vis East Timor as Iraq was treated vis-à-vis Kuwait. Indonesia is vulnerable to pressure, the editorial stated, especially with its large debt. "It needs western goodwill. . . . Both military and economic sanctions would be perfectly in order. . . . If the new world order means anything, East Timor should return once again to the U.N. agenda." The editorial also attacked the Vatican, claiming it was more interested in Indonesia's 20 million Catholics than the Timorese.

The same month, Tiny Rowland's London *Observer* on April 8 had spouted the same theme, attacking the "brutal Indonesian dictator General Suharto" and warning that "his increasingly fractious empire of islands" could disintegrate. "If occupied East Timor were to go, the future of the world's fifth most populous country could be nearly as precarious as the U.S.S.R.'s." These same London circles, such as Britain's Lord Avebury, chairman of the Parliamentary Human Rights Group, are deeply involved in targeting India around the Kashmir dispute with Pakistan.

East Timor, a former colony of Portugal, is located in the strip of 13,677 islands that stretch 3,200 miles across the Equator that compose the Republic of Indonesia. In 1974, a new government in Portugal permitted the population to set up political parties in order to decide their political future through a referendum. Five political parties were formed; four of these parties opted for integration with Indonesia. The fifth party, Fretilin, opted for East Timor's independence and was heavily armed by Portugal's colonial army. Fretilin reportedly refused to cooperate with a settlement. The issue was not settled peacefully and a civil war ensued. East Timor was annexed by Indonesia in 1976. It has remained heavily Roman Catholic.

### **Indonesia development efforts**

Even Indonesia's detractors acknowledge that the Suharto government has put significant effort into developing East Timor. Illiteracy, which was estimated to have been 93% during the Portuguese colonial era, has been reduced drastically. There were 47 primary schools and only two high schools during the last days of colonial rule. Today, there are 565 primary schools; 90 junior high schools; 33 high schools and several universities. In spite of economic problems in the country as a whole—with the biggest problem being a shortage of energy—the central government's budget for the province of East Timor is far higher per capita than for any other province in the country, according to government reports.

In spite of the development of the area, unemployment and economic problems remain. As the Portuguese-backed grouping Fretilin increasingly became "troublemakers" for the Indonesian government, some of this grouping relocated and ran operations out of Australia's Northern Provinces.

### **Portugal, Australia take the point**

The Indonesian government has cited an "extremely slanted" foreign press campaign, and Foreign Minister Ali Alatas Nov. 26 said he deeply regretted the premature cutoff of aid to his country by the Netherlands and Canada. "Aid donors should not take positions based on press reports, he insisted. "They should wait for the investigation." The wife of Portuguese President Mario Soares has been addressing anti-Indonesian demonstrations in Lisbon calling the incident "a crime against humanity," calling for United Nations action and the independence of East Timor. An official at the Indonesian Foreign Ministry, Hadi Wayarabi, in turn has accused Portugal of provoking the violence by setting up an organization in the territory to oppose rule from Jakarta and by pitting East Timorese against each other.

It is the Hawke government in Australia, however, that is clearly being called on to take the point against Indonesia. Ironically, the Gough Whitlam government—the last Labor Party government before Bob Hawke's—is known to have supported Indonesia in dealing with East Timor in the mid-

1970s, shortly before he was ousted with the help of the U.S. CIA. Whitlam had sought good relations with his Muslim neighbors, but it was a very different Labor Party that returned to power under Bob Hawke, who is very close to Israel.

The London headquarters of Amnesty International has contacted the Australian prime minister, an Amnesty spokesman told Radio Australia Nov. 25. "We told him we welcome his strong statements but that we need him to do more. . . . The United Nations must be brought in." Amnesty has been a major player in insisting that the information being released by the Indonesian government is a whitewash.

But, as an official history of the human rights organization written by Jonathan Power makes clear, Amnesty is selective in choosing whose human rights to be concerned about; it never took on the Nelson Mandela case, for example. According to Power, it was the "seemingly endless supply of money" for Amnesty's operations in former Rhodesia that "confirmed the suspicions" of Amnesty's founder, Benenson, "about British intelligence's infiltration of the organization's leadership," and led to Benenson's resignation from Amnesty in 1967. Recent history leads to the conclusion that little has changed on this point. British Foreign Secretary Douglas Hurd, for example, on Nov. 26 paid tribute to Amnesty on the 30th anniversary of its founding, noting that Amnesty had put human rights "at the heart of our work."

Prime Minister Hawke announced Nov. 26 that since "it is clear that the Indonesians have not won the minds and hearts of the Timorese," Australia must explore a role for the United Nations in East Timor. Earlier, Hawke insisted that the reported comments by Indonesia's Armed Forces commander justifying the Nov. 12 massacre were "repugnant in the extreme." At the time of this writing, there have been non-stop demonstrations outside Indonesian consultates in the Northern Territories capital Darwin, and in the Australian capital of Canberra. Indonesian Security Minister Sudomo said in a statement Nov. 26 that Indonesia would recall its ambassador if the protests become more dangerous. He noted that protesters outside the Darwin consulate, which include Australian-based representatives of the East Timor Fretilin resistance movement, had forced the Darwin mission to use the Indonesian consul's residence as a temporary office.

Meanwhile, Indonesian young people have been demonstrating outside the Australian capital in Jakarta. Members of the Indonesian Democratic Youth, waving red and white national flags, on Nov. 25 condemned Australian trade unions for picketing Indonesia's embassy in Canberra. "The Australian government must apologize to Indonesia for the embassy blockade and the burning of our national flag in Adelaide," said protest leader Rudianto Brotosayogyo. The demonstrators sang the national anthem and put posters along the fence of the embassy saying, "Australia Get Out of My Country," and "Stop Meddling in Indonesia's Internal Affairs."

# 'The western politicians have done Croatia more harm than good'

by Umberto Pascali

"If it is in the interest of Europe and the western world to allow terrorists to kill and butcher children, then they should not recognize Croatia, if they can face this massacre in front of the TV cameras without feeling anything. . . . But they are going to be responsible, responsible in front of God and history," Mile Susak, a Croatian-Canadian living in Ottawa, told *EIR* after having received the latest details on the "mediation" missions of Cyrus Vance and Lord Carrington, representing, respectively, the secretary general of the United Nations and the European Community.

William Kuharic, another very active Croatian-Canadian from Alberta, stresses the same concept with concern verging on disbelief. "Vance is talking about an intervention of peacekeeping forces in 'ink blots,' i.e., between the invading Yugoslav Army and the Croatian resistance. Later, he says, we will take care about the borders. But the Serbians have taken more than one-third of our territory. This would mean to recognize and guarantee the bloody conquest. We cannot accept this."

The West had been the reference point for Croatians over the long years of communist rule, the force that would welcome Croatia into the democratic world. What happened is quite the contrary.

Now the hopes of people like Kuharic and Susak are set on a possible move by Germany, Austria, and Italy to recognize their country without waiting for European "unanimity." This possibility was restated on Nov. 27 by German Chancellor Helmut Kohl, but only as a possibility. Besides the many statements of good intention by several parliaments—such as Australia, Canada, or the weak-kneed resolution ("Consult promptly with the EC") presented by Sen. Albert Gore (D-Tenn.) and passed in the U.S. Senate on Nov. 25—the genocidal massacre continues implacably, and nobody lifts a finger to stop it.

## Cyrus Vance's ink blots

On Nov. 27, the United Nations Security Council declared its total support for Vance and his plans. The former U.S. secretary of state, faced by two diametrically opposed requests for the intervention of peacekeeping forces—the Greater Serbians as a recognition of their military conquest,

and the Croatians as a reestablishment of the officially recognized borders—sided with the Serbians. "What we are going to use is a device that has been used previously by the U.N.," he told the MacNeil/Lehrer News Hour broadcast on Nov. 26. "The establishment of what we call ink blots, areas which are areas of extreme danger and where the fighting is particularly heavy. Then a blanket is laid over that particular area. Then it is demilitarized and . . . filled in by U.N. peacekeeping forces." And the ink blots gradually get bigger and cover more territory? "If necessary. . . ."

Vance added: "By the way, I might add, this is not something new. This was used in Cyprus in the early days of the Cyprus fighting and used successfully; and it was also used in southern Lebanon and used successfully." Cyprus and Lebanon! The two successful examples of death and destabilization sponsored by a western mediation in the best Anglo-American colonialist tradition: This is the future of Croatia under Vance's plan.

The U.N. mediator had just brokered a "cease-fire" that was immediately violated by the Yugoslav Army. After having destroyed the Danube city of Vukovar and slaughtered its population, the Army continued its advance, this time targeting the important city of Osijek, which the Serbians bombed. As if this were not outrageous enough, the Serbian irregulars, or Chetniks, with the support of the Army, established a "Serbian Autonomous Region of Slavonia" and started repopulating the area with Serbians.

## Massacre and resettle

A communiqué issued by the Republic of Croatia on Nov. 26 denounced the "Serbian resettlement of Croatian areas" as "the latest crime against humanity." The communiqué read in part: "Now that the Serbian insurgents and the Serbian-led federal armed forces have destroyed the city of Vukovar, where the majority of the citizens were Croats, they have moved on to Osijek in eastern Croatia where 82% of the population were Croats. In their wake, the communist leaders of Serbia have announced plan to 'resettle' 20,000 Serbs in 'liberated' Baranja, a fertile region of farms and vineyards between the Danube and the Drava rivers."

The Yugoslav Army resisted attempts by the Red Cross

to go to Vukovar, after a large part of the town was vanquished and the defenders murdered house by house. Eyewitnesses report a repugnant spectacle of bodies abandoned to rot in a city that no longer exists.

As a way of announcing its next moves, the magazine *Politika*, the main mouthpiece of the Serbian regime, published an editorial by its military affairs writer who is known to have links to the high command. He called for an all-out offensive of the Army as deeply as possible into Croatian territory. The Greater Serbians were also shameless in their use of black propaganda lies: The international media were fed the story that there had been a "massacre of 41 Serbian children." It was later denied by everybody, including the Yugoslav Army and Reuters press agency, but meanwhile, it had provoked the intended reaction. Later, a self-proclaimed Information Minister of the Autonomous Serbian Region accused the Croats of having bombed three villages using crop-dusting planes.

### Vance blames Croats for Vukovar

Asked about the Serbian bombing of Osijek, Vance stated that these are "only scattered violations, tragic, but scattered." And what about the genocide in Vukovar? "It was particularly brutal, particularly for everyone who was in Vukovar, anybody that saw that could not help but be impressed with the incredible brutality that took place. Block after block totally leveled, nothing but rubble." Lest anyone think Vance was condemning the Serbians, he hurriedly explained, "On the other hand there is another side to that." The "other side" was the fact that Croatia blockaded the Yugoslav Army barracks on Croatian territory—the minimum an assaulted sovereign country could do.

The Croatian government in Zagreb repeatedly offered food and water to the troops and guaranteed they could safely leave the barracks and go back to Serbia unarmed and protected, the only condition: They must leave behind the weapons and equipment that the Army would use against Croatia. The Serbian generals, counting on western support, refused. In fact, both Lord Carrington and Vance imposed the diktat that the invading Army must have their equipment and weapons returned to them. Ultimately, the Croatian government was forced to swallow this suicidal condition. And what had Vance to say about that? "I think one of the reasons that there was such vicious, brutal fighting in Vukovar was because of the fact that the Yugoslav federal army troops were still in those barracks after many, many months." Vance concluded by comparing the blockaded soldiers to "hostages"!

"The Croats are showing again their humanity," responded Mile Susak in his interview with *EIR*. "They gave the Yugoslav Army the chance to move out of Croatia, and they are going [to go over] just on the other side of the border, and they are going to attack Croatia. It is 99.9% sure: Those weapons released by the Croatian government will be used against us. And I strongly disagree with the government

## Blockade forces Haitians to brave death at sea

One hundred and thirty-five Haitians drowned on Nov. 19 while attempting to escape almost certain death in Haiti under the U.S.-led worldwide economic blockade against that country. The victims were among thousands of Haitians fleeing the embargo imposed by President George Bush on Oct. 30, supposedly to force the restoration to power of dictator Jean-Bertrand Aristide.

The blockade, adopted through the Organization of American States (OAS), has stripped Haiti, already the poorest nation in the western hemisphere, of electricity, water, medicine, fuel, phones, and food. Some 65,000 Haitians have been forced out of a job in a country where even before the embargo most of the 6 million people earned less than \$50 a year. Cars, trucks, and buses have disappeared since Venezuela and Mexico cut off all diesel and gasoline supplies. There is no kerosene for lamps. Only one-third of Haiti is arable, and people are eating weeds "and what animals usually eat," said a relief worker cited by the Nov. 23 *New York Times*.

### David Duke immigration policy

As the decomposing bodies of the men, women, and children from the capsized boat were washing ashore on Cuba's eastern coast, Bush ordered the forced repatriation of thousands of Haitian boat people intercepted by the U.S. Coast Guard. The "moral underpinning" of his forced deportation policy, said Bush in a televised interview, was that Haitians are economic, not political, refugees. "I am saying I don't want to have a policy that acts as a magnet to risk people's lives," he said. "If you have the whole country turning out for economic reasons, and the economy of Haiti is a disaster, we just can't handle that."

Bush claimed that the exclusionary policy against Haitians, who are black, "is not based on some race or double standard." But almost no one buys that. While those fleeing Cuba are invariably given red carpet treatment, includ-

allowing the Army to take any ammunition outside our territory. They will attack us again. And why should we give them back those guns. These guns were bought by the people of Yugoslavia—i.e. by the Croats—and we permit them to get those guns and shoot at us."

"In my opinion," added Kuharic, "the western politicians have done us more harm than good. The wish of 4.7 million



ing receiving financial assistance to resettle and U.S. permanent resident status within a year, most Haitians are denied entry into the U.S.

"You can always say it's economic," said Rep. Major Owens (D-N.Y.) at a news conference on Nov. 20. "The Hungarian revolution, at the basis of it, was economic. If Hungary had succeeded as an economic system, there would have been no Hungarian revolution," said Owens. "Why are we pursuing what I would call a David Duke immigration policy? There is no difference that can be pinpointed except the fact that these people are black."

"We would not say no if the refugees were European," said Rep. Charles Rangel (D-N.Y.). "The administration's policy has been a failure up to now. It has been mean-spirited and racist."

### **A concentration camp in Guantanamo**

Sen. Connie Mack (R-Fla.), a staunch supporter of the administration, also condemned the policy of forced repatriations. A federal court in Miami temporarily halted the deportations on Nov. 19, but not before the U.S. Coast Guard dumped off 538 people back in Haiti without so much as a box lunch. Unchastened by the outcry, the administration has set up a barbed-wired concentration camp for the Haitians in Guantanamo, the U.S. military base in Cuba, rather than allowing them into the U.S.

There were also calls for a foreign military occupation of Haiti, the first nation in the Americas, after the U.S., to gain independence, and the world's first black republic. The Nov. 26 *Washington Post* claimed a so-called foreign peacekeeping force is needed "to restore democracy." The Rev. Jesse Jackson, the shadow senator from Washington, D.C., one of the first to support U.S. military action against Iraq, is also demanding that Bush invade black Haiti. The Haitian military "is a less formidable foe" than the Iraqi army, said Jackson in Brooklyn on Nov. 24. "It will take less effort to get it out."

An attempt to resolve the crisis through negotiations sponsored by the OAS between Aristide and Haitian legislators failed when Aristide refused to call for ending the embargo. At the talks in Cartagena, Colombia, on Nov. 23 and 24, the legislators and Aristide agreed that constitutional rule should prevail. But, "lifting the embargo is a

moral duty" of the international community to stop "the genocide," said Sen. Dejean Belizaire.

This was opposed by "the elegantly dressed" Aristide—a suspended priest of the theology of liberation camp, whose claims to be on the side of the poor have not stopped him from living in a luxury hotel in Caracas since leaving Haiti, when not jet-setting around Europe, the U.S., and elsewhere. A leftist backed by Fidel Castro, Aristide said that Haitians should starve "so democracy can return home as soon as possible, so that we can hold hands with the U.S. government to develop our country."

OAS mediator Augusto Ramírez Ocampo confirmed that Aristide had caused his own downfall by violating human rights, by building a private army to replace the regular army, and by acting against the Constitution and generally behaving like a totalitarian dictator. Nonetheless, he insisted, Aristide must return to the presidency.

Ocampo said he would recommend to OAS Secretary General João Baena Soares that the embargo be progressively eased. But, the Nov. 27 *Washington Post* reported, Baena Soares has said "he is not inclined" to lift the embargo. "There's every disposition to hold [the Haitian authorities'] feet to the fire."

Bush's new world order allies are also spurning the Haitian refugees. France, the colonial power in the country until the Haitians defeated Napoleon's legions, is tired of the "noise and smell" of immigrants, said former Prime Minister Jacques Chirac, according to the *New York Times*. We have reached "the threshold of tolerance for immigrants," said French President François Mitterrand.

Canada decided to starve a group of 19 Haitian youths who entered its embassy in Port-au-Prince requesting diplomatic asylum on Nov. 20.

A proposal by Honduras for members of the OAS to take in some of the refugees caused by their embargo, was rejected because of opposition by the big countries, particularly Mexico, Brazil, Argentina, and Venezuela. Carlos Menem of Argentina, and Venezuela's Carlos Andrés Pérez have been among the most vociferous supporters of the embargo against Haiti, while calling for the U.S. to lift its economic blockade against Cuba. They are also calling for a military invasion to restore Aristide.

—by Carlos Wesley

Croatians who voted for independence has been thrown into the gutter. After Croatia and Slovenia voted for independence, James Baker stated that he wishes to see Yugoslavia united. Two days later the Yugoslav Army invaded Slovenia. That statement was a crime. If Baker wants to be a friend, let him stay at home and take care of his own affairs."

Kuharic and Susak had been very upset by the speech in

Parliament of Canadian Foreign Minister Barbara McDougall, who opposed an almost unanimous request to recognize Croatia, after she had discussed the issue "personally with both Vance and Carrington."

Susak continued: "There must be some connection between them [Vance and Carrington] and the Serbians. That could be the only reason. It doesn't make any sense from an

human standpoint. The Croatians are accepting and implementing any condition, any request from the West, from the European Community. The Serbians fail to fulfill all of them. If they are mediators, they must mediate. But they don't. They do not distinguish between victim and aggressor. We are asking Europe and the West to recognize us. Nothing more, nothing less. Ninety-four percent of our people voted for independence. This is the will of the people. Now the U.N. is saying they could send peacekeeping troops.

"Croatia asked long ago [for the U.N.] to send troops to the borders. Everybody knows where the borders are. And this was before all these innocent people were killed, and killed in an horrible way, cutting throats, taking eyes out. But no. . . . Only now, when the Serbians fear to lose on the long run, now they are discussing sending troops in the buffer zones. But if they do that, the whole of Europe will be in trouble, the whole West. No border will be recognized. Every country stronger than another can expand its border as much as it wants by butchering people and by violence. Changing borders will create this precedent."

Concerning the Canadian government stance, Susak was emphatic. "The Canadian government cannot do anything on its own, especially [Prime Minister Brian] Mulroney. He cannot do anything without Bush or London's approval." And what about the military situation in Croatia? "You must understand that most of the media are lying. For example around Vukovar there are still 1,200 Croatian fighters. But this is not even the point. I believe that there is no such a power in the world, not any army, that can wipe out one race. We have fought in Vukovar for three months basically bare-handed. The morale of the Croatians forces is high. Ninety percent of the Serbians in the Army do not know why they are fighting. They are there against their will. A few days ago Serbian mothers living in Croatia wrote a letter to the government of Serbia saying that the government is going to be responsible for the whole war if it continues. Only 10% of the Serbian Army, butchers and terrorists hungry for somebody's blood, are willing to continue the war. If Croatia is recognized we will easily win. We know what we are fighting for, the enemy doesn't."

### **The civilized face of Croatia**

But despite the fury of this war against a civilian population, William Kuharic wanted to make the point that it is in these historical and tragic moments that the morality of a national culture bears fruit. Recently, on Nov. 17, he served as interpreter for his uncle, Cardinal Franjo Kuharic, the Archbishop of Zagreb. The cardinal, as *EIR* reported last week, had been invited to address the U.S. National Conference of Bishops, and he later held a press conference in San Jose, California. "I told my uncle that I disagree with some of the tactics being used in this war, that Croatians are giving too much away and not really fighting, and are not using methods adequate to those used by the Serbians. He very

strongly opposed my statement. He said, 'This is how Croatia shows its civilized face!' This made me think.

"In the conference, the Cardinal stressed how concerned he was, how upset. He also expressed concern for the destruction of churches and all the beautiful monuments of our history. I can understand very well. Thirteen centuries of Croatian Catholic history are being destroyed before TV cameras and nobody cares. These are the visible contributions of so many generations and nobody will be able to replace them. But that was not his basic message. Cardinal Kuharic was pleading with the Catholics of the world and Croatia not to develop hatred in their hearts. He was pleading for forgiveness. He said that if we start to hate, we are no longer Catholics. Croatia as a Catholic nation, cannot hate, cannot seek revenge. At the same time he made clear that Croatians have the right and the duty to defend their homes.

"He was asked about Croatians fighting back. He said what he tells our National Guard: Be careful how you shoot. To shoot in self-defense is acceptable by any standard, but if you shoot because you hate, as revenge, then you must ask your conscience what you are doing. I had mixed emotions because war is war, it's an extremely ugly affair, but I could sense that the Cardinal was talking about the human race, which doesn't have the right to kill each other, and for sure not in any kind of revenge."

Kuharic insisted on how strong the cultural tradition of Croatia is. "In 1979 Croatia celebrated the treaty signed between King Zvonimir and the Church. On the basis of that treaty Croatia would never invade the territory of anybody. We were faithful to that treaty, and never invaded any country, only defended ourselves. Despite having been invaded several times, we never went beyond our borders, even in this war—or should I say, slaughter. Under the communist regime the Church leaders in Yugoslavia were treated like nobody. I know that in the West, a Cardinal is treated with respect.

"But the point is that the Church is not a political organization. The Church is not the buildings of the Church. This is the mistake the Serbians are making. They are bombing and shelling the Church buildings in the wild hope of wiping out the Catholic Church from the Croatian land. A huge mistake. They do not understand that the Church is the people, not the building. One must remember that the fundamental teaching of the Church is the freedom of humanity, the sense of divinity, the essence of reason. This must be totally supported everywhere.

"I know that the U.S. and Canadian bishops enjoy a lot of respect in their countries. They could do a lot for Croatia. To oppose the right to freedom of the Croatian people, of course, would be in contrast with the fundamental teachings of the Church."

In concluding, Kuharic wanted to stress a final point: "There are Croatian Catholics and Croatian Muslims and Croatians belonging to other religions. We are all together now in defending our land."

## Russia is seeking support

*The Boris Yeltsin visit to Germany established a new phase of Russo-German relations, especially in the economic area.*

When Russian Federation President Boris Yeltsin visited Germany Nov. 21-23 on his first official trip to a western state, he was cheered by smaller crowds than Mikhail Gorbachov two years ago, at the height of "Gorbymania." But the result of Yeltsin's trip to Germany was more likely to last.

The most vital aspect of his trip, Yeltsin explained in an interview Nov. 17 with Germany's national DLF radio station, was to set up direct, bilateral, Russo-German ties. This would pay tribute to the changed situation in the former U.S.S.R., he said, adding that the second most important goal was to define "areas of mutual interests for Russians and Germans" in economic cooperation. He cited three main areas: farming and food processing, road-building, and joint transportation ventures.

On the diplomatic side, the reception Yeltsin got in Bonn was the same as for any other state visitor, although the German government has not yet decided for full diplomatic relations with the Russian Federation. Bonn's approach is a compromise which would not risk an abrupt break with Gorbachov, but wait until his political demise. It may not be that far away.

Russian Justice Minister Nikolai Fyodorov, in Germany the week before Yeltsin, minced no words in an interview with the *Süddeutsche Zeitung* issue of Nov. 19. He warned that Gorbachov may face trial for involvement in the Aug. 19 coup attempt, along with the other ex-members of the Communist Party Politburo and

their private secretaries.

Fyodorov added, "Gorbachov is no longer deciding which policy is made by Russia or the U.S.S.R. We are willing to listen to him, but if he continues to take a position of interference with the realization of certain programs, he will not be President much longer." There is no longer any Soviet government, declared Fyodorov: "The Soviet Union is nothing but a phantom now."

This view—which many Germans hold as well—was supported in a DLF radio interview Nov. 27 by Vyacheslav Dashchichev, a longtime foreign policy adviser to the Kremlin, who has been working as a visiting professor at the Free University of Berlin for two years. He said that the "new union" project, a Gorbachov brainchild, was doomed to fail, for the simple reason that the man pursuing it was the President of a state—the U.S.S.R.—that had ceased to exist. The new reality of the former U.S.S.R. is the republics, Dashchichev stated. He called on Germany to stop dealing with Gorbachov and forge diplomatic ties with Russia and the other republics.

The most remarkable economic passage in the joint Russo-German declaration signed in Bonn is:

"Both sides agree that in order to create the unified and common Europe, progress in the creation of an all-European infrastructure (roads, communication, energy) is required. In cooperation with European institutions and the neighboring countries, they will examine options of intensi-

fying their infrastructural relations.

"Consequently, special emphasis shall be given to traditionally close relations in the area of transportation (by road, rail, air, sea, waterway)."

Yeltsin and a delegation of 50 Russian industrial managers were hosted Nov. 22 at a meeting of the Ostausschuss, the Eastern Trades Division of the Congress of German Industry and Trade (DIHT). Both sides agreed that food, transportation, and energy were areas most attractive for German investment.

Modernizing the farm sector and improving the storage and processing of food, transport, and logistics in general, and making oil and gas pipelines "leak-proof," are priority projects, the DIHT experts said. If the average loss of 30% of the oil and gas carried by leaking pipelines could be halted, Russia's economy would earn \$8 billion more annually without having to produce more oil and gas.

Investments in converting high-tech firms in the Soviet military sector (75% of which are located on Russian territory) into civilian production, and training the work force in this sector, are seen as "promising" by the DIHT experts over the medium term.

The talks Yeltsin and his team had in Stuttgart Nov. 23, with executives of Daimler-Benz, Germany's largest industrial group in aerospace and transportation, led to a letter of intent signed by Yeltsin and Daimler-Benz chairman Edzard Reuter on future joint production of cars, railway equipment, and aerospace technologies.

This will begin with the licensed production, by late 1992, of 10,000 Mercedes-Benz Unimog multi-use trucks for Russia's industrial and construction firms, farms, and municipal services. The joint production of ambulances and of aircraft engines is envisaged in the Nov. 23 document, as well.

# International Intelligence

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## **France's Le Pen wants to deport illegal aliens**

The National Front of France, led by Jean-Marie Le Pen, has issued a 50-point plan that would halt all new immigration, deport all illegal aliens, create special camps for illegal aliens prior to their deportations, revoke all naturalizations since 1974, and require that French citizenship be passed on only through bloodlines, according to a report in the *New York Times* on Nov. 24.

While France's political establishment quickly denounced this plan, many leading politicians who are considered part of the "mainstream" have recently been voicing similar racist views against the so-called rising tide of immigrants. Former prime minister Jacques Chirac has said he is tired of the "noise and smell" of immigrants; former President Valéry Giscard d'Estaing has warned of an "invasion" of immigrants and has spoken of the "right of blood" to determine nationality, and President François Mitterrand recently said that France had reached "the threshold of tolerance" for immigrants, but later withdrew the remark.

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## **Sihanouk tells U.S. to mind own business**

Prince Norodom Sihanouk of Cambodia asked the new U.S. ambassador to Cambodia not to interfere in the country's affairs, the *International Herald Tribune* reported on Nov. 20. After overthrowing Prince Sihanouk in 1970 and bombing Cambodia in the Vietnam War, the U.S. cut the country off from all aid and trade, including the most basic humanitarian aid, for 20 years. When he received the credentials of U.S. Ambassador Charles Twining, Jr., Sihanouk said that he wished that "the U.S. could avoid something like the event in 1970," when President Richard Nixon supported Lon Nol. "Please do not interfere in the events in Cambodia," Sihanouk said.

Sihanouk also denounced his erstwhile allies, the Khmer Rouge, as "monsters," who "in their hearts remain very commu-

nist, very Maoist, very Cultural Revolution, very Robespierre, very French Revolution, very bloody revolution." However, although recently he has several times called for an international tribunal to try the Khmer Rouge leaders for genocide, Sihanouk said they must be caressed like "naughty dogs."

Following his return to Cambodia the week before, Sihanouk announced that his son, leader of the Royalist Party, will form a political alliance with his former enemy Hun Sen, the current prime minister who was installed when Vietnam invaded Cambodia and drove out the Khmer Rouge. Sihanouk said that Hun Sen led the "least bad regime" for Cambodia.

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## **Australian Congress: Withdraw Yugoslav envoy**

On Nov. 13, the Australian House of Representatives unanimously passed a motion calling on the government to revoke the credentials of Yugoslavia's ambassador to Australia. According to the resolution:

"The motion moved that this house: 1) deplores the continuing loss of life and destruction of property caused by the Yugoslav Federal Army's military activities against the people of Croatia, in particular the wanton destruction of Dubrovnik, a city of great history accorded World Heritage Listing; 2) notes that the government of Yugoslavia is no longer representative of the former federation or functioning as its government;

"and 3) calls on the Australian government to: (a) inform the Yugoslavian ambassador that Australia is no longer able to accept that the ambassador is in a position to represent the whole of or a major part of Yugoslavia; (b) notify the United Nations of this decision; (c) call for an immediate cessation of hostilities and the withdrawal of the Federal Army from the areas it now occupies; and (d) acknowledge that there is no prospect for the reestablishment of the Yugoslav federation as it previously existed and recognize that the inevitable path to self-determination and independence of the Yugoslav states should be commenced without delay."

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## **Egypt's Butros Ghali named new U.N. chief**

Butros Butros Ghali, deputy prime minister of Egypt, has been approved as the next secretary general of the United Nations, replacing Peru's Javier Pérez de Cuellar. Ghali was reportedly sponsored by the French government in particular. Press accounts claim that African U.N. delegates were celebrating the appointment of an African, burying earlier misgivings about Ghali.

Butros Ghali is a Coptic Christian and is married to an Egyptian Jew. He gained fame in 1977 when the Egyptian foreign minister resigned to protest President Anwar Sadat's decision to fly to Jerusalem. Ghali became acting foreign minister and accompanied Sadat. Ghali then led the negotiations which resulted in the Camp David accords among Israel, Egypt, and U.S. President Jimmy Carter.

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## **Behind attack on Libya: political calculations**

The London-based Arabic newspaper *Al-Arab*, in a commentary the week of Nov. 18, charged that the electoral defeat of Richard Thornburgh in the Pennsylvania elections was the principal reason for the Bush administration's new threats against Libya for its alleged responsibility for the Dec. 21, 1988 bombing of Pan Am 103.

The paper wrote: "The CIA and the British intelligence service have revived the issue of the explosion aboard the American plane in 1988 in order to serve as an excuse for a military action against Libya. Some Arab diplomats in the Arab capital say that U.S. President George Bush's administration has now found a suitable subject that can be used to cover the decline of Bush's position with the United States, as confirmed by the defeat of Bush's Republican Party candidate in the Pennsylvania state election, which was won by the Democratic candidate. The result prompted Bush's aides to arrange for a media clamor, possibly to prepare for another military action that

would deny the Democrats any action opportunity, especially since the negotiations for peace in the Arab region have lost their shine and have not yielded the desired fruits."

### **Turkish officials charge U.S., Germany with plot**

Retired Turkish intelligence official Mahir Kaynak, speaking in a conference in Eskişehir in November, charged that U.S. and German intelligence circles "are behind what is going on in southeast Anatolia," namely a revival in Kurdish terrorism run by the separatist PKK. It is said that the PKK foreign base of operations is Frankfurt, Germany.

According to Foreign Ministry sources cited in the newspaper *Milliyet*, "the goal of PKK insurgency" is to "organize a large rebellion and drag Turkey into a quagmire similar to the one that Saddam was drawn into."

Reportedly, this assessment is shared by the new government of Suleyman Demirel, which, for this reason, will not renew the treaty allowing for the "Operation Provide Comfort" U.S.-European base in southeastern Anatolia. The base had nominally been established to provide humanitarian aid to Iraqi Kurds. The treaty comes up for renewal on Dec. 30.

### **Israel, China set to establish relations**

The well-known "secret" that Israel has supplied China with much of its military technology—mostly a "pass-through" of U.S. technology, which was then also passed to Saudi Arabia, Iran, and others—has now become public, with the visit of the Israeli defense minister to Beijing in November. While the Israelis have announced that official diplomatic relations should be established within a few months, the nature of already existing trade relations was evident from the members of the delegation.

Dan Gillerman, chairman of the Federation of Israeli Chambers of Commerce, was the spokesman, saying that Israel was interested in expanding trade and seeking opportunities for Sino-Israeli joint ventures, particularly in agriculture, electronics, and chemical production, and claimed that arms deals "did not come up." However, also on the trip were Gen. Dan Shomron, a former chief of staff of the Israeli Defense Forces and currently chairman of the board of the Israeli Military Industries; the heads of Leumi and Company, Israel's largest investment bank; the Dead Sea Bromide Group, Israel's largest chemical exporter; El-Al airlines; and the Israel Diamond Exchange. Shomron met officials of the China National Aeronautics and Space Corp.

### **Taiwan accuses Beijing of preparing a blockade**

The standing committee of Communist China's National People's Congress in October revised its border laws to claim explicit sovereignty over a zone extending 12 nautical miles from the shores of Taiwan and its outlying islands, Taiwanese officials said, according to a Nov. 22 report from the news agency Reuters. This gives Beijing the right to exclude "foreign military vessels" from the zone, and aircraft can enter only if their governments have signed agreements with China or have prior approval.

"The Chinese Communists aim to obtain a legal basis for excluding foreign military intervention if they try to solve the 'Taiwan problem' with a blockade in the future," Taiwan's Mainland Affairs Council (MAC) said.

The MAC said senior communist leaders, including President Yang Shangkun, had agreed on measures against the Taiwanese independence movement, since Taiwan's main opposition Democratic Progressive Party formally demanded independence last month. Beijing will step up pressure on the Nationalists to crack down on the independence movement and will reduce economic and civilian exchanges with Taiwan.

## Briefly

● **PERU'S** former President Alan García was indicted on Nov. 22, on charges that he embezzled \$500,000 in state funds during his term in office. Peruvian Attorney General Pedro Méndez accused García of buying residences that cost more than his income. García maintains that he is innocent, and that the assault against him is intended to prevent him from running again in 1995.

● **FORCED DEPORTATION** of some 60,000 Vietnamese refugees from Hong Kong to Vietnam may begin as early as January, Hong Kong's refugee coordinator Clinton Leeks announced on Nov. 20. Leeks said that talks would begin in the next few weeks with Hanoi. Hong Kong wants to send at least one planeload of refugees back a month, despite the resistance put up by the 59 people already deported in November.

● **THE LENIN LIBRARY** in Moscow, one of the world's greatest treasure-houses of books and old manuscripts, has fallen into ruin and has been closed permanently. The library houses 40 million volumes, with works in 247 languages dating back as far as the 6th century. It has been wrecked by lack of funds for maintenance—its lights out, its ceilings falling, its catalogue cards scattered.

● **ERICH HONECKER**, the former East German communist chief, is seeking political asylum in Chile, the "paradise" of free-trade ideologue Milton Friedman's economics.

● **ARGENTINE** President Carlos Menem received an award as "statesman of the year" from the Anti-Defamation League of B'nai B'rith during his recent visit to the United States, the Argentine daily *Clarín* reported on Nov. 19. The award was for his role in bringing 5,000 Jews from Syria to settle in Argentina. Menem is expected to meet with Syria's Hafez al-Assad in early 1992 to discuss this issue.

## Pat Robertson is cashing in on Bush's 'new world order'

by Marianna Wertz

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### **The New World Order**

by Pat Robertson

Word Publishing, Dallas, 1991

319 pages, hardbound, \$17.99

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This latest in televangelist Pat Robertson's regularly churned-out tracts for the gullible has apparently got a bigger audience than usual, probably because he's using a lot of material previously put forth by Lyndon LaRouche and *Executive Intelligence Review*—so it's good reading, in part. However, Robertson's purposes in compiling an indictment of the Eastern Establishment's new world order, and the alternatives he presents, are far from what one would expect from an honest Christian, evangelist or otherwise.

Robertson wrote this book, he says, in response to the declaration by President Bush to the U.S. Congress on Jan. 29, 1991, that establishing a "new world order" was the true goal of the Gulf war. Robertson sought to answer the question: "Will indeed the new world order be a mechanism to enslave, control, and loot vast portions of the world's populations, rather than a mechanism to give them economic self-sufficiency and freedom?" His answer, well documented in 319 pages, is an unequivocal yes! But his answer to the question that naturally follows—What should we do about it?—is, to put it bluntly, "Play by the rules, don't rock the boat, and look out for your own behind."

Robertson's relationship to George Bush leaves the most telling scent of the hypocrisy involved in his preaching. After identifying George Bush as a leading member of the Council on Foreign Relations and Trilateral Commission—the principal purveyors of what he rightly identifies as the "satanic" new world order—Robertson admits that he campaigned for

Bush, after losing to him in the 1988 Republican primaries!

Apparently the friendship goes back at least a generation: Robertson mentions that his father was a U.S. Senate cohort of Prescott Bush, the President's father.

Why did Robertson campaign for Bush, knowing full well who he is? He offers the following explanation: "It may well be that men of goodwill like Woodrow Wilson, Jimmy Carter, and George Bush, who sincerely want a larger community of nations living at peace in our world, are in reality unknowingly and unwittingly carrying out the mission and mouthing the phrases of a tightly knit cabal whose goal is nothing less than a new order for the human race under the domination of Lucifer and his followers."

By this reasoning, in fact, Bush is either very evil or very stupid (though I'm certain Robertson doesn't recognize the logic of his own argument). Robertson never tells the reader whether, in his opinion, Bush is really a knowing partner in the "conspiracy." Instead, he covers for Bush on the political right, while maintaining his own conservative base, by denouncing just about everything Bush's new world order stands for! (Parenthetically, it should be said that Robertson repeatedly lauds Bush's conduct of the genocidal war against Iraq as "masterful" and "dynamic," at the same time that he cautions that Bush's purpose in conducting the war was solely to establish his evil new world order.)

### **Another stench**

There is another, unmistakable stench emanating from this book: It's not the unsubtle racism of a David Duke, but the "genteel" kind that Virginians like Pat Robertson practice so well. Take, for instance, his passing comment about the Civil War. "The most devastating conflict of the period was not between nations but within our own nation. This was, of course, what historians now call the Civil War and what we in Virginia call the War of Northern Aggression!"

The brown and black parts of the world, dubbed the "Third World" by the Anglo-American establishment, receive the same kind of subtly racist treatment from Robertson. While claiming to be a great champion of their freedom, he denounces those in the Third World who have used the United Nations—rightly or wrongly—to try to right the wrongs of imperialism: "[T]he Third World in the United Nations has already voted to take away by decree the wealth of Europe and America and give it to themselves."

Indeed, he lashes out at the poor of the developing nations for *ruining the possibilities for tourism in their lands* in their quest for food! Quoting a former assistant minister of commerce in his beloved Israel, Robertson tells the following story: "[W]hen the Israeli government gave back the Sinai, he said, the unlettered Egyptian fishermen in the Red Sea would position their boats over schools of fish and toss sticks of dynamite into the water. The edible fish that floated to the top after the resulting explosions would be sold. Everything else was wasted. . . . Gorgeous, priceless species of fish—which, incidentally, are totally inedible—and the beautiful natural paradise that existed there was devastated by these thoughtless marauders. . . . Not only were they ruining the food chain and destroying the breeding grounds of edible species of fish, they were destroying a major source of hard currency for their economy."

"The Red Sea waters were a mecca for European and American tourists because they offered probably the finest scuba diving environment in the world."

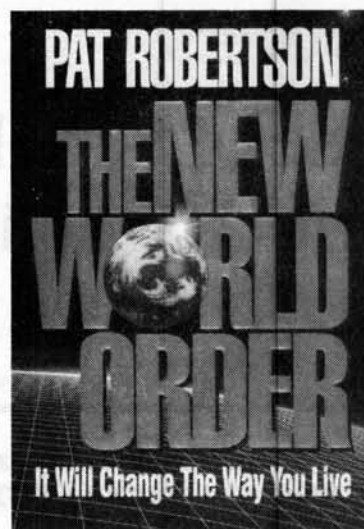
### Free market idolatry

Perhaps the worst part of Robertson's book is what he puts forth as an alternative to the new world order. Following LaRouche, Robertson both identifies the Federal Reserve System as the root of evil in the United States, and forecasts that a global depression necessarily results from the Bush-Reagan economic policies.

Unlike LaRouche, however, Robertson offers only more of the same poison in its stead. First, he denounces Alexander Hamilton as a royalist, and his First National Bank as a British plot! In fact, as LaRouche and his associates have documented, Hamilton is the true father of the American System of Political Economy, and his National Bank the best available model to replace the Federal Reserve System.

Next, Robertson identifies the "wisdom of the market" and "free enterprise" as among his most cherished beliefs, virtually equating them with his belief in Jesus Christ! "I believe in freedom. I believe in equal opportunity for all people. I believe in free enterprise capitalism. I believe in the wisdom of the market. . . . More than anything I believe in Jesus Christ, and I do not think that a man-made new world order is His will for mankind. I believe that God has never given anyone other than Jesus Christ enough wisdom to run this world. . . ."

What, then, does Pat Robertson counsel his readers to do, in the face of the collapse? "I am strongly urging readers



*"Riveting . . . chilling . . . a veritable gold mine" gushes the cover blurb of the latest book by erstwhile presidential candidate and media preacher Pat Robertson. But when it comes to prescribing action, the book appeals more to worshippers of the Golden Calf than the Gospel.*

of my newsletter, *Pat Robertson's Perspective*, to pay off debts now, take stock market profits by summer 1992, and place the bulk of their holdings in short-term Treasury bills until the dust settles."

Contrast this to the advice which Jesus gave to His followers—to give up their worldly possessions and follow Him—and you will see why it is not unreasonable to say, that Pat Robertson is a strange kind of Christian.

Pat Robertson is, in fact, a *free enterprise Christian!* Toward the end of the book, he makes clear that he is building his own worldly empire, cashing in on the collapse of communism in the East and expanding his white middle-class base in the West through appealing to selfish fears. For instance, in the former Soviet Union, Robertson's Christian Broadcasting Network sold the government a program for broadcast of animated Bible stories to teach moral values. As a result, CBN's Moscow office recently received more than 2 million handwritten letters from Soviet children and their parents, asking for more information. In the United States, he says, his goal "is to see a pro-freedom majority in the United States Senate in 1992, and a reversal of leadership in the House of Representatives by 1996. My associates are now publishing a newspaper called the *Christian American*, which is slated for a circulation of 10 million during this decade."

Let it be said in all fairness, that Pat Robertson does a service by identifying in detail important aspects of the conspiracy which has taken over the American government and is steering it in the direction of the new world order. The book is worth reading, if only for this information. On the other hand, readers of *EIR* already know everything in this book, and also know what to do about it!

# Exposé of Israeli nuclear arsenal raises urgent U.S. policy questions

by Jeffrey Steinberg

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## **The Samson Option, Israel's Nuclear Arsenal and American Foreign Policy**

by Seymour M. Hersh

Random House, New York, 1991

356 pages, hardbound, \$23

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For the past 20 years, successive U.S. administrations have used the issue of nuclear non-proliferation as a battering ram against developing sector nations seeking to develop modern industrial economies. The Bush administration took this hypocritical approach to the nuclear proliferation issue to new heights by bombing Iraq's industry and infrastructure during the Gulf war and then proceeding to impose a ban against any industrial technologies reaching Baghdad. The Bush administration and its friends at the U.N. International Atomic Energy Agency (IAEA) have since added Algeria, Brazil, Argentina, among other Third World nations, to the list of countries to be targeted for their so-called nuclear weapons programs.

It is in the context of this vicious technological apartheid effort that the publication of a new book exposing how the United States turned a blind eye on Israel's nuclear bomb project, offers an even deeper insight into the degree of hypocrisy governing U.S. policy over the past decades.

Seymour Hersh's book-length exposé of Israel's nuclear weapons program is, to use a bad pun, explosive: The mysterious death of British publisher Robert Maxwell within a week of the book's release points to the quality of at least some of Hersh's material. Maxwell, an ardent Zionist and asset of the British Rothschild interests, did not figure prominently in Hersh's detailed account of Israel's nearly 40-year secret quest to obtain and deploy an arsenal of nuclear weapons. But the brief reference to Maxwell and his Mirror Publishing Group was devastating.

According to Hersh, Maxwell and the foreign editor of the *Daily Mirror*, Nicholas Davies, conspired with the Israeli Mossad to kidnap and silence Mordechai Vanunu, an Israeli engineer employed at the super-secret Dimona nuclear weapons plant in the Negev Desert. Vanunu appeared in London in the autumn of 1986 with photos and other details of the

program offering to tell all. While the rival *Sunday Times* of London gave the young Israeli a fistful of money for the story, the *Daily Mirror* team turned Vanunu over to the Mossad and even pinpointed the hotel where he was hiding. As the result of Vanunu's kidnaping, secret trial, and incarceration, most of the world's press never took the Dimona story seriously. And, according to Hersh, after consulting with senior Mossad officials back in Israel, Maxwell led a media campaign to discredit Vanunu and further ensure that the story never saw the light of day again.

While the death of Maxwell is still shrouded in mystery, certain facts indicate that his demise was linked to the Hersh exposé. As soon as *The Samson Option* appeared in Britain, both Maxwell and Davies sued to have it banned as libel. However, days after the suit was filed, Davies was suddenly fired from the *Daily Mirror*, and his name was dropped from the suit. It seemed that independent sources in Britain had turned up evidence which strongly suggested, as Hersh reports, that Davies had been recruited to work for the Mossad, could be proven. Forty-eight hours after Davies was fired, Maxwell's body was found floating in the ocean off the Canary Islands. His death has been called a suicide, a murder, an accidental drowning, and a heart attack.

The Maxwell-Mossad story is just one of a series of startling revelations contained in the Hersh book. A brief section of *The Samson Option* deals with the case of Jonathan Jay Pollard. Prior to the publication of Hersh's book, the only news organization to charge that some of the most damaging American secrets stolen by Pollard had been passed by Israeli intelligence to the KGB was *EIR*. Hersh not only corroborates, but amplifies the original *EIR* information. Citing well-placed American government sources, and documents presented at the Pollard sentencing, Hersh proves that Pollard had been recruited to spy for Israel by no later than 1981—three years before his publicly acknowledged recruitment. Further, Hersh names Israeli Prime Minister Yitzhak Shamir as one of the architects of the Israeli policy of passing critical U.S. military secrets to Moscow.

Hersh writes, citing an Israeli government source: "Pollard material was sanitized and dictated to a secretary before being turned over to the Soviets. Some material was directly provided to Yevgeni M. Primakov, the Soviet Foreign Ministry specialist on the Middle East who met publicly and pri-





*Israel's Prime Minister Yitzhak Shamir reviewing troops at the Pentagon in 1987. Even though the U.S. knew about Israel's nuclear weapons program, a flagrant violation of the Nuclear Non-Proliferation Treaty, the White House remained blind, deaf, and dumb to the program: All White House briefings on the Israeli bomb were strictly verbal. No records were to be kept of American knowledge that Israel had obtained the bomb.*

Stuart Lewis

vately with Shamir while he was prime minister. Shamir's turning to the Soviets was consistent with his personal and political beliefs. . . . While in Mossad in the 1950s and 1960s, Shamir was known for his efforts to improve relationships with his KGB counterparts. . . . He worked diligently to develop new ties with the Soviet Union, which he envisioned as a means of balancing, or offsetting, Israel's traditional reliance on the U.S." Yevgeni Primakov is now the head of the overseas division of the KGB.

According to Hersh, the Pollard spy program was not just the handiwork of Shamir, ex-Israeli Defense Minister Ariel Sharon, and Sharon's sidekick Rafi Eytan. The entire political leadership of Israel was fully aware that Pollard was spying on America, and a handful of both Labor and Likud leaders knew that data were being passed on to Moscow. Hersh claims that a number of Israelis, including Yitzhak Rabin, were disturbed about the spying. But nobody blew the whistle, and, after Pollard's arrest in November 1985, the entire Israeli political and intelligence establishment joined in the coverup.

### **The heart of the matter**

Much of Hersh's book is a detailed history of how Israel secretly got the nuclear bomb. According to his account, in September 1956, six weeks before the outbreak of the Suez War, a secret agreement was struck between Israel and France. Shimon Peres and Ernst David Bergmann, Israel's top nuclear scientist, got a commitment from the French government to build the nuclear reactor and reprocessing plant at Dimona. Israeli scientists had already been working

for years inside the French, British, and American secret nuclear research programs, but until Israel got the commitment from France to actually construct the facility, it would have been impossible for Israel to get the bomb. From the outset, the program was the personal project of David Ben-Gurion, who was both prime minister and minister of defense when the original deal was struck.

One of the ironies highlighted by Hersh is the fact that the Israeli bomb program, which Ben-Gurion believed was essential to ensure Israel's survival, had a devastating impact on the Israeli economy, and therefore its national security. The program cost an enormous amount of money, even though much of the funding came from secret donations organized by the American Jewish community. It was even more significantly a major "brain drain." Many of Israel's most gifted engineers and scientists were coopted into the Dimona program and never again put their talents to use in building an Israeli agro-industrial infrastructure, which in reality was far more essential to Israel's survival.

By the time of the 1973 Middle East War, Israel had a small arsenal of deployable nuclear weapons. On at least two occasions, according to Hersh, Israel activated its "Samson Option" by putting those warheads on ready status. In secret back-channel talks with Henry Kissinger (President Nixon, caught up in the Watergate scandal, was never consulted or informed by Kissinger), Israel "blackmailed" the U.S. into airlifting an enormous amount of military hardware using the nuclear threat.

A recurring theme of the book was the failure of U.S. intelligence to evaluate the scope of the Israeli program.

While the U.S. knew from the very start (through U-2 and other reconnaissance programs) that Israel was engaged in a bomb program, American intelligence never successfully penetrated the effort or obtained a detailed picture of how advanced and large it actually was. If this story is to be believed, the handful of U.S. experts who were predisposed to cracking the secrecy and providing the White House with a detailed and accurate assessment of the Israeli effort, was suppressed.

Successive Presidents, to put it kindly, chose to remain deaf, dumb, and blind to the Israeli nuclear program: All White House briefings on the Israeli bomb were strictly verbal. No records were to be kept of American knowledge that Israel had obtained the bomb.

The reason was straightforward. Israel's nuclear program was a clear violation of the Nuclear Non-Proliferation Treaty, and if the U.S. were to admit publicly to knowing this, it would be obliged to do something about it. The closest any U.S. President came to pressuring Israel to 'fess up to its nuclear arsenal was when John F. Kennedy demanded that U.S. scientists be allowed to inspect the Dimona facility. For several years, American inspection teams did indeed visit the Dimona facility, but only saw a phony control room, specially constructed so that the American inspectors would

think that the nuclear program was nothing more than a power plant/research reactor. As soon as Henry Kissinger came in as Nixon's national security adviser, all pretexts of opposition to the Israeli bomb were dropped and the inspections discontinued. By that point, the Dimona plant had already cranked out a half-dozen nuclear bombs.

According to Hersh, as late as 1981, when an Israeli scientist from Dimona delivered photographs and other documents to Washington similar to the material that Mordechai Vanunu would later bring to London, the U.S. still had no idea how many nuclear warheads and delivery systems Israel had produced. For years, according to Hersh's account, the U.S. was oblivious to the fact that the Dimona compound included a nuclear fuel reprocessing plant for manufacturing Israel's weapons grade uranium.

Given the fact that Hersh relies heavily on U.S. and Israeli government sources for the bulk of his material, it is hard to say whether the picture he paints is accurate. This reviewer, for example, found it hard to believe that at no point did the United States reach a nuclear weapons *modus vivendi* with Israel. With that caution, *The Samson Option* is important reading for anyone struggling to understand the insane world of Middle East weapons proliferation and the scary state of affairs within the American intelligence community.

## Books Received

**Why America Doesn't Work**, by Chuck Colson and Jack Eckerd, Word Publishing, Dallas, 1991, 142 pages, hardbound, \$16.99

**Congregation of the Condemned: Voices against the Death Penalty**, edited by Shirley Dicks, Prometheus Books, Buffalo, N.Y., 1991, 250 pages, hardbound, \$24.95

**Opium and Foreign Policy, The Anglo-American Search for Order in Asia, 1912-1954**, by William O. Walker III, University of North Carolina Press, Chapel Hill, N.C., 1991, 360 pages, hardbound, \$39.95

**The Invention of Argentina**, by Nicholas Shumway, University of California Press, Berkeley, Calif., 1991, 325 pages, hardbound, \$34.95

**Mostly Morgenthau, A Family History**, by Henry Morgenthau III, Ticknor and Fields, New York, 1991, 501 pages, hardbound \$27.50

**The 'Diario' of Christopher Columbus's First Voyage to America, 1492-1493, Abstracted by Fray Barto-**

**lomé de las Casas**, translated by Oliver Dunn and James E. Kelley, Jr., University of Oklahoma Press, Norman, Okla., 1991, 491 pages, paperbound, \$24.95

**Conflict Resolution in Africa**, edited by Francis Deng and I. William Zartman, Brookings Institution Press, Washington, D.C., 1991, 418 pages, hardbound, \$39.95; paperbound, \$14.95

**Decisions for Defense, Prospects for a New Order**, by William W. Kaufman and John D. Steinbruner, Brookings Institution Press, Washington, D.C., 1991, 78 pages, paperbound, \$9.95

**Power and Madness, The Logic of Nuclear Coercion**, by Edward Rhodes, Columbia University Press, New York, 1991, 269 pages, paperbound, \$16

**Biology: Discovering Life**, by Joseph R. Levin and Kenneth R. Mill, D.C. Heath, Lexington, Mass., 1991, 898 pages, hardbound, \$41

**Sense and Nonsense in Corporate Finance**, by Louis Lowenstein, Addison-Wesley, New York, 1991, 263 pages, \$24.95

**Inside Out**, by Dennis Levine with William Hoffer, G.P. Putnam's Sons, New York, 1991, 431 pages, hardbound, \$22.95

# A Briton spelled out the war with Japan

by Carol White

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## **Visions of Infamy, The Untold Story of How Journalist Hector C. Bywater Devised the Plans that Led to Pearl Harbor**

by William H. Honan

St. Martin's Press, New York, 1991

346 pages, hardbound, \$22.95

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The subject matter of this book is inherently gripping. Author Honan contends that the war plan followed by the Japanese, beginning with the Dec. 7, 1941 surprise attack on the U.S. fleet at Pearl Harbor, was in fact scripted by a British naval correspondent and sometime intelligence agent, Hector C. Bywater.

Sixteen years before the Japanese attack in 1941, Bywater wrote a book, *The Great Pacific War*, which not only outlined the naval strategy and tactics to be subsequently followed by the Japanese, but also scripted the island-hopping countermoves which, in fact, led to a final U.S. victory in the war of the Pacific. Strange to say, until Honan's book, Bywater's astounding role as, literally, the author of the Pacific aspect of the Second World War, has been virtually eclipsed. Written in 1925, *The Great Pacific War* (which has just been re-issued by St. Martin's Press), describes a future war between Japan and the United States.

Unfortunately, despite the dramatic thesis of the book, it managed to be exceedingly dull reading—at least for someone like myself who is by no means a naval buff. Notwithstanding that, it sheds light on one aspect of the many interlocking causes which impelled the Japanese to initiate a war which they could not win—or, more precisely, how they came to shift from a defensive to an aggressive naval strategy. William Honan's thesis is an interesting sidelight on the war, but it does not deal with such key political issues as Franklin Roosevelt's deliberate courting of just such an attack as Pearl Harbor, in order to bring the United States into the war, despite a sizable anti-war lobby at home.

Honan expresses his thesis in his concluding epilogue: "But who would have imagined that the Japanese and American war plans had been spelled out in such detail in a book published in the West 16 years before Pearl Harbor? Even when this truth is grasped in all its complexity, and Yamamoto's actions, together with the American counteroffen-

sive, are seen as driven by a subtle mix of influence and innovation, it seems bizarre. . . .

"Finally, now that the story is out, one hopes it will, in at least a small way, help to lay to rest the old canard about the Pearl Harbor attack as a characteristic expression of the 'treacherous and deceitful' Japanese. When one considers that that historic event—possibly the greatest event of the 20th century—was conceived by an Englishman and encouraged in its conception by an American publisher who took pains to conceal his involvement, it appears it was, in reality, as English as plum pudding and as American as apple pie."

One revealing bit of background information collected by Honan, was that Bywater was not the first to pose the inevitability of an armed conflict between Japan and the United States. As early as 1913, Franklin D. Roosevelt—then Assistant Secretary of the Navy—had been a jingoist advocate of an armed conflict with Japan. In the spring of that year Roosevelt tried to convince the Japanese that the U.S. was about to launch an unprovoked attack upon them, as a way of encouraging the Japanese to a surprise attack on U.S. naval forces.

The occasion was the passage of a law stigmatizing Japanese immigrants by the California legislature. A sharply worded protest by the Tokyo government against the racist legislation was viewed by the Roosevelt crowd in the Department of the Navy as presumptuous. They put out a false story of the regrouping of U.S. naval forces in the Pacific in order to enrage the Japanese and stampede them into a first strike. President Wilson learned of this conspiracy and rebuked Roosevelt and his co-conspirators.

## **Did the British plan Pearl Harbor?**

Bywater's scenario for a Japanese surprise attack on the U.S. Pacific Fleet included the capture of the Philippines and Guam. Most interesting is the fact, which Honan reports, that Japanese Admiral Yamamoto adopted Bywater's strategy, even though he himself did not advocate going to war, when he believed war to be inevitable. The backdrop to the accession to power by a militarist faction in Japan, was, of course, the determination by the British and Americans to prevent the Japanese from being an Asian power, and the Anglo-Americans' deliberate control of vital resources upon which the Japan depended.

Despite a series of provocations, such as the U.S. annexation of Hawaii, and British and American efforts to limit the growth of Japan's merchant marine as well as its Navy, the Japanese strategy—until they shifted to Bywater's plan—was for a defensive, rather than an aggressive, war. Such an aggressive strategy, however, would have threatened the British control of the Dutch East Indies, without any assurance that the United States could have been brought into the war on behalf of British interests.

It would seem that barely had the First World War ended, when the British were planning the next.

# Congress stalls crime bill but not police state justice

by Leo F. Scanlon

The Omnibus Anti-Crime Bill of 1991 is stalled in the Senate and faces a veto from President Bush as the Congress adjourns for the holidays. At this point, the bill has met the fate of previous Bush administration attempts to legislate an end-run around the Constitution, and is a hodge-podge of contradictory elements which satisfy neither the Republicans nor the Democrats of either house. The bill is additionally being vigorously opposed by the civil liberties community led by the American Civil Liberties Union, and by the anti-gun control lobbyists led by the National Rifle Association.

Given that Bush had defined the crime bill as one of his two major legislative priorities for the year, its fate signals the President's declining political fortunes. While the Republicans are sure to try to rev up the "tough on crime" rhetoric as part of next year's election campaigns, the recent Pennsylvania election shows it may not be the success Bush hopes for. Former Attorney General Richard Thornburgh campaigned heavily "against crime" in the Senate race there, and was trounced by a citizenry that obviously did not believe that you can stop a depression with the electric chair.

The Bush package involved radical legislative action in four main areas: the exclusionary rules governing search and seizure were to be replaced by an "inclusionary rule" modeled on British practices; the procedures governing the filing of *habeas corpus* petitions in federal courts were to be trimmed so as to deny that remedy to defendants wronged in state courts; the federal death penalty was to be expanded to cover a myriad of crimes including some which do not involve murder; and an unprecedented expansion of unconstitutional and unpopular gun control measures would be enacted with support of a Republican White House. Each of these initiatives was countered by Democratic proposals designed to blunt the political, but not the legal, impact of the package.

As the session drew to its close, countervailing bills were brought to a conference committee weighted with delegates from the majority Democratic Party who "steamrolled" the weekend session, according to Rep. Henry Hyde (R-Ill.) The bill reported out of conference on Nov. 24: retained the existing form of the exclusionary rule; severely restricted but did not eliminate the use of federal *habeas corpus* challenges to state court rulings; struck a proposed ban on "assault-type" weapons; reduced the waiting period for purchasing a gun from seven days to five; and eliminated the amendment by Sen. Alfonse D'Amato (R-N.Y.) for a federal death penalty for murders involving a handgun. Republicans protested the modifications, but found themselves trapped when the Democrats voted in favor of the most far-reaching extension of the death penalty ever enacted by a Democratic Congress—extending capital punishment for around 50 federal offenses, some of which are new, such as murder of federal officials, murder resulting from terrorism, and for certain drug offenses which do not involve murder.

The unexpected maneuver, of supporting the death penalty provisions, stole the wind from the administration's anti-crime rhetoric. Sen. Strom Thurmond (R-S.C.), Judiciary Committee standard-bearer for the Bush reforms, declared: "This is no crime bill, it's a pro-criminal bill." He shouted at the Democrats, "This is a travesty! You'll regret that you voted for this. You'll regret it. All of you!"

Sen. Joseph R. Biden (D-Del.), chairman of the Judiciary Committee, gloated at the administration's predicament, commenting, "I just can't believe the Republicans would kill a death penalty bill. For the Republicans to vote against capital punishment—I don't believe they'll vote that way."

They did, and on Nov. 25 President Bush took his anti-crime rhetoric on the road, telling an audience of Ohio

schoolchildren that he would veto the legislation if it passed the Senate. On Nov. 27, the bill narrowly passed the House and was presented to the Senate. With all the “perception games” turned upside down, Senate Republicans filibustered the measure. Lacking the votes necessary to force a vote, the Democrats agreed to adjourn, and left the issue hanging around the neck of George Bush.

### Constructing a ‘legal’ police state

The bottom line of the administration reforms is that they are designed to expand the powers of prosecutors to use death penalty convictions as political spectacles. They have nothing to do with the closely tied twins of drug addiction and satanism which are fueling street crime and filling the jails. The failure of Bush’s legislative package does not mean that the Constitution is any less threatened. On the contrary, the package is ultimately a form of political grand-standing, designed to provide congressmen the opportunity to talk about freedom from crime while they vote for laws which subordinate the citizen’s freedom to the whim and discretion of federal prosecutors. In most cases, the Supreme Court has already established case law which effectively accomplishes what Bush is trying to legislate and, as retired Justice Thurgood Marshall warned, the Chief Justice William Rehnquist-led majority has a very aggressive agenda and intends to overturn any precedents it deems necessary to accomplish its goals.

The furor over the exclusionary rule is a case in point. The attack on the Fourth Amendment’s restrictions on tyrannical actions by the federal government began in earnest under Chief Justice Warren Burger, and continued until the Court created, in 1984, a “good faith” exception to the exclusionary rule, allowing evidence gathered under color of defective search warrants to be admitted at trial. The Congress proposed to codify that ruling as a device to halt this erosion. Bush opposed that, and advocated replacing the Fourth Amendment with the British practice called “the inclusionary rule,” which allows evidence to be admitted no matter how it was discovered—or fabricated. In a January 1990 ruling, the Court sustained the exclusionary rule by a one-vote majority, with Justice William Brennan arguing that the rule is the bottom-line deterrent against prosecutorial misconduct. Since then, Bush has replaced Brennan and Marshall (two of the votes in the 1990 majority) with Justices David Souter and Clarence Thomas. While Justice Thomas did tell the Senate that he is not sympathetic to the Rehnquist line on these questions, it is an open possibility that the Court will eviscerate the exclusionary rule no matter what Congress does.

A similar situation exists on the issue of *habeas corpus*. In the debate, both sides agreed that there should be restrictions on the use of this federal remedy. The Bush administration demands that the Supreme Court must only determine that a defendant received a “full and fair” hearing in a state

court, in order to turn down *habeas corpus* relief. This approach overturns a line of rulings, beginning with a 1963 decision, which held that federal courts were bound to consider such positions from state inmates as long as they had not deliberately by-passed remedies available at the state level. The ultimate problem here is that 40% of the death penalty convictions so appealed were eventually overturned. Bush would shut that door, even though the legal representation for the poor defendants who need the remedy is notorious—with court-appointed lawyers receiving more money, in many states, for filing an uncontested divorce than they are allowed for representing a defendant in a capital trial. A series of rulings in the Court’s last term has established that even if a defendant succeeds in bringing a petition to the Supreme Court, the Rehnquist majority will not spare his life no matter what type of jury prejudice, prosecutorial misconduct, or malfeasance on the part of the defense occurred during trial.

The death penalty provisions are the most grotesque example of Congress not defending the Constitution. The only reason for federalizing a death penalty is to allow federal prosecutors to push for capital sentences in states which have outlawed the barbaric practice. The list of 50-plus offenses, and the federal officials who are “protected” by this so-called deterrent, includes such notables as federal egg inspectors and the huge apparatus of snitches in the Federal Witness Protection Program. In no case does the list involve criminal actions, not otherwise proscribed by statute, which affect the citizen on the street. Listening to the drum beat for federally financed executions, one would never know that murder has long been a crime in every state of the union.

### Drugs and satanism drive crime wave

The common denominator in the Bush crime bill proposals is the fact that they represent the wish list of a school of prosecutors who believe that only a police state can deter criminal behavior, and who are more concerned with building that apparatus than facing the facts about crime and violence. The sophistry, that such measures will reduce the level of violence on the streets, is transparent. People filing *habeas corpus* petitions are already in jail and don’t contribute much to the crime statistics under those conditions. The exclusionary rule is similarly overblown, since the number of cases in which a defendant is acquitted on technicalities is minuscule. Eliminating this protection will do little for policemen, but a lot for prosecutors bent on political frameups.

As for the death penalty, the widespread gratuitous violence which terrorizes citizens is largely carried out by gangs of drug pushers not in the least deterred by the threat of death. The most likely hypothesis, now being investigated by *EIR*, is that these gangs are organized by practicing satanists. This fact is being systematically suppressed by the FBI, and that coverup is what needs to be destroyed if crime is to be suppressed in the U.S.

# Kissinger caught in web of lies on BCCI ties

by Scott Thompson

*EIR* has obtained copies of documents which show that Dr. Henry Kissinger and his employee Alan Stoga were deeply involved in the Bank of Credit and Commerce International (BCCI) scandal dating back to 1988. The documents, which were the basis of articles appearing in the Nov. 11 and 12 *Boston Globe*, show that former Brazilian ambassador to the U.S. Sergio Correa da Costa was chairman of BCCI Brazil at the same time that he was a special consultant to Kissinger during 1986-88. One letter, from former First American Bankshares chairman Clark Clifford, suggests that Kissinger's personal attorney, William D. Rogers, may have helped cover up the BCCI scandal when it first broke.

Ambassador L. Paul Bremer, who had headed the U.S. State Department Office to Combat Terrorism before joining the global influence-peddling firm of Kissinger Associates, Inc. in the late-1980s, has threatened journalists that they "had better get a good lawyer" if they print the story told in the documents. But Lawrence Eagleburger, who was president of Kissinger Associates at the time of its discussions with BCCI (until he was confirmed as President Bush's Deputy Secretary of State in March 1989), himself confirmed several parts of the story during telephone interviews with a journalist from his Charlottesville, Virginia home.

The documents range from an Oct. 7, 1988 letter from Kissinger Associates chief economist Alan Stoga to Abol Fazl Helmy, who was then president of BCCI's New York branch, and include several memos from Helmy to BCCI's number two man, Swaleh Naqvi. Helmy's negotiations with Henry Kissinger et al. point to Kissinger Associates, Inc. having helped put a lid on the Oct. 11, 1988 bust of the Tampa, Florida offices of BCCI and nine employees. This indictment, which originated from a drug money-laundering investigation that U.S. Customs Commissioner William von Raab called "Operation C-Chase," charged that Tampa BCCI had laundered \$32 million from the Medellín, Colombia cocaine cartel. Before an outrageous plea bargain was reached, prosecutors had subpoenaed 41 other banks that were also suspected of worldwide drug money-laundering.

## **Banks with Kissinger links**

Several of the banks whose records were subpoenaed were involved in business with Kissinger or his clients. One

was Marine Midland Bank, which has been owned since 1978 by the Hongkong and Shanghai Banking Corp., whose involvement in illegal narcotics dates back to the 19th-century "Opium Wars." *EIR* has documented extensive ties between the "Hongshang" and Kissinger Associates in past articles, but one highlight is that Hongshang board member Li Kai-shing ("the Red Fatcat") is believed to be a major financial backer for newspaper acquisitions, like the buy-up of the London *Daily Telegraph* and the *Jerusalem Post*, by Conrad Black's Hollinger Corp. Kissinger is a board member of Hollinger Corp. Then, the Hongshang also signed a global merger with Midland Bank PLC, which is not only a client of Kissinger Associates but has Kissinger's employee William Jefferson Cunningham III on its board. Prosecutors also subpoenaed the records of Edmond Safra's Republic National Bank, which merged with American Express. Kissinger is on the board of American Express.

If the Tampa BCCI prosecution had allowed Commissioner von Raab to "follow the money," going up a stepladder of prosecutions leading to establishment figures like Clark Clifford, Esq., who was known in 1988 to be a co-owner, along with BCCI, of First American Bankshares, Kissinger Associates would have been in big trouble. However, the commissioner testified to Sen. John Kerry's (D-Mass.) hearings on BCCI that an outrageous plea agreement was reached in the Tampa BCCI case. The Justice Department, under then-Attorney General Richard Thornburgh, and the Federal Reserve Board not only quashed the subpoenas of other banks' records, but said that the evidence Customs had gathered to date could not be used in future prosecutions.

While this plea bargain was being reached, Steve Kurjian reported in the Nov. 12 *Boston Globe* that Abdur Sakhia, who is a former BCCI executive turned cooperative witness, has said that Henry Kissinger sent BCCI officials to consult with William D. Rogers. Rogers, who had been Assistant Secretary of State for Latin American Affairs under Kissinger and who is today a board member of Kissinger Associates, denies Sakhia's claims. But, the *Boston Globe* reported, a note has been discovered that chairman of First American Clark Clifford wrote in April 1989, addressed to Rogers and to then-general counsel of the Federal Reserve John D. Hawke. The note thanks them for meeting and discussing the

BCCI case. Did William D. Rogers help arrange the Tampa BCCI plea bargain, which protected many business partners of Kissinger Associates from potential prosecution?

The following are excerpts from the documents; Kissinger Associates has threatened to sue anyone who reprints them:

### **Business which cannot be ‘put on paper’**

- An Oct. 7, 1988 letter from Kissinger Associates’ Alan Stoga to Abol Fazl Helmy states: “Dear Abol: I enjoyed lunch yesterday and, even more, your suggestion that BCCI might be interested in developing a relationship with Kissinger Associates. . . . I am reluctant to be more specific, at least on paper, about the kinds of consulting projects we undertake for our clients.”

- From an Oct. 12, 1988 memo of Helmy to Naqvi: “I met with Mr. Alan Stoga who is one of three partners in Kissinger Associates, Inc. Subsequently, the developments in the United States took place [i.e., the Tampa BCCI bust]. . . . I received a call today from Mr. Stoga who informed me that Dr. Kissinger recommends that a public relations offensive be made by us and in that context has suggested using Burson-Marsteller, a highly reputable public relations firm that successfully dealt with the First Chicago crises last year. Kissinger Associates, Inc. have indicated that they shall be happy to use their personal contacts with the firm and make necessary recommendations.”

- From an Oct. 14, 1988 memo of Helmy to Naqvi: “I just met with Mr. Alan Stoga. . . . I emphasized to Mr. Stoga that our conversations in getting our two respective organizations together have been going on for over a year and hence, have not been generated as a result of present circumstances. . . . I shall keep you duly informed of my next meeting with Dr. Kissinger himself which should be sometime next week.”

- From a Dec. 19, 1988 memo of Helmy to Naqvi: “I am in communication with Mr. Alan Stoga. . . . Their response was they are interested in principle but would like to wait a bit longer. I will be meeting Mr. Stoga the first week of January 1989. . . . It would be of interest to you to know that Mr. Scowcroft is now the National Security Adviser Designate in the Bush administration and another senior Partner of Kissinger Associates [Eagleburger] is being tapped for Assistant Secretary of State in the Bush administration.”

- From a Jan. 11, 1989 memo of Helmy to Naqvi: “I had a lunch meeting with the gentleman on Jan. 5. . . . It was established that it is in our best interests for both parties to continue with the conversations. As such, the door for an eventual relationship remains open. They were far more knowledgeable of the details of our situation during this meeting and made certain ‘unofficial’ general recommendations which I shall convey to you at our next meeting. I am meeting my contact’s senior partner by the end of January with a view of discussing our overall worldwide activities.”

### **Damage control**

The “gentleman” in the Jan. 11, 1989 memo from Helmy to Naqvi, who made “certain ‘unofficial’ general recommendations” for BCCI, is thought to be Alan Stoga, who had made an appointment with Helmy for this time. The “senior partner” he was referring to would be Henry Kissinger himself.

Asked what these “recommendations” might be, Deputy Secretary Eagleburger, who was still president of Kissinger Associates when the meeting occurred, said: “I don’t know. I have no idea.” Rather than deny the memo, Eagleburger said he could not know, because he “had pretty much left Kissinger Associates by December” to join President Bush’s transition team. But, Ambassador Bremer, who has even less first-hand knowledge, has insisted that Helmy’s memos are “self-promoting inventions” so his boss will think negotiations with Stoga continued after Oct. 7.

Gary Auxier, who is executive vice president of the public relations firm Burson-Marsteller, also told the Nov. 13 *New York Times* that his firm has never represented BCCI. However, not only does one of BCCI’s attorneys in the Tampa BCCI case swear that Burson-Marsteller did do public relations work for BCCI, but Deputy Secretary Eagleburger said it is possible, since Burson-Marsteller had once been a client of Kissinger Associates.

### **Kissinger’s consultant chairs BCCI Brazil**

Deputy Secretary Eagleburger also confirmed that Sergio Correa da Costa, who had been Brazilian ambassador to the U.S. until 1986, was a very special consultant of Kissinger Associates from 1986-1988:

“It is true, as you say the *Boston Globe* reports, that Kissinger Associates did hire the former Brazilian ambassador to the U.S. Sergio Correa da Costa, as a consultant while I was president of Kissinger Associates. . . . I agree with you that this may have had something to do with our concern on behalf of clients about the debt situation in certain Latin American countries, especially Brazil. That is why I believe that Henry—perhaps in collaboration with Alan Stoga, who put together the financial picture on such matters—worked directly with da Costa. . . .”

As *Jornal do Brasil* reported on Nov. 16, Correa da Costa had been one of the nominee owners of BCCI Brazil throughout the period that he was a personal consultant to Kissinger and, possibly, Stoga. Interestingly, when Correa da Costa left Kissinger Associates, Alan Stoga began talks with BCCI’s Helmy in New York. An article on Aug. 28, 1989, in *Jornal do Brasil* said that Correa da Costa controls two-thirds of the voting capital of BCCI Brazil, and he is its chairman. But, control of the bank’s finance capital seems to be held by BCCI International of London, then controlled by Swaleh Naqvi.

Is it not amazing how the paper trail of a coverup often surfaces piece by piece?

# More on U.S. payoffs to Noriega witnesses

by Carlos Wesley

*As a service to our readers, we update the chart published in the Nov. 1 EIR, on the generous payoffs by the U.S. government to the murderers and drug traffickers who testify against Panama's Manuel Noriega.*

Name	Crimes	Current status	Paid by U.S.
<b>Tony Aizprua</b>	Drug pilot. Caught after he landed a drug-laden plane on a Florida highway.	Free.	\$511,000, so far.
<b>José Blandón</b>	Suspected of selling U.S. government property.	Free.	\$169,000, so far.
<b>Ricardo Bilonick</b>	Owned Inair, an airline caught with some 1,000 kilos of cocaine in Miami in 1984. Admits to smuggling at least 15 tons of cocaine into the U.S.	Government dropped most charges against Bilonick, who was facing up to 60 years in prison. He will get out in less than 7 years	Bilonick and his family are getting green cards and assistance from the government to become permanent U.S. residents, and he gets to keep at least \$4 million in drug money, tax free.
<b>Floyd Carlton Caceres</b>	Drug pilot involved in drugs-for-weapons Contra operations. 9 counts of cocaine trafficking, which could have given him life in prison plus 145 years. Instead got 20 years in plea-bargain arrangement.	Released after 4.5 years.	\$211,000 so far.
<b>Stephen Kalish</b>	Faced at least six drug indictments that could have put him in jail for life, plus 285 years without parole. Was sentenced to 20 years without parole in plea bargain, but it was reduced to 10 years when he testified against underlings.	Will be released in next two years.	U.S. government will let him keep up to \$20 million in drug profits.
<b>Carlos Lehder</b>	Drug trafficking, murder, kidnaping. Biggest cocaine kingpin ever to be jailed by the U.S. government. Convicted to a life sentence plus 135 years in prison with no possibility of parole.	Has been moved out from the federal maximum-security prison at Marion, Ill., and given a new identity under the FWPP; conceivably Lehder could already be walking the streets a free man. Eight members of his immediate family have been moved from Colombia, and are being given permanent resident status in the U.S., with all expenses paid for by the government.	Lehder will probably not pay the \$98 million in taxes he owes the U.S., plus he gets to keep at least \$8 million in drug profits.
<b>Max Mermelstein</b>	Admits guilt in 3 murders and is implicated in 2 more. Was charged on 11 drug counts. Admits he smuggled 56 tons of cocaine and 42,000 pounds of marijuana into Florida and that he was a transportation chief for Colombia's Medellín drug cartel before his 1985 arrest. Also admits to tax fraud and gun smuggling. The drug charges alone should have kept him in jail for life.	Free, after spending 2 years in prison. Is in the Federal Witness Protection Program and has been granted immunity on all charges, including the murders.	Has received \$670,245 from the government so far, at least \$250,000 a year. While he was still in jail, the government paid \$900 into his commissary fund so he could purchase snacks.
<b>Daniel Miranda</b>	Drug pilot.	Free on a suspended sentence.	Green cards for himself and his family and assistance from the government to resettle as permanent U.S. residents. He also gets a U.S. commercial pilot's license.
<b>Boris Olarte</b>	Drug pilot.		\$200,000
<b>Ramón Navarro</b>	Drug smuggler.	Deceased.	\$170,000
<b>Roberto Striedinger</b>	Cocaine smuggler.	Free.	Given green cards for himself and family, a Mercedes Benz, a 10-passenger plane, a 40-foot yacht, and a cache of assault weapons.



# CIA files expose and conceal ties to gunrunner Cyrus Hashemi

by Edward Spannaus

Central Intelligence Agency files recently released to reporters for this news service reveal that the CIA apparently helped Iranian banker and gunrunner Cyrus Hashemi avoid extradition to the United States after he was indicted in 1984 for illegal arms shipments to Iran. However, those files which were *not* released—but which were identified, as part of a court case—show that the CIA is still hiding its close relationship to Hashemi during the “October Surprise” period.

In recently filed court papers, the CIA admits it “surfaced” 277 documents concerning Hashemi in a search for documents (which took them over four years!). Most of these documents are still classified and are being withheld on national security grounds. Almost 80 CIA documents on Hashemi were identified for the period from December 1979 through December 1980—the period when Hashemi was financing pro-Khomeini protests and terrorism inside the United States, and also acting as a “double agent” for both the Carter administration and the Reagan-Bush campaign with regard to the negotiations for return of U.S. hostages held in Iran. All of these 1980 documents—with the exception of one newspaper clipping—remain classified and are being completely withheld from disclosure by the CIA.

Hashemi was first identified by this news service and other publications in the summer of 1980 as serving as a financial conduit for illegal funds for Iranian terrorism in the United States. In 1983, this news service was the first to identify Hashemi as a key player in the “October Surprise” plot to delay the release of the hostages in Iran until after the 1980 presidential elections.

In his new book, *October Surprise*, former Carter National Security Council aide Gary Sick describes Hashemi as the central intermediary through whom Reagan campaign manager (and later CIA director) William Casey worked in his successful efforts to negotiate a secret deal with Iranian leaders in the summer and fall of 1980.

The new documents shed additional light on Casey’s close relationship with Hashemi during the Iran-Contra period, but totally hide the Agency’s dealings with Hashemi during the crucial months of 1980. The descriptions of contents of the documents for the 1980 period which are being withheld include “planning of a proposed paramilitary event,” “discussions about a particular CIA activity,” “information requested concerning Cyrus Hashemi,” “basic infor-

mation the CIA has on Cyrus and Jamshid Hashemi,” “extremely detailed information about specific activities of foreign nationals,” and so on.

It is known that Cyrus Hashemi came under massive national security surveillance in October 1980; according to Gary Sick, the Reagan administration abruptly lifted the surveillance in February 1981, shortly after it came into office. A CIA document from shortly after this, March 13, 1981, is described as discussing “the details of a CIA activity involving Cyrus and Jamshid Hashemi.” A late 1982 document, which is partially released, says that Hashemi “was about to be indicted for violating various arms embargo laws” in February 1982. This didn’t happen.

However, the investigation of Hashemi was continuing, and another document shows that a federal prosecutor visited the CIA on June 28, 1983, asking detailed questions about Hashemi’s dealings with the Agency. Four pages of notes drawn up after this meeting, which contain “a summary of CIA’s dealings with Cyrus Hashemi and Jamshid Hashemi,” are still classified “Secret” and are being withheld.

Although the CIA reportedly blocked the indictment of Hashemi for as long as it could, arrest warrants were issued for him and his brothers in May 1984, and formal indictments were issued in July 1984.

## The Shaheen connection

Meanwhile, as the indictment of Hashemi drew nearer, the CIA appeared to be cutting loose Cyrus and his brother Jamshid. An Oct. 11, 1983 document seems to suggest that the CIA tried setting up Jamshid to meet with an FBI undercover agent. The document says: “notwithstanding C/NE’s telephone call last week to Jamshid Hashemi, Mr. Hashemi evidently is having second thoughts about meeting with the FBI undercover agent.” (“C/NE” refers to the Chief of the Near East division of the CIA’s Operations Directorate.)

The document goes on to say that the prosecutors requested “the name of the DCI’s [Director of Central Intelligence’s] friend who recently suggested to C/NE that the Agency utilize the services of Cyrus Hashemi.” The author says, “I identified the individual as John Shaheen, whom I described as an acquaintance of Mr. Casey’s from his OSS days who is now a private businessman in New York.” (Shaheen was in fact one of the founders of the CIA, along with Casey; he

was also a business associate of Hashemi.)

A few weeks after the arrest warrant was issued for Cyrus (who is known to have been tipped off by the CIA so he could flee the country), a hilarious "CYA" memo was entered into the CIA's files. According to the "memorandum for the record," Shaheen had called Casey, reporting that "Hashemi had telephoned him from London saying he had important information concerning Iran which he wanted to pass along to the Agency." But since the Hashemis "remain outside the U.S. in an attempt to evade U.S. process," it was decided that "it would not be prudent" to be in contact with them. "The DCI strongly endorsed this position," states the memo, which then describes Casey calling Shaheen in the presence of the others, "emphasizing the Agency did not want anything to do with the Hashemi brothers." (This was shortly after news reports had been published saying that the CIA had tried to block the Hashemi arrests by throwing "a cloak of national security" over the case.)

Despite Casey's self-serving admonition that the Agency would have nothing to do with Hashemi, a new round of dealings with Hashemi is reflected in documents beginning in June 1985. Some of these particular documents were subpoenaed by Congress and were released as part of the Congressional Report on Iran-Contra, but *EIR* has obtained additional documents and some new information in the previously released files.

A June 16, 1985 memo written by Casey describes a recent call to Shaheen from Cyrus Hashemi, who was in Hamburg, West Germany. Hashemi offered a change in Iranian government policy if he could in turn get his case dropped—a *nolle prosequi* ("to pursue no further"). Hashemi claimed to be talking to the Iranian Foreign Ministry and offered to set up a meeting in Bonn for the following week. Hashemi also claimed to be aware of a recent attempt by George Bush's brother and "Shekeleh" (later identified as Ted Shackley) to contact the Iranians. Casey proposed taking the matter up with the State Department to see if they would be willing to listen to whatever proposition the Iranians might bring to Bonn.

There is a second, more formal memo by Casey, dated June 17, which repeats the same information. Casey adds that he "ran into Rick Burt last night" and discussed it with him.

Next follows a series of memos on the Shaheen/Hashemi operation, authored by Thomas A. Twetten, whose name was previously redacted from the documents released in the congressional Iran-Contra report. Twetten was Deputy Chief, Near East division of the Operations Directorate from 1983 to 1986, when he became Chief of the Near East operations (C/NE).

The inclusion of Twetten's name is significant, because Twetten is known to have been one of a handful of hand-picked CIA officials with whom Casey worked closely in the Iran-Contra operation. Twetten was the CIA "case officer" for the Ollie North arms-for-hostages deals, but later testified that he did not know about the diversion of funds to the

Contras. (Some intelligence officer!) In 1988, he became Associate Deputy Director of Operations, and he became DDO—head of the CIA's clandestine services division—on Jan. 1, 1991.

These 1985 memos include the back-and-forth among Twetten, Shaheen, and Hashemi's lawyer Elliot Richardson (a Republican former Attorney General). Twetten complained at one point that Richardson had called him directly, and states: "I also noted that Mr. Hashemi has an established channel through a third party when he wishes to reach us." That "third party" was Shaheen.

### **CIA obstruction of justice?**

Of course, during this entire period, Hashemi was a fugitive from U.S. justice, which is noted in the CIA documents from time to time. A one-page "Synopsis" of the status of the Hashemi case in September 1985 reports: "Along with their attorney Stanley Pottinger, the group . . . allegedly, illegally exported arms to Iran from 1980 through 1984. . . . Pottinger is still currently under investigation." This is particularly significant, since Pottinger, who has been alleged to have been one of Hashemi's CIA controllers, was never indicted; however, this document shows he was still under investigation over a year after the Hashemi indictments.

Pottinger was protected by never being indicted; and, it appears, the CIA may have been blocking the extradition of Hashemi. A poorly typed sheet from Nov. 11, 1985 contains the following: "WE WERE ADVISED IN AUGUST 1985 THAT THE U.S. GOVERNMENT MUST NOT TOUCH THE IRANIAN IN THE UK WHOM THE US IS SEEKING TO EXTRADITE FOR HIS PART IN AN FAIL\$D IRANIAN ATT\$MPT TO PURCHASE U.S. ARMS.

"HASHIMI'S LAWYER ELLIOT RICHARDSON INVOLVED IN ATTEMPTS TO PUT U.S. GOV\$ERNMENT IN CONTACT WITH LEADING FIGURES IN TH\$ IRANIAN GOVT. RE RELEASE OF AMERICAN HOSTAGES INCLUDING OBTAINING HASHEMI'S NOLLE PROSEQUI."

The next documents following this are all withheld, but they are described as including deliberations about policy concerning contacts with Hashemi, a meeting at the CIA to discuss the investigation of Hashemi's arms transactions, and negotiations between the CIA and Hashemi's lawyer.

The next document released is April 23, 1986, right after the arrests of 17 arms dealers, including Israeli general Abraham Bar-Am, U.S. lawyer Samuel Evans, and 15 others. Hashemi was the "sting man" who set up the arrests as part of a deal involving his own case. A CIA memo reports that the Customs Service had asked the CIA in December 1985 "whether any CIA equities or plans would be affected involving their use of Cyrus HASHEMI in an arms sting operation." The memo says, "There are no Agency equities involved in this operation."

Within a few months, Hashemi died suddenly and mysteriously in London. He had many enemies, and he seems as well to have outlived his usefulness as a CIA "equity."

# 'Circa 1492': an approach to the riddles of Chinese art

Part 4, by Nora Hamerman

This article concludes a series discussing the major exhibit "Circa 1492: Art in the Age of Exploration," on view at the National Gallery of Art in Washington until Jan. 12, and the accompanying catalogue, published by the National Gallery and Yale University Press. In the first two articles I surveyed the galleries devoted to "European and the Mediterranean World," especially the great artist-scientists of the Renaissance, Leonardo da Vinci and Albrecht Dürer; and the less-known art of the Iberian peninsula. In the third article, I discussed "The Americas," the final section of the exhibit, and stated that the art of the Aztecs and Inkas bespoke a genocidal society, which had lost the moral fitness to survive without outside intervention.

The middle section of the exhibit, "Toward Cathay," poses more complex issues. It would be idle to claim more than a superficial grasp on this writer's part of the cultural and religious history of Japan, Korea, China, and India, the four areas which the exhibit covers in terms of their art during the 50-year period around 1492, though I have benefited from the advice of some of my colleagues on *EIR*'s staff who have been delving into the Chinese and Japanese languages and cultural history.

Rather, in this commentary, I refer back to the standpoint of Lyndon LaRouche's seminal article which *EIR* published in its Sept. 30, 1988 issue, shortly after LaRouche visited the Republic of China. The article, "Behind the mask of so-called 'Communism,'" foresaw the kind of upheavals which took place in the Tienanmen Spring of 1989. LaRouche posed there the "higher considerations of a true Asia policy which a well-advised U.S. government might come to share with Japan, China, and other patriotic forces of the East and South Asia regions, and as a Pacific-Indian Oceans Basin policy generally."

"My own advantage in this," he wrote then, "is that I am committed to a world-view inherited from such leading European figures as Cardinal Nicolaus of Cusa, Leonardo da Vinci, and Leibniz. Thus, I am committed, as were Cusa and Leibniz, to the establishment of a world order based primarily on the Christian view of the quality of each individual human soul, of all races and nationalities, under the rule of universal natural law as Cusa and Leibniz, for example, understood this. For the same reasons, I am committed to the establishment of a world system of perfectly sovereign nation-states,

states whose common submission to universal principles of natural law defines the relations among those sovereign republics . . . as constituting what U.S. Secretary of State John Quincy Adams described as a 'community of principle.' "

These very principles, I believe are expressed in the great works of art exhibited in the "Europe and the Mediterranean" section of the Washington exhibit. Hence they were, at least partially, the impetus behind the European voyages of discovery around 1492.

LaRouche had also observed, "Perhaps the most horrifying thing which a Westerner of Christian conscience sees so pervasive in the Far East, is the lack of an efficient regard for the principle of sacredness of individual human life." He concluded, "the entirety of the culture of China is defined implicitly by the work of Dr. Sun [Yat-sen, the great patriot who founded modern China]. He turned to Europe to discover the weapons for defeating Satan's power in China."

For reasons of space I focus on China here, because of its dominant role in the region, but this is not to underestimate the fact that Korea and Japan were every bit as different from China as France or Germany were from Italy, if not more so. India is yet another story, but it is represented only nominally in this exhibit.

A unique aspect of the "Circa 1492" show is that for the first time, both Taiwan and Beijing have lent from their most precious treasures, to be seen side by side. This is crucial because, as LaRouche had underlined in 1988, "There are not 'two Chinas,' nor a mainland China distinct from an island nation of Taiwan. There is but one China with two rival governments . . . the cultures of the mainland and Taiwan are as identical historically as almost any two regions on mainland China."

## China in the 15th century

In the catalogue, I especially appreciated Prof. F.W. Mote's 13-page "China in the Age of Columbus," which paints a broad picture of the economy, science and technology, ruling institutions, and the art and civilization of China at the time of Columbus's voyage. He hypothesizes about what might have happened had Columbus achieved his purported goal of reaching China in 1492. Dr. Mote warns, "It is also unlikely that the scholarly traditions of China, and their manifestations in all aspects of public and private life,

would have been in any degree intelligible to [Columbus]. A century later the Italian Jesuit Matteo Ricci (1550-1610), employing superb qualities of intellect and spirit through almost 30 years of profound study in China (1583-1610), was able to penetrate these dimensions of Ming life; no foreign envoy passing through could have done so."

It is not well known in the West that China under the Ming dynasty had been the world's greatest maritime power in the first half of the 15th century. China had developed movable type printing, not invented in the West until Gutenberg unveiled it in 1453, in the mid-11th century, albeit, because of the cumbersome Chinese script, woodblock printing was used for centuries; still, books were plentiful and cheap. In astronomy, botany, pharmacology, medicine, physics, mathematics, and even seismology, China was far ahead of the West.

Confucianism offered an ideal image of the poor but bright boy enabled by some good fortune to achieve education, who could advance up the ladder of success to become a chief minister to the throne. This ideal, though seldom realized, made the society open and strongly achievement-oriented. Mote asserts that China "was a highly developed agrarian society, and a generally prosperous one. The ordinary Chinese of Ming times probably were the best-clothed and housed and best-nourished people in the world." He reports that there was no hereditary aristocracy, and that the scholar-officials who were the ruling elite were recruited by civil service examinations from the villages, hence they understood the needs of the farming people.

Yet, this agrarian base contributed to the view of China's scholar-bureaucrats that the country did not need overseas trade, and in fact should not take the risk! This led to the bizarre decision in 1434, by the imperial court in Beijing, to shut down the extraordinary overseas voyages that had been led by the Muslim eunuch Admiral Zheng He, and even to burn the Chinese fleet. It is stunning to consider that Chinese seafaring, which had a rich interchange for centuries with Arab and Persian navigators, led the world in navigational techniques (the compass), naval architecture (hulls divided into water-tight compartments; the stern-post rudder, known in China 1,000 years before it appeared in the West); propulsion (paddle wheels, treadmills, and sails instead of galley rowers as in the West). Zheng He's ships in the 1420s were three times as big as Columbus's and his fleet twice the size of the Invincible Armada of 1588!

### Professionals and literati

Once one's eyes adjust to the lower lighting, one cannot fail to be impressed by the technical command and delicacy of the many works of art on paper and silk, mirroring a culture in which literary production, calligraphy, and painting were three aspects of a unified training mastered by all highly educated scholars.

Chinese art has been divided between the professional

artists who worked at the court, and the "wen ren," literati who were "recluses," which meant not that they were hermits but that they chose not to strive for office. Until recently, the "recluse" faction, which appears to have been much influenced by Chinese Legalism and Zen Buddhism, has been much favored by western and Chinese criticism alike, but in this exhibit, both have equal status. The recluse faction apparently gained prominence with the Ming rejection of scientific progress, exemplified by the rejection of Zheng He's seafaring.

I have picked three works from the show to illustrate the issue raised by LaRouche in the cited writing. What from the European Renaissance must be added to the culture of China, to provide that missing concept of the sacredness of individual life? Can we see this in the art?

**Figure 1** is the Chinese hanging scroll on silk, *Enjoying Antiquities*, by Du Jin (active 1465-1500), who belonged to the "recluse" camp. "The four canonical scholarly pleasures of lute, chess, calligraphy, and painting await their turn to enrich the lives of the gentlemen who inhabit a realm separated from the outer world both physically and symbolically by works of art," says the catalogue entry. **Figure 2** is a hanging scroll by Shang Xi, active around 1425-50, a commander in the emperor's personal bodyguard. This very histrionic painting recounts a story from a Ming novel about Chinese antiquity, in which the virtuous general Guan Yu, the large figure seated in the center, triumphs over his wicked adversary Pang De (lower right) through a masterful stroke of strategy taking advantage of a flooding river.

Contrast both to **Figure 3**, the small panel *Supper at Emmaus* by the Flemish-Spanish painter, Juan de Flandes, ca. 1500. The artist captures the moment of epiphany when Christ, who has journeyed incognito with two disciples after his death and resurrection, breaks bread and they are suddenly aware of his true identity. What does Juan de Flandes have that both Chinese paintings lack? Depth, luminosity, and proportion, born of a perfect marriage between mathematics and the craft of painting.

Both Chinese pictures are flat; they eschew any serious effort to create the illusion of three-dimensional space, i.e., to overcome the literal limitations of the flat painted surface. Strikingly, the trees in Shang He's scroll show his ability to model skillfully, yet no such volumetric modeling is given to the figures! Despite their colorful and elaborate costumes, the men are thus less real than "nature." In Du Jin's work the beautiful objects are appreciated as a cultivated life pursued for its own sake. Thus, in one scroll there is a story, but it is not uplifting; in the other, there is elevation, but no action. But in the *Supper at Emmaus*, man is seen within nature and among the objects of his own creation, but is above both. The vessels, draperies, etc. and natural setting, while beautifully rendered, are mere ephemerals, making sensuous the central drama of Christ as God become man, who inspires man to his divine destiny. The active and contemplative life are here



National Palace Museum, Taipei

FIGURE 1



Palace Museum, Beijing

FIGURE 2

fully joined.

I suggest that these are not merely different tastes—different pathways to equally valid ends. The drive toward perspective, or what Leonardo da Vinci called “relief” in western painting, was at one with the principle of the necessity of progress. Was there not a fatal flaw in Chinese culture, a flaw which by the 1430s divided the destinies of East and West? For example, Zheng He was physically castrated in order to be admitted to power in the court, and his work was castrated by being stopped after his death. In the West, the republican theorists, who were working with artists to discover perspective, wrote in the 1420s of the unique capability of the republic to realize the full talents of each individual,



Francisco Canals Roca

FIGURE 3

*Figure 1: “Enjoying Antiquities,” by Du Jin, late 15th century, hanging scroll, ink and color on silk, 50×74 in.; Figure 2: “Guan Yu Capturing Pang De,” by Shang Xi, ca. 1431–41, hanging scroll, ink and color on silk, 79×94 in. The two works show the “literati” school and the court professional school, respectively. Figure 3: “Supper at Emmaus,” by Juan de Flandes, c. 1500, oil on panel, 8×6 in., was painted for Queen Isabella of Spain and is in the Royal Palace of Madrid.*

the “divine spark” to create inventions that would enable society to overcome successive crises. The ideal was not that a poor boy could rise in the court, but that a poor boy could serve the commonwealth in his own right.

Yet China’s Confucian ethical system provided a moral basis for the Christian message, to which China proved so open in the century after 1492, and again in this century with the Christian convert, Dr. Sun Yat-sen. The evidence of the art suggests that to rescue the Chinese nation today, it will not be enough to recover the roots of China’s great past; they must be revitalized with the idea of man as the living image of God, developed to its highest level by the European Christian Renaissance.

## **Baker China trip may gain support for MFN**

The highly criticized trip of Secretary of State James Baker III to China may have neutralized enough congressional opponents of President Bush's China policy to sustain a veto of Senate measures restricting China's Most Favored Nation (MFN) status. The trip netted few results in the area of human rights, and got only vague promises from the Chinese Foreign Ministry that Beijing would observe the "guidelines and parameters" of the U.S.-sponsored Missile Technology Control Regime limiting ballistic missile sales to the Third World.

Shortly after his return, Baker held separate meetings with Senate Republicans, Senate Democrats, and House Republicans. He is also scheduled to meet with House Democrats.

Although opponents of the administration's China policy were little impressed with Baker's trip, seven Democrats, headed by Sen. Max Baucus (D-Mont.), who backed the administration last July in extending MFN trade status to China, seem ready to continue to back the Bush policy. Their support would virtually assure that any Senate attempt to force the President to impose sanctions on the Chinese for their continued suppression of the pro-democracy movement would be doomed to failure.

## **Senate approves SDI deployment, cuts defense**

The Senate approved 79-15 on Nov. 22 a \$291 billion defense spending bill which had passed the House on Nov. 18. The bill blocks administration plans to build more B-2 bombers, but approves the deployment of a limited Strategic Defense Initiative (SDI) system.

The bill allocates \$4.15 billion for

the SDI, including funds for an initial ground-based deployment of 100 interceptors capable of shooting down incoming missiles. Although far from providing the nationwide population defense envisioned by President Reagan in his March 1983 speech announcing the program, the bill gives the whittled-down SDI "research" program a definite deployment timetable. The bill also calls for negotiating with the Soviets to amend the 1972 ABM Treaty in order to permit further deployment of such systems.

The Senate was prepared to agree to the President's request for four more B-2 bombers, but the House voted to halt production after completion of the 15 planes that have already been approved. In light of the "diminished Soviet threat," the bill will cut U.S. Armed Forces by 106,400 active duty personnel by the end of the fiscal year.

## **Veto forces Congress to cut pro-abortion clause**

Congress failed to override a presidential veto of a \$205 billion spending bill for the Education, Labor, and Health and Human Services departments. President Bush had vetoed the bill Nov. 19 because it would eliminate a ban on abortion counseling at 4,000 federally funded family planning clinics, the so-called "gag rule."

Before the vote, pro-abortion supporters called the Title X regulations "government by mind control" because it denied women their First Amendment rights and the right to hear the "truth." Rep. Henry Hyde (R-Ill.) retorted: "The last thing you and Planned Parenthood want is informed consent, you don't dare let women see a videotape of the fetus. . . . You don't even want parental notification." Planned Parenthood is the ma-

ior recipient of federal family planning funds.

Faced with another veto, 19 House Democrats held a press conference on Nov. 22 to present a giant seven-foot-long "veto pen," arguing that the President has no domestic agenda other than to veto measures the Congress passes.

## **Investment tax credit bill introduced**

"The Investment Incentive and Recovery Act of 1991" was introduced in the House on Nov. 19 by Reps. Frank Guarini (D-N.J.) and Sander Levin (D-Mich.). The measure would provide an investment tax credit for certain productive investments.

"The credit is targeted in such a way," said Guarini, "as to encourage investment in manufacturing equipment, which will have the greatest impact on encouraging economic growth." He noted that Japan invested 29.2% of its GNP in that manner, compared to 17.2% in the United States. "Even though Japan's GNP is only about half the size of the United States," he said, "it is investing more in absolute terms in non-residential fixed investment—\$675 billion in 1990, compared to the U.S. figure of \$524 billion."

Levin remarked that the U.S. needed "a long-term strategy for restoring economic growth." Although paying obeisance to the Washington bugaboo of "bringing the federal budget deficit under control," Levin said that "we must target the scarce resources available to us on those economic activities that offer the biggest long-term economic payoff."

The tax credit envisioned by the proposal is targeted in two ways, Levin said. First, "only investment above an adjusted historical base would

qualify for the credit," so that it is designed "to provide an incentive for new investment, not a reward for investment that would take place anyway." Second, only "investment in property integral to the manufacture of tangible property would be eligible for the credit. . . . Our intention is to limit the credit to investment that directly aids the manufacturing process. For example, investment in mixed-use property, in fixtures for retail sales, or in agricultural production, would not qualify for the credit."

Similar legislation is expected to be introduced in the Senate by Sen. William Roth (R-Del.). The legislation was developed in collaboration with Prof. Lawrence Summers of Harvard and Dr. John Shoven of Stanford University.

## **Bush condemns affirmative action**

President Bush signed the Civil Rights Act of 1991 on Nov. 21, legislation which he had previously denounced as a "quota bill." A furor was caused by the signing, because a presidential order attached to the signing statement called for an end to government affirmative action programs—programs which were reaffirmed in the very bill which the President signed.

According to White House officials, the statement was authored by White House Counsel C. Boyden Gray. The order was instantly condemned by civil rights activists and others as an assault on decades of civil rights progress.

One senior White House aide told the *Washington Post* that the "thrust" of the statement had been discussed by Gray at a staff meeting a week before, where all of Bush's top aides were told the President would issue orders im-

plementing his interpretation of the law, and that he might revise a number of programs and guidelines affecting employment standards.

## **Cranston reprimanded on savings and loan conduct**

The Senate Ethics Committee voted on Nov. 19 to reprimand Sen. Alan Cranston (D-Calif.) for improper conduct in his dealings with Lincoln Savings and Loan executive Charles Keating, Jr. Since the committee was deadlocked along party lines over a censure of Cranston, the case was presented on the Senate floor—a rare step for a reprimand which is short of a formal censure.

The actions against Cranston had all the earmarks of political retribution. Cranston was one of five senators under investigation for dealings with Keating, but was the only one to be publicly reprimanded. Cranston had raised the ire of the administration during the confirmation hearings of Bush nominee Donald Gregg as ambassador to South Korea, when he demanded a thorough investigation of Gregg's involvement in the Iran-Contra affair. No investigation was launched and Cranston found himself under fire from the Bush administration.

On Nov. 20, Cranston admitted that he was wrong in failing to anticipate that raising funds from Keating could be looked upon as improper, but he insisted that his motives and actions were "well-intentioned and honest." He attacked the censure since "there were no written guidelines of the Senate" in the areas in which he was being reprimanded. Referring to Supreme Court Justice Hugo Black's comments about "a tyrant king who wrote his laws in a hand so fine and

placed them so high and so far from view that his subjects could not read them" as being "the essence of tyranny," Cranston said that "the essence of due process is to have laws written in advance so all can know them," a condition which he said was violated in this case. Cranston also noted that his actions "were not fundamentally different from the actions of many other Senators."

Cranston called for a reform of the Ethics Committee procedures. He said the public exposure of those senators sitting in judgment could influence their decisions—a situation avoided in jury trials because the positions of individual jurors in coming to a decision are not a matter of public record.

## **Senate kills 'October Surprise' investigation**

The U.S. Senate will not conduct a special investigation into the "October Surprise" allegations that the 1980 Reagan-Bush campaign conspired to delay the release of American hostages from Iran, as a result of a successful filibuster Nov. 22 by Republicans to block the probe. Whatever investigation takes place will be conducted by the Senate Foreign Relations Committee from existing funds.

Coverage of the Senate vote in the *Washington Times* highlighted the fact that the vote followed the testimony by *October Surprise* author Gary Sick in which he "revealed that a major figure cited in October Surprise allegations was the target of a secret surveillance probe by the Carter administration in 1980." Sick's call for the Senate to subpoena the records of the surveillance of the late Iranian banker Cyrus Hashemi was described as a "bomblet" by one senator.

# National News

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## N.J. official proposes general testing for AIDS

In a change of policy, New Jersey Health Commissioner Frances J. Dunston announced in mid-November that the state is urging *all* residents who are sexually active be tested for the AIDS virus. Those testing positive for HIV must be reported by name and address within 24 hours to a confidential state registry.

"Heterosexual transmission is increasing and it's not related to the customary risk behaviors," Dunston said at a news conference. "Sexual activity in and of itself puts an individual at risk for HIV infection."

Dunston said that "heterosexual contact cases of HIV are the single fastest-growing category of new cases now being reported in New Jersey. This fact . . . has convinced us that we must intensify the state's HIV testing." Dunston said that 19% of the 4,100 cases testing positive reported since Jan. 1 were caused by heterosexual contact.

In October, the New Jersey Department of Health adopted regulations which require physicians to report the name and address of anyone who tests positive for HIV to a confidential registry in the department.

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## FBI informant charged in four murders

Robert Foley, a convicted murderer who was released from the custody of Ohio state police earlier this year on the recommendation of the FBI, has subsequently been charged in the slayings of four people found buried in a septic tank, and is suspected in the killings of others, including a state trooper, according to a Nov. 20 UPI wire.

The four bodies were found last week on the property of David E. Gross. Foley claims that Gross was killed by three men who also killed a state trooper in 1988. The trooper was found several miles from Foley's house, shot with his own gun.

Police said Robert Foley has a long history of violent behavior, dating back to his first murder convictions in Harlan County,

Kentucky in 1977. He has been convicted of one murder, charged in six more, and is a suspect in two unsolved cases. Last August, he was charged in the deaths of two brothers, Harry and Rodney Vaughn. According to the record, he killed the pair and terrorized witnesses into disposing of the bodies in a nearby creek and cleaning up the blood in his home.

Kentucky FBI agent Ron Poole told a judge in February that Foley was an FBI informant and that he should remain free on theft charges in Batavia, Ohio in order to help the FBI. The judge complied with Poole's request.

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## New exposé targets Bush 'secret government'

The National Program Office (NPO), a part of the "secret government" capability of the Reagan-Bush administration, skirted the U.S. Constitution when it established a line of succession to the presidency to assure the continuity of government (COG) in the event of a devastating nuclear attack, according to an exposé aired on Cable News Network Nov. 17.

Augmenting details about COG previously revealed in *EIR*, CNN reported that the NPO was created by the Reagan administration in 1982 and that it operated under the office of the vice president, then occupied by George Bush. NPO coordinated its activities with the Federal Emergency Management Agency (FEMA), CIA, and the Defense and State departments. CNN highlighted the fact that Oliver North was one of the figures involved in setting up the capability. (Buster Horton, jury foreman in the LaRouche judicial railroad, was a top figure in the COG apparatus.)

Besides Bush's access to a capability that is not subject to oversight, the program listed the non-constitutionally mandated successors to the presidency—called the "Presidential Successor Support System" or "PS3." Among those on the expanded list, according to CNN, were former CIA director Richard Helms, former U.N. Ambassador Jeane Kirkpatrick, former Senate Majority Leader Howard Baker (R-Tenn.), former Defense Secretary James Schlesing-

er, and former Attorney General Richard Thornburgh. According to one expert quoted by CNN, this apparatus "violates the very Constitution it's designed to protect."

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## Cult Awareness Network set up fundraising con

The Cult Awareness Network (CAN) set up an anti-cult hoax to con people out of their money, according to a man who claims to have participated in the scam, the Nov. 19 *Los Angeles Times* reported.

"A man who called a news conference Monday in Los Angeles on the 13th anniversary of the Jonestown massacre told reporters that he had falsely claimed to be a survivor of the Guyana tragedy in order to raise 'hundreds of thousands of dollars' for the Cult Awareness Network in Chicago," the paper reported.

"Gary Scarff said that network personnel encouraged him to tell untrue stories about surviving the bloodbath that claimed 914 lives in order to finance their cult deprogramming work."

CAN official Cynthia Kissler denied the charge but confirmed that Scarff had been affiliated with CAN and was thrown out of the organization when CAN personnel began to "doubt" his "wild" stories. Kissler accused Scarff of being supported by the Church of Scientology. He has denied the charge.

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## 'Gleaners network' set up in eastern U.S.

To supplement donations of food to the poor, the Society of St. Andrew has set up a "gleaners' network" consisting of 1,100 volunteers who pick over the fields after the harvest to gather whatever the farmers have missed, the Nov. 18 *Richmond Times-Dispatch* reported. The gleaners' network was set up in Virginia, Maryland, and North Carolina.

During September, volunteers gathered 160,000 pounds of produce over a three-week period which was donated to soup



kitchens, food banks, shelters, and charity groups. There are so many new people showing up at food distributions points that donated food cannot meet the demand. The same situation prevails nationally and throughout Canada. The resort to gleaning the fields has been adopted by church charity groups in Minnesota and other Midwestern farm belt states.

The gleaning tradition goes back to pre-biblical times, and until recently, was more typical of Third World countries and the Soviet Union, where food is constantly in short supply.

## Michigan moves to revoke Kevorkian license

The 12-member Michigan Board of Medicine voted unanimously Nov. 20 to suspend the medical license of pathologist Dr. Jack Kevorkian, who is using his "suicide machine" to help "patients" people kill themselves. After accusing Kevorkian of several violations of the state's public health code, Michigan Attorney General Frank J. Kelly asked the medical board to start the suspension process. The request came after the deaths of three women. The Attorney General's request will be heard Dec. 19 in Lansing.

When Kevorkian used his "suicide machine" to kill an Oregon woman in 1990, a Michigan judge dismissed the case because the state has no specific law against assisting suicide. Another Michigan court permanently enjoined him from "conducting any acts to help a patient commit suicide regardless of the modality employed." Ignoring this, Kevorkian killed another two women in Michigan in October.

Kelly, who called all of these deaths suicides, said: "Regardless of his motives, Dr. Kevorkian's actions appear to be beyond the law. They must be addressed by proper authority. Under our system, people are not allowed to take the law in their own hands."

In June 1990, the Club of Life petitioned the Michigan Board of Medicine, the governor, and the Oakland County prosecutor, calling for the suspension of Kevorkian's license.

## Michigan assistance cuts reminiscent of Nazis

The cutting of general assistance money in Michigan was called by the state's director of social services, Gerald Miller, "a really interesting social experiment." Beginning in October, according to the Nov. 21 *Washington Post*, 90,000 people in the state lost their sole source of income. By classifying these poor as "employable," Miller said, the state will "save" \$240 million. "I want to find out where these people will go," he said. "I'm baffled, we expected a major [homeless] problem, and we haven't seen it yet."

According to officials in Washington, D.C., Michigan's cuts are "the most significant wholesale elimination of a program anywhere in the country" and represent a model for the nation.

One study of a group of 64 people renting apartments in downtown Grand Rapids, who had been cut from assistance benefits, showed that only 10 had been able to find jobs. One of the people who had been cut off said, "A lot of people are worried they'll be put out. Here, it is the dead of winter."

The Michigan State Supreme Court has refused to hear the appeal to reinstate an assistance program for 83,000 people, the Nov. 24 *New York Times* reported. The program averaged \$144 per month plus food stamps. There are now seven states without general assistance programs: including Arkansas, Louisiana, Oklahoma, Tennessee, Texas, and West Virginia, in addition to Michigan.

In the past year, the *Washington Times* reported, states have been saving money by cutting welfare:

California saved \$5 billion by cutting Aid to Families with Dependent Children benefits by \$30, and cutting cost of living escalators for all categories of aid.

Connecticut saved \$51 million by changing eligibility rules and another \$24 million by eliminating cost-of-living escalators.

Illinois saved \$27 million by reducing assistance from 12 to 9 months.

Maryland saved \$27 million by rolling back amounts to 1989 levels and not covering hospital costs for welfare patients.

## Briefly

● **THE JEWISH** Defense League assassinated Rabbi Meir Kahane, defense attorney William Kunstler charged in his opening arguments in the trial of El Sayyid Nosair, the man accused of killing JDL leader Kahane. Kunstler portrayed Nosair as a moderate who met with Kahane because he believed Kahane was softening his anti-Arab position.

● **THE MARIJUANA** harvest in Maine has doubled in the past year, according to state narcotics agents. The *Maine Times* reported that a spokesman for the state agency "stopped short of endorsing the enterprise as an antidote to recession."

● **A POLITICAL** cartoon in the Nov. 20 *Richmond Times-Dispatch* in Virginia showed George "Nero" Bush in a Roman toga with a laurel wreath on his head, playing a violin while a fire rages in the background. The fire is labeled "Recession."

● **MASSACHUSETTS** will become the first state to allow betting by phone. People who play the state lottery can phone a 900 number, for which they will be charged \$1 for the bet plus 95¢ for the call. To "safeguard" against children placing bets, the computer that answers the phone tells callers that children aren't allowed to gamble.

● **DEREK HUMPHRY**, the founder of the Hemlock Society, told the Nov. 15 *Minneapolis Star Tribune* that he intends to place an initiative for euthanasia on the California ballot. He blamed the defeat of his Nazi initiative in Washington State on tactical errors.

● **MIDDLE EAST** Watch, chaired by Gary Sick, has published "Needless Deaths in the Gulf War," which includes confirmation by Pentagon officials that the Iraqi electrical system was targeted; not to achieve a "concrete and direct military advantage," but to demoralize the population. This violates the Geneva Conventions, which require that belligerents distinguish between military targets and civilians.

# *Environmental law is fascism*

A jubilant William K. Reilly has just announced record civil and criminal prosecution figures for violations of environmental law.

For fiscal year 1991, a total of 474 civil and criminal cases were referred to the Department of Justice. These netted the bankrupt U.S. government more than \$1 billion in civil litigation judgments and \$14.5 million in fines, plus 550 months of prison terms.

Forty-eight criminal cases were successfully prosecuted, Reilly said, resulting in 72 defendants being convicted and sentenced. Over the fiscal year, "criminal enforcement recorded more than double the jail time served" in previous years. Courts also ordered a record 1,713 months of probation for offenders. Translated into plain English, this means that 72 men and women were declared to be criminals merely because they violated environmental laws.

"Environmental crime is today no less a crime than theft or blackmail or assault. And more and more assuredly, if you do the crime, you'll do the time," Reilly said. Reilly bragged that his Environmental Protection Agency had prepared nearly one major case per day all year and that one Superfund lawsuit is being filed every two and one-half days—the largest number ever prepared and filed in a single fiscal year.

In the past three years, the EPA has referred to the Justice Department criminal cases that represent 53% of all the criminal referrals in the history of the agency. In other words, emitting extra effluent into the atmosphere, or even failing to properly monitor emissions, which are not in violation of the law are being vigilantly prosecuted, while the major banks that profit from the drug traffic are allowed to turn city streets into death camps for our children.

Not only does William Reilly brag about his success in prosecuting citizens who in past periods would have been seen as pillars of their community, but he wishes for a substantial reward. He is demanding a cabinet post as Environmental Czar.

His complaints are loud that the EPA Cabinet Elimination bill is still stuck in committee and according to a statement by Rep. John Conyers (D-Mich.), it will

not be moved out of the House Government Operations Committee, which he chairs, this year.

Reilly said: "Environmental issues have clearly attained a level of importance internationally and in the American public's mind which merits EPA's inclusion in the cabinet. . . . The U.S. Senate has unanimously approved this measure and President Bush has emphasized the need for its passage this year. Just today members of both parties and the environmental community stood together in front of the nation's Capitol in support of immediate action on a clean cabinet bill."

There are real crimes being committed in this country, not only blackmail, assault, murder, but crimes against the unemployed. These crimes remain unpunished.

Honest men and women have lost their jobs due to the deepening depression which we now face, and these men and women are being turned out into the street in states such as Michigan, which no longer offers public assistance to the needy who fall into the general welfare category.

The legislators who passed the law to end general assistance, the politicians in Washington who are spreading the big lie that the U.S. economy is in the midst of a recovery: these are the people who should be brought before the bar of justice. Indeed, the fools in the Congress, who passed the Clean Air Act and similar pieces of environmentalist tomfoolery, are the ones who should at minimum lose their jobs as lawmakers.

Not only are the environmental laws which Reilly is enforcing incompetent and wrongheaded, but most of the people who violate these laws have done so inadvertently rather than willfully. When honest citizens are sent to jail for pseudo-crimes, this is a sure confirmation that our whole judicial system needs an overhaul.

This is, indeed, merely another example of the same fascist justice which has sent Lyndon LaRouche to prison on hoked-up "conspiracy" charges—to serve more than double the amount of time spent in prison by the typical murderer.



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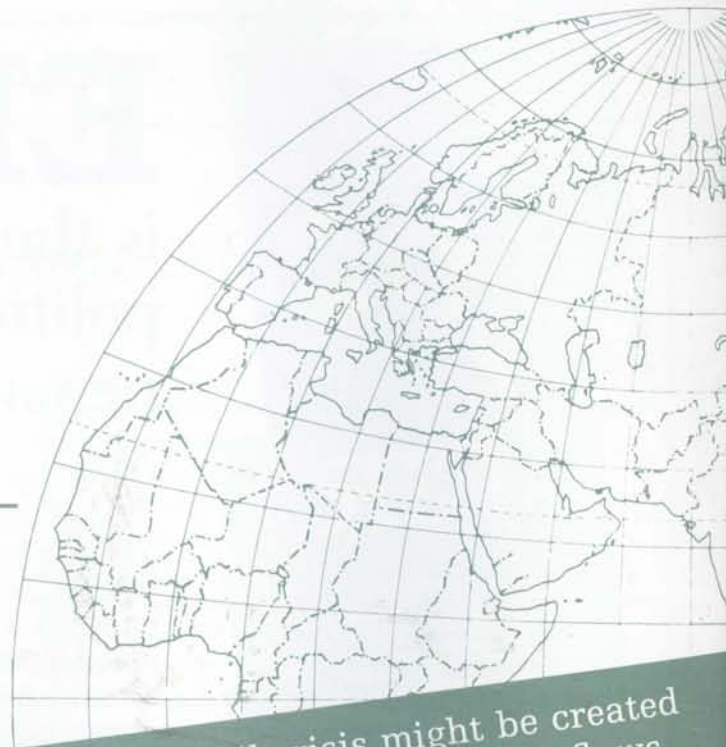
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**March 13, 1990** EIR Alert runs story on how a new oil crisis might be created by the Anglo-Americans in order to "dry up investment flows into Eastern Europe."

**July 3, 1990** EIR Alert reports that a Middle East war is imminent and that "the war is planned by not just the Israelis, but is planned by the Soviets, the British government, and the government of the United States."

**August 2, 1990** Saddam Hussein invades Kuwait, setting off the pre-planned war scenario that led to the death of hundreds of thousands of Iraqis.

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