

EIR

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Russia's Shield Union vows to defend democracy

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take LaRouche case to OAS**



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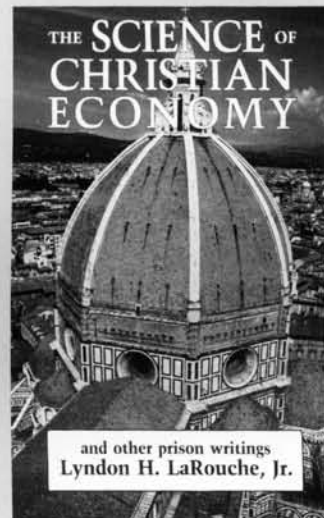
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European Headquarters: Executive Intelligence Review Nachrichtenagentur GmbH, Postfach 2308, Dotzheimerstrasse 166, D-6200 Wiesbaden, Federal Republic of Germany
Tel: (0611) 8840. Executive Directors: Anno Hellenbroich, Michael Liebig

In Denmark: EIR, Post Box 2613, 2100 Copenhagen ØE, Tel. 35-43 60 40

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

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From the Editor

The week before we went to press with this issue, was one filled with important events.

Most important in our view, is the event highlighted on the cover: the presence in Washington of a delegation of congressmen from Peru, Venezuela, and Panama, urging the Organization of American States to investigate the injustice committed against presidential candidate Lyndon LaRouche. He has sat in a U.S. federal prison for more than three years, after a trial which has become an international human rights scandal (see *National*).

The Bush administration celebrated the first anniversary of the declaration of “victory” in the Gulf war. But Desert Storm, as *EIR* and LaRouche warned last year, left very little to celebrate and much to fear.

The strategic situation is rapidly deteriorating as the British elites unleash their scenarios of “managed chaos.” New wars threaten to erupt in southern Lebanon and in the Transcaucasus republics of the former Soviet Union. There is a grave danger, as LaRouche has been warning, that the Bush-Quayle administration will lead a new military adventure abroad, to divert attention again from the unraveling economy—a big electoral liability.

After being clobbered by Buchanan ain write-ins in New Hampshire, Bush lost over 30% to “uncommitted” in South Dakota, where he kept rivals off the ballot. Not one of the five dwarfs running as “major” candidates for the Democratic nomination has consistently won in the primaries; “frontrunner” Bill Clinton has yet, as of this writing, to take a state. This “nonlinear” situation puts the candidacy of political prisoner Lyndon LaRouche (who polled 1% in South Dakota, and actually in won one precinct) in a most interesting light. It brings to the fore the very policy issues for which LaRouche is fighting, and the reasons why he is so respected abroad—why the intense concern about violations of his human rights.

Our *Feature* pivots on a historical article by French Schiller Institute president Jacques Cheminade, about the Versailles order, which LaRouche has discussed a great deal of late (see page 60). Although the story focuses on Europe, the consequences are universal. Free of the Versailles nightmare, a Franco-German alliance for industrial development today, under the LaRouche “Productive Triangle” concept, holds the best hope for world economic recovery.

Nora Hamerman

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Corrections: In the commentary by Thomas Jukes in our Feb. 21 issue, on page 67, under the subhead "Audubon gets off the hook," the first sentence should begin, "With consummate ingenuity, Judge Kaufman. . . ." Due to a typographical error, the word "ingenuity" was misprinted as "integrity."

On the photo caption on page 19, the last person on the right was misidentified; he is Congressman Wilmer Lumba of Peru.

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National



Delegation of lawmakers meets with Secretary General João Baena Soares of the Organization of American States on the LaRouche case on Feb. 25 in Washington. From left are: Congressmen Lino Cerna Manrique, Carlos Rivas Dávila, and Eduardo Salhuana Cavidez, all of Peru; Secretary Baena Soares; and Congressmen Oswaldo Bockos (Peru), Jorge Leon Díaz (Venezuela), Miguel Bush Ríos (Panama), and Francisco Palomino (Peru).

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LaRouche campaign specifies how to nationalize the Fed

At a moment when all the "major" presidential candidates agree that the economy is the primary electoral issue, but none is offering a coherent program, the Advisory Committee to Lyndon LaRouche's Democratic presidential campaign announced the release on Feb. 25 of a draft Federal Reserve Nationalization Act of 1992. It is based on the candidate's proposal to return the United States to the method of central banking originally envisioned by Alexander Hamilton, the first Treasury secretary, and mandated in Article I of the U.S. Constitution. What follows is the motivating argument and draft text released to EIR News Service by the "Democrats for Economic Recovery—LaRouche in '92" campaign:

The current Federal Reserve method of money creation is unconstitutional, LaRouche said, because it leaves "the power to create fiat credit in the hands of a powerful cartel of private bankers led by Citibank and Chase Manhattan Bank."

LaRouche called instead for a return to "the constitutional obligation of the federal government" to ensure that the nation's credit goes to tangible production and necessary physical public services.

The Act is in the form of a draft, a LaRouche in '92 spokesman said Feb. 25, "because we are asking for broad discussion and suggestions from experts, and from the public, to stir debate on this critical idea."

LaRouche has also requested the draft of a companion "Banking Reorganization Act of 1993," to detail how the National Bank shall regulate the rapid write-off of the more than \$5 trillion of worthless loans to non-productive activities already on the books of private U.S. banks.

The Federal Reserve Nationalization draft (see *Documentation*) completely rewrites the Federal Reserve Act of 1913, which created the Fed system, via amendments which:

1) Forbid creation of "fiat money" through Federal Reserve *open market operations*, now corruptly controlled by a private cartel of the New York banks;

2) Create instead over \$300 billion in new credit through the new National Bank's *discount window*, using loans ear-

marked for new real physical capital investment, production, or transport of tangible wealth;

3) Shut down "Eurodollar market" speculation in the U.S., by re-imposing *reserve requirements* on deposits of private banks, thus cutting off the infinite "Keynesian multiplier" which underlies the 1980s' "junk finance."

Curtailing open market operations

The problem with the Federal Reserve is the method by which it creates money. The Fed now adds "fiat money" to the banking system by printing fresh Federal Reserve Notes, the familiar dollar bills, for the purpose of *buying a certain portion of the U.S. Treasury debt*: that which would not otherwise be purchased by money already in circulation. This is "monetizing the government debt," printing cash to finance the U.S. budget deficit.

Worse than the question of "how much fiat money?" is the question "whose?" The Federal Reserve does not purchase Treasury debt from the Treasury, but from the two dozen leading Wall Street government debt houses such as Salomon Brothers and Goldman Sachs, who buy up debt from the Treasury Department in anticipation. The corruption this entails has been but partially exposed by the recent indictments of Salomon Brothers officials in a major Fed Open Market Operations fraud.

These Treasury security dealers then deposit the proceeds of their Treasury debt sales—the new fiat money just printed by the Federal Reserve—into accounts at the top 20 New York commercial banks, led by Citibank and Chase Manhattan. These commercial banks now have additional deposits created for them out of thin air.

The banks then demonstrate the principle of the "Keynesian multiplier": They create more money out of thin air, by loaning out these deposits to a customer; the customer's loan is then redeposited, reloaned, and so on.

Under the deregulation of the 1980s, the total phase-out of reserve requirements has allowed the multiplier to grow at infinite rates. Under these arrangements, overall indebted-

ness has risen toward \$25 trillion. More than half of the present so-called Gross National Product can be accounted for by direct and indirect charges associated with servicing this debt.

So, with all this credit, why is the economy crashing?

The reason is that the control of the nation's credit rests with the above-described *private banking cartel*. This cartel directs credit toward speculation. Half the profits of the U.S. money center banks during the 1970s and early 1980s were made speculating in the inflationary offshore Eurodollar market, making usurious loans to foreign nations which could never be repaid. During the later 1980s the speculation turned inward, to the S&L debacle, real estate speculation, and junk bond schemes.

Now the banks themselves, caught with all this worthless paper, are desperately absorbing every bit of new Fed credit. While the Fed pumps money hand over fist, cash does not reach the capillary system of the physical economy, because the aorta has a leak.

The Federal Reserve Nationalization Act of 1992 therefore limits the new National Bank's open-market operations. Section 3 of the Act sets a statutory limit to the amount of U.S. government debt the National Bank may hold. The bank may continue some open market operations, such as short-term buying and selling of Treasury debt to stabilize markets; but it may not buy *new* debt.

This means Article I of the Constitution, which arrogates to the U.S. government a monopoly in emitting legal tender, will be re-implemented. Federal Reserve notes will be gradually withdrawn from circulation, and replaced by U.S. Treasury bills, as described below.

Expand productive credit

The Act proposes that new long-term, low-interest credit in the amount of approximately \$300 billion per annum be issued by the U.S. Treasury, via the new National Bank, to the U.S. physical economy by a new mechanism. The National Bank will open wide its *discount window* for new lending of *directed credit* to industry, infrastructure, and related sectors of the physical economy. The bank may create credit indefinitely without fear of inflation as long as it serves to create new productive wealth.

All new credit and currency of the United States is to be thus issued by the U.S. Treasury under Article I of the Constitution, as *U.S. Treasury bills*, gradually replacing the old Federal Reserve notes in circulation.

Of the total \$300 billion per annum issued, about \$100 billion is to be spent by the U.S. Treasury itself in the form of *basic economic infrastructure projects* run by federal, state, and local agencies and subsidiaries. The objective is to employ approximately *3 million people* directly in water projects, power generation and distribution, transportation, urban infrastructure, construction of medical facilities, schools, etc.

These government projects will generate additional credit demand in the area of another \$200 billion per annum of purchases and investments by private-sector firms supplying these government projects, a total of \$300 billion in new productive activity. The private sector will also increase employment by 3 million operatives for a total new increase in productive employment of some *6 million persons*. Thus the Treasury will receive more than the initial monies outlaid through increase in the tax-revenue base of the government.

The Federal Reserve's present discount window currently provides marginal amounts of credit, largely for the banks' use, in their own emergency cashflow needs. Via the window, the Fed loans money to the banks, at a *discount*, against paper presented by the banks.

The advantage of conducting all National Bank credit at the discount window, is that the window may easily discount large amounts of *bills of trade*. These bills, held by the banks as loans to productive enterprises, are checks representing actual *physical production* of goods and services, so as to guarantee that new national bank credit goes to creation of new productive wealth.

This will constitute a system of *directed credit*, or what has been called a "two-tier credit system." Private enterprise will be encouraged, but productive enterprises more than others. Enterprises seeking to borrow at the banks for productive purposes, and their bankers, will find the banks can readily discount this paper for cheap credit. Those seeking to borrow for more speculative purposes will find their loans are discounted at a more expensive rate, or not at all.

Protective reserve requirements

To protect the banking system, and prevent banks from re-depositing for re-lending, the Act re-regulates *reserve requirements* for banks.

Until the deregulation of the 1980s, the Federal Reserve required banks to keep on deposit with the Fed a standard reserve fund, for use to pay depositors when loans went bad, which until 1982 was roughly calculated at an average rate of 16% of a bank's total deposits. This cost banks money, since the funds could not be loaned out at interest, and thus prevented banks from wildly multiplying the number of times they re-deposited and re-loaned Federal Reserve credit. Those safety reserve requirements, however, were largely done away with by the deregulation of the 1980s, making U.S. banks part of the off-shore Eurodollar market.

Under the new Act, the 16% reserve requirement which was standard post-war U.S. practice, will be re-imposed. Banks which maintain at least 60% of their loan assets in the real physical productive activities listed above will be subject to that standard requirement. For every 1% by which the banks' proportion of tangible wealth-creating loan assets falls below 60% of total assets, the National Bank shall require an additional 1% reserve charge, further discouraging banks from non-productive lending.

Documentation

The following are excerpts from the Draft Federal Reserve Nationalization Act of 1992:

Section 1 Section 1 of the Federal Reserve Act of 1913 is hereby amended to read:

“Under Article I of the Constitution pertaining to the monopoly of the U.S. government in emitting legal tender, the Federal Reserve System is hereby nationalized and placed under the jurisdiction of the Department of the Treasury of the United States. Its name is hereby changed to the ‘National Bank of the United States.’ Regional headquarters of the Federal Reserve System shall henceforth be known as the appropriate regional branches of the National Bank of the United States. . . .

“Offices and personnel of the former Federal Reserve System shall continue normal functions at the new National Bank except for the amendments set forth below. . . .”

Section 2 Section 1 of the Federal Reserve Act is hereby amended to read:

“The Federal Reserve shall immediately cease issuance of Federal Reserve notes as legal tender. As of the passage of this Act, the successor National Bank of the United States shall commence issuance of all new legal tender obligations of the United States in the form of U.S. Treasury bills, to be deposited with the National Bank by the Treasury Department. . . .

“Previously issued Federal Reserve notes may continue to be circulated as currency until such time as the Treasury shall formulate a currency reform plan for their orderly withdrawal, said plan to be promulgated no later than one year from the passage of this Act. . . .”

Section 3 Section 14 of the Federal Reserve Act of 1913 is hereby amended to include the following:

“The power of the National Bank of the United States to purchase or sell bills, notes, and bonds of the United States shall be limited to these functions:

“a) The anticipation of tax revenues accruing not more than one year from the date of purchase of said bills, notes, and bonds, in order to help maintain an orderly flow of disbursements by the Treasury;

“b) To maintain an orderly market in the bills, notes, and bonds of the United States, and to meet the temporary liquidity needs of the Bank and private banks;

“c) The purchase of such liabilities of the United States as may be presented by foreign governments for sale to the National Bank by said governments;

“The Federal government, however, may not create money supply by monetizing United States government debt. To ensure this, the total holdings by the National Bank of bills, notes, and bonds of the United States shall be set as an annual ceiling as of the enactment of this Act. Said holdings may vary in size in the course of each year, but may not increase in size at the end of the year, following enactment of this Act and at annual intervals, except by repurchases of U.S. debt from foreign governments.”

Section 4 Section 14 of the Federal Reserve Act of 1913 is hereby amended to read:

“Upon the endorsement of any U.S.-chartered bank, any branch of the National Bank may discount up to 50% of the face value of notes, drafts, and bills of exchange arising from the production of tangible wealth or capital improvements. . . . This shall be defined as the purchase of raw and intermediate materials and capital goods, construction of facilities, or employment of labor to produce or transport manufactured goods, agricultural commodities, and construction materials; to work mines; to build manufacturing, transportation, and mining facilities or dwellings; to produce and deliver energy in all forms; and to provide public utilities for communications.

“Such definition shall not include notes, drafts, bills, or loans issued or drawn for the purpose of conducting business except in the areas so defined, or for trading stocks, bonds, or other investment securities.

“Any National Bank branch may discount the full value of acceptances which are based on the exportation of goods, or 50% of the value of acceptances which are based on the importation of goods conforming to the above.

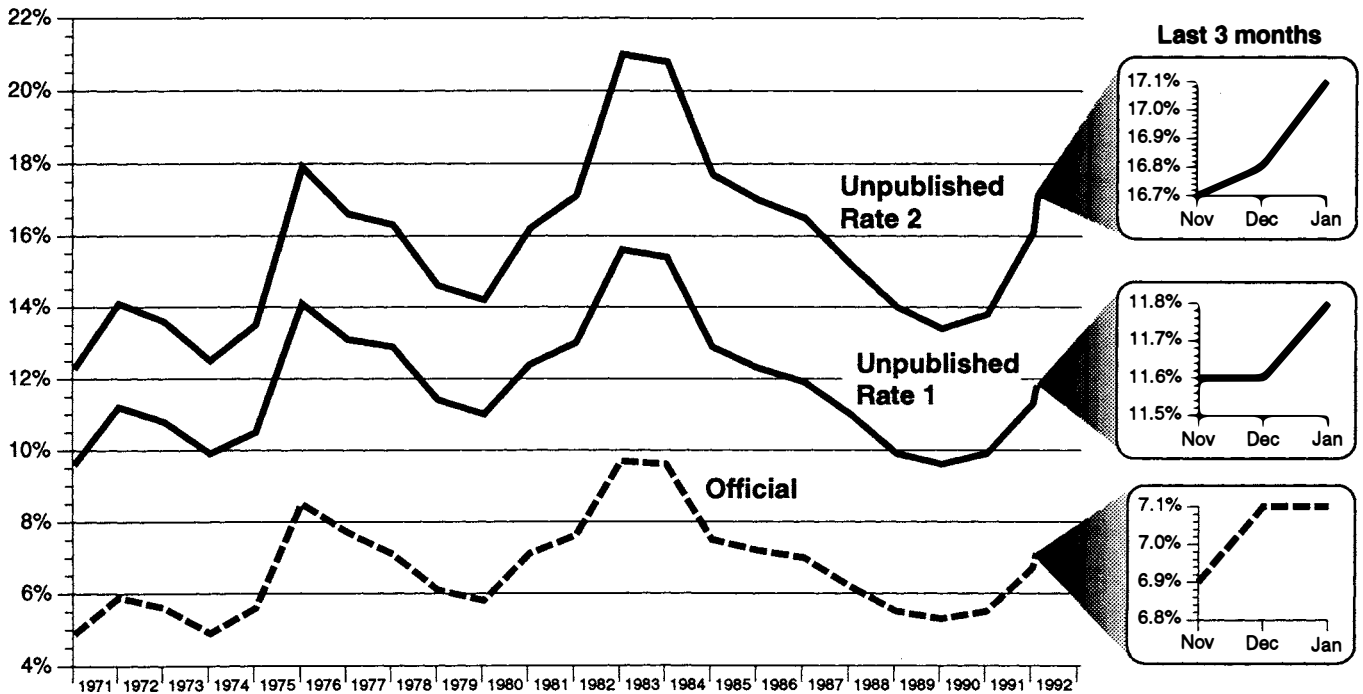
“All National Bank branches shall meet all such requests for discount of or participation in notes, drafts, bills, and loans made by U.S.-chartered banks, once the National Bank has determined that the purpose of such credit conform to the restrictions set forth above. There shall be no restrictions applied to such discounts.”

Section 5 Section 19 of the Federal Reserve Act of 1913 is hereby amended to include the following:

“The above reserve requirements shall apply in the case that private banks maintain 60% of their total assets in the form of loans, bills, drafts, and advances to tangible wealth-creating borrowers, of a type eligible for discount under Section 4 of this Act. For every 1% by which the bank’s proportion of tangible wealth-creating assets falls below 60% of total assets, the National Bank shall require that banks place an additional 1% of demand deposits in reserve with the National Bank system.

“This rule shall immediately apply only to new assets of banks after the enactment of this Act. Previous assets shall be subject to a Bank Reorganization Act, supplying a deadline by which all assets must meet this rule.”

U.S. Unemployment Coverup



Data used for unpublished unemployment rates
(thousands)

Year	Civilian labor force (a)	Official unemployed (b)	Want a job now (c)	Part-time, economic reasons (d)	Official U-5b rate b/a	Unpublished Rate 1 (b+c)/a	Unpublished Rate 2 (b+c+d)/a
1970	82,771	4,093	3,881	2,198	4.9%	9.6%	12.3%
1971	84,382	5,016	4,423	2,452	5.9%	11.2%	14.1%
1972	87,034	4,882	4,493	2,430	5.6%	10.8%	13.6%
1973	89,429	4,365	4,510	2,343	4.9%	9.9%	12.5%
1974	91,949	5,156	4,514	2,751	5.6%	10.5%	13.5%
1975	93,775	7,929	5,271	3,541	8.5%	14.1%	17.9%
1976	96,158	7,406	5,233	3,334	7.7%	13.1%	16.6%
1977	99,009	6,991	5,775	3,368	7.1%	12.9%	16.3%
1978	102,251	6,202	5,446	3,298	6.1%	11.4%	14.6%
1979	104,962	6,137	5,427	3,372	5.8%	11.0%	14.2%
1980	106,940	7,637	5,675	4,064	7.1%	12.4%	16.2%
1981	108,670	8,273	5,835	4,499	7.6%	13.0%	17.1%
1982	110,204	10,678	6,559	5,852	9.7%	15.6%	21.0%
1983	111,550	10,717	6,503	5,997	9.6%	15.4%	20.8%
1984	113,544	8,539	6,070	5,512	7.5%	12.9%	17.7%
1985	115,461	8,312	5,933	5,334	7.2%	12.3%	17.0%
1986	117,834	8,237	5,825	5,345	7.0%	11.9%	16.5%
1987	119,865	7,425	5,714	5,122	6.2%	11.0%	15.2%
1988	121,669	6,701	5,373	4,965	5.5%	9.9%	14.0%
1989	123,869	6,528	5,395	4,656	5.3%	9.6%	13.4%
1990	124,787	6,874	5,473	4,860	5.5%	9.9%	13.8%
1991	125,303	8,426	5,736	6,046	6.7%	11.3%	16.1%

Monthly data (seasonally adjusted)

Year	Civilian labor force (a)	Official unemployed (b)	Want a job now (c)	Part-time, economic reasons (d)	Official U-5b rate b/a	Unpublished Rate 1 (b+c)/a	Unpublished Rate 2 (b+c+d)/a
1991: January	124,638	7,715	5,728 ¹	5,510	6.2%	10.8%	15.2%
February	125,076	8,158	5,728 ¹	6,062	6.5%	11.1%	15.9%
March	125,326	8,572	5,728 ¹	6,163	6.8%	11.4%	16.3%
April	125,672	8,274	5,519 ¹	6,162	6.6%	11.0%	15.9%
May	125,232	8,640	5,519 ¹	5,932	6.9%	11.3%	16.0%
June	125,629	8,745	5,519 ¹	5,705	7.0%	11.4%	15.9%
July	125,214	8,501	5,846 ¹	5,881	6.8%	11.5%	16.2%
August	124,904	8,488	5,846 ¹	5,892	6.8%	11.5%	16.2%
September	125,607	8,442	5,846 ¹	6,374	6.7%	11.4%	16.4%
October	125,549	8,582	5,932 ¹	6,328	6.8%	11.6%	16.6%
November	125,374	8,602	5,932 ¹	6,408	6.9%	11.6%	16.7%
December	125,619	8,891	5,932 ¹	6,321	7.1%	11.8%	16.8%
1992: January	126,046	8,929	5,932 ¹	6,719	7.1%	11.8%	17.1%

¹The *want a job now* figure is compiled quarterly. The figure used for monthly calculation of the Unpublished Rate 1 is that from the most recent available quarter.

Explanatory Note

Every month now, nearly 6 million jobless and over 6 million more semi-employed people are ignored by the U.S. government's Bureau of Labor Statistics in its calculation of the official (U-5b) unemployment rate. To bring out the truth, EIR is publishing the rates you would see if the government didn't cover up.

The widely publicized official unemployment rate is based on a monthly statistical sampling of approximately 57,000 households. But in order for someone to be counted as *unemployed*, the respondent member of the household (often not the person who is out of work) must be able to state what specific effort that person made in the last four weeks to find a job. If no specific effort can be cited, the jobless person is classified as "not in the labor force" and ignored in the official unemployment count.

But nearly 6 million of these discarded people are also reported on the monthly survey indicating that they "want a regular job now." EIR's *Unpublished Rate 1* is calculated by adding these discarded jobless to the officially "unemployed." The *Unpublished Rate 2* includes, in addition, over 6 million more people forced into part-time work for economic reasons such as slack work or inability to find a full-time job. These people show up as *employed* in the official statistics even if they worked only *one hour* during the survey week.

For comparability with the official rate, the EIR rates are calculated on the same base figure, the BLS defined *civilian labor force*. This figure comprises all civilians classified as either *employed* or *unemployed*. For a number of reasons the *civilian labor force* can be considered as a bloated figure. Its use as the divisor in unemployment rate calculations thus further masks the depth of the unemployment problem. Large segments of the population, who might not under healthy economic conditions be forced to seek work, have become a part of the *civilian labor force* over the past 25 years of "post-industrial society" economy. This includes young mothers, the elderly, and many college students.

Poland's Supreme Court rules IMF austerity unconstitutional

by EIR Staff

The Polish Supreme Court has ruled that two austerity measures, imposed on Poland at the behest of the International Monetary Fund (IMF), are unconstitutional. This startling development may well be a reflection in part of the influence of Pope John Paul II, who, during a visit to Poland last summer, invoked the heritage of Poland's Constitution of 1791 to emphasize the primacy of natural law, "for the sake of the public good," (see *EIR*, June 28, 1991.)

On Jan. 29, the Supreme Court struck down a freeze on salary increases for the 2.5 million public sector employees and workers, imposed by the regime of Prime Minister Jan Bielecki, which was voted out of office at the end of last year. The wage freeze, imposed in the beginning of the third quarter of 1991, led to a 30% drop in real income for employees of the public sector, given the rate of inflation.

Then on Feb. 12, the Court ruled that the Bielecki government's pension cuts have to be invalidated or revised, in order to comply with the Constitution's provisions protecting social welfare.

The new government of Prime Minister Jan Olszewski, which took office on Dec. 23, 1991, is now searching for a new economic policy, to replace the disastrous IMF "shock therapy" of the previous two years.

Shambles of an economy

The draconian measures imposed by the IMF and Harvard University "flea market" economist Jeffrey Sachs are now threatening to completely paralyze the country. Hardly a day passes without new reports on closed factories, schools, or hospitals. In January, Poles had to accept a round of price hikes for heating and electricity ranging from 60-80%—the eighth or tenth such hike since the end of communism. Credit for industry and agriculture has remained inaccessible for most, with interest rates of 40-80%, and if a borrower is late on his payments, he is immediately slapped with a 140% penalty. Under these conditions, investment activity is at a low point, leading to stagnation in production and the exchange of goods.

As a result of austerity, the Academy of Sciences is going to be partially or completely dissolved, and concert halls, museums, and theaters are being closed, because operating costs simply can't be paid.

Poland's huge agricultural sector has the potential to make a great contribution to feeding people in the countries of the Community of Independent States (CIS) and the Third World. Even in 1990, Poland produced a 1 million metric tons surplus of grain. Through concerted investment in technology and infrastructure, Poland's agriculture could even become the driving influence for a powerful economic upswing. But instead, the European Community bureaucracy has made clear to Poland, that if the West's markets are to be open for Polish products, it will have to take 40% of its farmland out of production.

Which way will the new government go?

Many people in the new Olszewski government are painfully aware of these facts. But how is Poland to free itself from the IMF's stranglehold? That is the question which has been debated during parliamentary and government sessions in recent weeks. The government's new economic program, which was presented on Feb. 17, dares for the first time since 1989, to express opposition to the so-called Harvard "shock therapy" program.

In an interview published in the German weekly *Der Spiegel* on Feb. 10, Olszewski underlined that the improvement of Poland's infrastructure is crucial for the national economic recovery. "We have to improve the infrastructure fundamentally," he said, "but at this moment, we're not even drawing upon credits that have already been granted for these projects. My government will give priority to confronting this problem."

The prime minister said that he wants to sign a temporary cease-fire agreement with the labor unions, to be able to construct a "safety net" for the lowest-income layers of the population and to launch the first phase of a recovery program. His government intends to stay in office for two or three years, he said, to be able to move Poland out of its crisis.

As the shock therapy of the past two years has used up the Polish people's patience and willingness to sacrifice, a different approach must be taken now, one that gives maximal social protection, said Olszewski.

Prime Minister Olszewski also told a news conference on Feb. 18 that the government would concentrate on measures

to halt "the recession."

Although the new government's program remains vague, talking generally of the need to stimulate production and exports through more credit creation, its mere announcement that the task is to proceed first against "the recession," has already elicited strong counterreactions from the "IMF faction" in the political elites.

Finance Minister Karol Lutkowski tendered his resignation on Feb. 17, immediately following the announcement of the new program, with the explanation that revving up the economy would only lead to inflation. In an interview with Polish state radio, reported by Reuters, Lutkowski said he believed the plan's accent on anti-recessionary measures would only worsen the country's budgetary problems. "I have many basic reservations which prevent me from identifying myself with some of the economic proposals contained in the program," he said. "My most serious reservations, however, concern what I believe to be the basis of the program, that is, an emphasis on the need to create money at a rate faster than inflation and faster than the possible growth in national output."

But other forces, too, are ready to put boulders in the government's path. The Liberal Democratic Congress of former prime minister Bielecki, as well as parts of the Center Alliance, the party to which Olszewski belongs, invited Harvard guru Jeffrey Sachs back to Warsaw on Feb. 8, in order to jointly plot intrigues against Olszewski and to get the circles of Bielecki and his former finance minister, Leszek Balcerowicz, back into the government. They have been harping on the agreements made by Poland last year with the so-called Club of Paris. According to that agreement, Poland was promised a reduction of its foreign debt (all incurred by the communists), on the condition that for three years—until 1994—it would submit unconditionally to the IMF's regime. Every initiative in economic policy, e.g., expanded credit availability or additional budgeted expenditures, had to be approved by the IMF beforehand.

It is therefore quite clear that Olszewski will have to go much further than he is doing now with his vague economic program. A strategic initiative is now necessary if Olszewski is to survive politically, and his country physically. This strategic mooring must contain the following components:

1) The agreement with the IMF must be declared incompatible with the Polish Constitution, and therefore declared null and void.

2) The Polish National Bank must be put under the dictates of government policy, and must be made into an instrument of sovereign, productive credit creation.

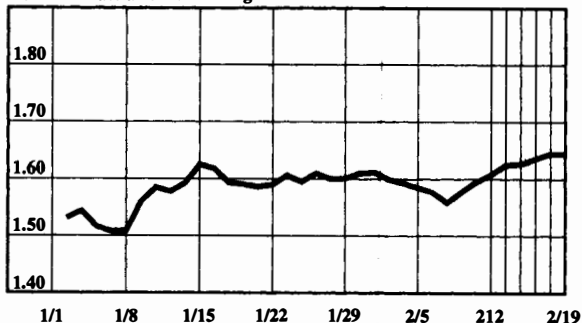
3) On this basis, targeted investment could be guided into industry, agriculture, and infrastructure.

Olszewski is assured of public support if he proceeds along these lines, and he can succeed, despite Poland's vulnerable position, provided he coordinates his policy with Czechoslovakia, Hungary, the Baltic nations, Ukraine, and Russia.

Currency Rates

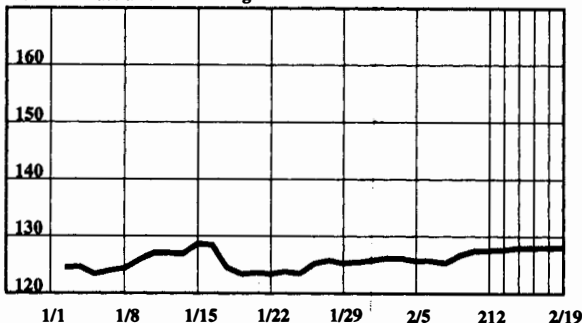
The dollar in deutschemarks

New York late afternoon fixing



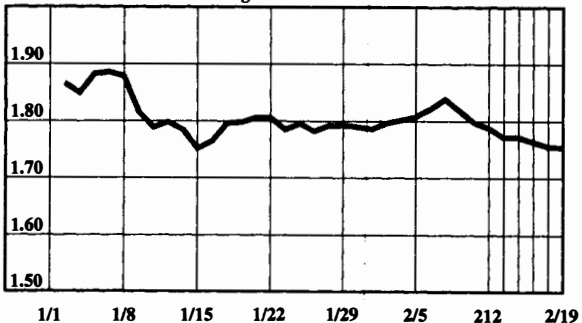
The dollar in yen

New York late afternoon fixing



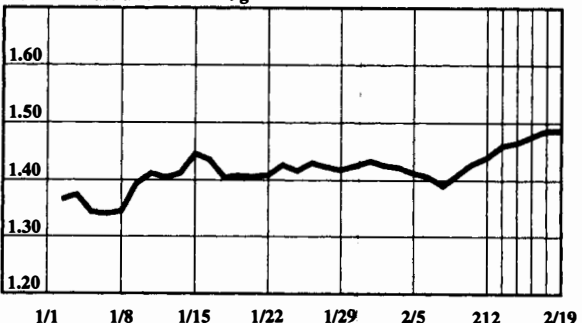
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



'Three Mile Island' anti-nuclear mafia targets Japan

by an EIR Investigative Team

The same malthusians who created the Three Mile Island scare in Pennsylvania, which wrecked the U.S. nuclear power industry, have now attacked the Japanese nuclear program—with quiet support from the Bush administration and the Israeli Mossad.

Paul Levanthal, who headed former senator Gary Hart's (D-Colo.) Senate witchhunt "investigation" of the Three Mile Island plant in 1979, began the new campaign against Japan on Jan. 14. "The single greatest danger to the Korean Peninsula is Japan, and the over 100 tons of weapons-capable plutonium it plans to acquire over the next 20 years," Levanthal told congressional hearings on nuclear proliferation at Sen. Alan Cranston's (D-Calif.) Senate Foreign Relations Subcommittee on East Asian Affairs.

Levanthal, just back from a stint as Distinguished Fellow at Britain's Cambridge University "Global Security Programme," is now president of the Nuclear Control Institute in Washington, D.C. Many of NCI's programs are run by Yonah Alexander of the Georgetown Center for International and Strategic Studies, formerly a prominent sponsor of conferences on terrorism at the Mossad-linked Jonathan Institute in Jerusalem.

Why the fuss? Japan has for five years been scheduled to begin shipments home this fall of plutonium it had sent for reprocessing in Europe during the 1980s, fuel needed for Japanese electric power plants.

Levanthal, however, accused Tokyo of secretly building the bomb, and planning to resell plutonium to "Third World dictatorships. . . . A state like Japan is not interested in one nuclear bomb," he said, "they want 100 or 1,000 bombs." One hundred tons of plutonium is about the same amount contained in the entire U.S. nuclear arsenal, he added.

"It was to stop things like this that we just went to war against Iraq!" an NCI official said.

But Japan depends on conventional nuclear power for almost 30% of its electricity, and plans to generate 40% by the late 1990s, making it a world leader in nuclear power. The United States meanwhile has stopped construction of nuclear power plants.

Japanese ships transporting the plutonium may also face a danger of terrorism from Greenpeace and other anti-nuclear

extremists, an official of NCI hinted on Feb. 11. Greenpeace is looking into "extra-legal means," the source said. "There are other ways, other than lobbying Congress, that we can stop it, if Congress won't act. There are ways to be obstreperous about this. As it stands now, the plutonium is being reprocessed in France and the U.K. and to be shipped on the high seas all the way around the world. The Japanese thus require the cooperation of French Navy escorts and the U.S. Navy. The French could withdraw escort. The U.S. Navy could withdraw our escort. For the first time Japan will have its own escort ship; this is the first time the Japanese military has been out of Japanese waters since World War II. If no one in Washington does something, Greenpeace may have to do something about it."

No new technologies

What irks Washington and London is the new fast breeder reactor and other 21st-century nuclear technologies planned by the Japanese, which require the plutonium, and which, if implemented, will put Japan's entire economy light-years ahead of the West. Japan is again being attacked for the "sin" of sound economics, because the United States is ideologically committed to the incompetent British theory of malthusianism.

The Bush administration, which insists to the point of military intervention that nuclear technology not be available to the world, has been friendly to the Japanese plutonium program—in public. "The 1988 'U.S.-Japan Nuclear Cooperation Agreement' is proceeding absolutely on track," an official of the State Department Office of Nuclear Non-Proliferation said Feb. 19. "Japan has impeccable weapons non-proliferation credentials. Under the agreement, the U.S. supports Japan's peaceful plutonium program, and that was settled in Congress in the 1980s. The administration has no plans to take a second look at this."

Privately, however, the Bush team and the Mossad are working with anti-nuclear nuts like Levanthal, because all agree on one thing: Japan must never be allowed to give nuclear technology to the Third World. The Mossad's interest is to prevent Muslim nations, and the entire Third World, from "getting the bomb."

The danger Japan represents to Bush's malthusian new world order is that Japan is the one "Third World" nation which has dared to industrialize, and might help other nations to do so. Former Japanese Prime Minister Yasuhiro Nakasone proposed Jan. 27 that Japan should help the U.N. monitor nuclear weapons, partly to help assure the Third World that international arms control agreements will not "lead to meddling in the transfer of technologies from the North to the South, and interference in the use of plutonium for peaceful purposes."

Bush's 'nuclear club'

Nakasone's statement caused heartburn at the Bush State Department. Tokyo has been made an "honorary member" of the "nuclear club," the State Department official said, to help Washington *eradicate* nuclear technology in other nations. Otherwise, the United States will hit Japan with another club: enough economic and military sanctions to make their heads spin.

"U.S. policy is that we don't try to inhibit peaceful nuclear programs in *advanced* nations," the official said, "meaning rich countries. 'Advanced' in practice means 'Japan and the EC [European Community], period.' I know that sounds morally unfair, but we have a lot of positions that seem morally unfair. Frankly, that's what it boils down to. . . ."

"One criterion is, the country must have an advanced peaceful civil nuclear power program. That is very different from those countries which just haul off and want to build breeder reactors. We're very suspicious of a country which says they want to go straight to plutonium breeder use, without bothering with standard nuclear plant construction, particularly when they don't have an electricity grid large enough to cope with the output of even one breeder reactor.

"It's not just that we're suspicious they might want to make bombs. Some poorer nations just don't have the economic strength we require. Sure, rich countries are the only ones who are going to be able to meet the tests for U.S. nuclear cooperation. They are the only ones who are going to have the money to have built a large industrial nuclear electricity grid and so on."

Asked how any Third World nation might ever be able to industrialize, as has Japan, under those conditions, the State Department official said that this was no concern of the Bush administration.

South Korea, for example, he said, meets the State Department test of constructing standard nuclear power plants on their own before asking for plutonium, "but, in their case, South Korea just does not meet our tests for non-proliferation risk criteria. Not that the present Seoul government would be a problem, but we simply can't be sure what could happen in the future." South Korea simply lives in the wrong neighborhood to be allowed to develop economically, he concluded.

The official at first tried to dismiss Nakasone's call for an end to "meddling in the transfer of technology" as a public

relations stunt. "Oh, he's just referring to arguments from the left that we shouldn't discriminate between giving plutonium to Japan, and giving it to Iraq. He's trying to deflect the criticism off Japan," he said.

"He's specifically referring to Iraqi charges that the U.N. IAEA [International Atomic Energy Agency] got intelligence from Iraq by meddling, etc., and suggesting maybe Japan has better credentials to do this, Japan could do some monitoring instead of the U.N.

"And he wants to position Japan for an expanded role, to take advantage to get some Japanese satellites out there and show the world how good their technology is, sell some satellites. Smart idea, he thinks. Good public relations, and good business for Japan."

Asked what would happen if Japan did try to help the Third World develop peaceful nuclear power, however, the official's mood turned ugly. "Look, we could end up having to cut off Japan from not only nuclear cooperation but from a whole lot of other cooperation as well. The Japanese know perfectly well that they are very, very dependent upon maintaining the good will of the Bush administration.

"Do you have any idea what's *in* some of the legislation on the books? I'm not talking about new bills, I'm talking about already existing legislation over the past 10 years. Congress could do almost anything to Japan, if the administration would let them, and do it tomorrow. Check out the Symington Amendment and the Glenn Amendment to the Foreign Assistance Act, and some of the other amendments to all the U.S.-Japan nuclear and other technology legislation. There are things in there that no one realizes are there.

"For example, we have total control over what they do with all the uranium we sell them. Further, Japan is completely forbidden to build an enrichment plant with somebody else's technology—it's U.S. technology, or else. Not with the technology of third countries like France, and in some cases, not even with their *own* technologies. There are things in the existing legislation that say no one in Japan can do anything without asking us when to breathe."

The Symington and Glenn Amendments to sections 669 and 670 of the Foreign Assistance Act of 1961, he said, "prohibit most forms of U.S. economic and military assistance to any country which delivers or receives, either nuclear enrichment or nuclear reprocessing equipment of any kind, to, or from, *any* other country, other than the United States. The Japanese may not need our foreign aid now, but they do get military aid, and they would never want to do anything to disrupt agreements."

Bush has Japan by the nuclear short hairs, he claimed. "It's only the administration which is keeping Congress from throwing this at them in a minute. So you see, Japan is *very* concerned about the fact that only a very, very friendly U.S. administration can force Congress to ignore all these little provisions and not act on them. We think the Japanese will be careful."

U.S. courts Russian ABM scientists

by Charles B. Stevens

The Feb. 10 *Aviation Week* reports that "The U.S. Strategic Defense Initiative Organization has formulated a plan to acquire antiballistic missile technologies and specialists from Russia as soon as possible." The plan has identified 50 areas of technology "in which the U.S.S.R. was deemed to be ahead of the U.S." Employment of more than 1,000 former Soviet scientists and engineers, for as little as \$5,000 per person annually, is also detailed in the plan.

Most of the six areas targeted with the "highest acquisition priority," are technologies identified by the Fusion Energy Foundation (FEF) as early as 1977, and emphasized in national TV broadcasts by presidential candidate Lyndon LaRouche (a member of the foundation's Board of Trustees) during the 1980s. These six are: 1) neutral particle beam accelerators; 2) vacuum tubes; 3) nuclear space electric power systems; 4) electric plasma rocket engines; 5) large-thrust liquid rocket engines; 6) general technical data on Soviet missile technology.

In a 1987 report, "Neutral Particle Beam R&D," Los Alamos National Laboratory in New Mexico revealed that their radio frequency quadrupole accelerator "is one of the key elements that allows advanced accelerators to be compactly configured for space applications," and that it is "based on a Soviet invention." The concept was originally developed at a major scientific laboratory in Novosibirsk in Siberia. The concept is not only applicable to compact relativistic particle beam accelerators, but represents an across-the-board development in the technology of high-power directed energy systems. In particular, the scientific concept involved permits direct applications to Free Electron Laser systems and Radio-frequency Electromagnetic Wave generators, like those used in RF weapons and advanced radar detection systems.

This compact particle accelerator technology is not only of great interest with respect to space-based beam weapons, but also for short range, ground- and ship-based defense against both ICBMs and cruise missiles and particle beam systems are most effective as anti-missile weapons, packing the biggest punch with the least amount of invested energy. The very intense, speed-of-light particle beam readily penetrates deeply inside a missile where it destroys the missile from the inside out. Even at very low irradiation levels, the particle beam completely destroys the missiles electronics,

preventing detonation of any nuclear warhead. The usual result is that the missile's fuel and/or chemical explosives are detonated, leading to its immediate self-destruction.

Because of these fire-power characteristics, military planners have found that the neutral particle beam technology provides a versatile system which would profoundly enhance any type of defense system, both strategic and tactical, at any stage of deployment.

Vacuum tubes and plasma rockets

The second item may come as something of a shock in the "age of the electronic chip." But actually this technology, like that of the neutral particle beam, is the basis for a new industrial revolution, based on energy density plasmas as a new medium for processing and forming of materials and composites. (This is particularly true for the electronic chip industry which is now focusing on plasma material processing technologies.) But this technology also permits one to master and apply the entire electromagnetic spectrum. The development of energy-dense plasmas for industrial processing was emphasized in the FEF's 1977 report, "Beam Weapons, the Sputnik of the 1970s."

In the mid-1970s, U.S. specialists got access to an advanced Soviet Foxbat jet aircraft. To their shock they found that the Soviets utilized what at first appeared to be ordinary radio vacuum tubes instead of the sophisticated electronic chips incorporated in U.S. aircraft. But upon detailed examination, the radio tubes turned out to be very sophisticated and had advanced performance capabilities. Also, it was found that these vacuum tubes could much more readily survive the electromagnetic effects of nuclear weapon detonations and radio frequency weapons.

The particular "vacuum tubes" discussed by *Aviation Week* are tautrons, which are based on techniques developed in pulsed power and directed energy beam systems for greatly increasing the energy density of input electric current. These hardy tubes could survive in an environment with temperatures exceeding 1,000° Celsius. The tubes could then be used within the cores of nuclear power plants and jet engines. In the case of jet engines, this would replace the much heavier hydraulic control systems, with small electrically based control systems. But the concept is also directly applicable to more advanced industrial processing methods, such as high-temperature metal processing and reduction processes.

As recent U.S. Air Force studies have concluded, Lyndon LaRouche's 1988 assessment that very high power fusion rockets would be required for manned exploration of the inner planets is correct. The Soviets had long maintained among the world's most advanced plasma rocket R&D programs. The near-term applications of such systems consist of small, high-thrust plasma rockets for orbit transfer and mobility in orbit of satellites. The longer range systems would consist of very high power fusion rockets for the manned exploration and eventual colonization of Mars.

GM announces worst loss in history

Stempel vows to "lean up" the company, while Treasury Secretary Brady has a new theory of the "recovery."

General Motors chairman Robert Stempel announced Feb. 24 that his company had lost \$2.3 billion in the last quarter of 1991, bringing GM's total losses for 1991 to \$4.5 billion—the worst year ever, and the worst quarter ever, in U.S. corporate history. Wall Street sages quoted in the media chortled that GM was finally "biting the bullet" and undertaking a costly "consolidation" that, they believe, will return the world's largest auto maker to profitability within a year.

But it won't be by making cars. The company plans to close 21 plants and eliminate 20,000 white-collar jobs and 74,000 blue-collar jobs. According to the Feb. 25 *New York Times*, if GM's actions proceed according to the current plan, by 1995 GM will have only 71,000 managers and 250,000 union workers, half the number of employees GM had in 1985.

According to figures supplied to the *Washington Post* Feb. 26 by James E. Harbour, a management consultant in Troy, Michigan, GM's North American auto operations lost a staggering \$8.7 billion in 1991, including the fourth quarter charge of \$2.8 billion for closing 21 plants by 1995. Offsetting that loss of \$1 million for every single hour of the year, was \$1.21 billion in profits from General Motors Acceptance Corp., the financial subsidiary of GM; \$547.5 million in profits from EDS, the computer services firm GM acquired in 1984; and \$435.5 million in profits from GM Hughes, which includes Hughes Aircraft and Delco Electronics. That leaves a net loss in North America of

a whopping \$6.5 billion.

The *Financial Times* of London reports that in Europe, GM was the most profitable of the Big 6 auto makers, with a net profit margin of 7% on sales of \$25.36 billion. That gave GM a profit in Europe of \$1.76 billion, thus yielding the final 1991 figure of \$4.45 billion in losses announced by Stempel.

Now, according to Barbour, by cutting its U.S. white-collar staff and trimming executive salaries, GM can save \$1.7 billion a year. Making production more efficient—which would depend in great part on changes in work rules, which the United Auto Workers are not very inclined to grant—would realize another \$2.0 billion in savings per annum. Making GM's stamping operations more efficient, would yield another \$1.0 billion in savings. Altogether, if GM gets its act together, according to Barbour's figures, \$4.7 billion can be "saved."

But even if the \$8.7 billion lost in auto operations in North America is reduced to \$5.9 billion by breaking out the one-time charge of \$2.8 billion for "downsizing," it appears that GM can be expected to continue losing money on its North American auto operations.

In an interview with Stempel published in the March 9 issue of *Fortune* magazine, the GM chairman indicated that GM was *not* planning on any increase in sales. "Our business case is based on getting roughly one-third of the market," Stempel said—the first public confirmation by a high-level GM executive that GM has abandoned

all hope of recovering the 40-50% U.S. market share GM had in the 1960s to early 1980s.

Furthermore, Stempel, while discussing the impact of new emissions and safety standards mandated by the federal government, admitted that GM does not expect any improvement in the new car market in the United States. He noted that whereas GM is now spending 5-7% of its capital budget to meet government regulations, the requirements of the Clean Air Act Amendment of 1990 alone will absorb 25-28% of GM's capital budget. "That will raise prices and probably limit the size of the new-car market," Stempel stated. "We've looked at that and said we're going to get our capacity leaned up [sic] in North America to where we will be profitable."

An even more insane theory of how to turn the crisis around was expounded by U.S. Treasury Secretary Nicholas Brady, in a speech to a meeting of the National Association of Business Economists on Feb. 26. Brady said: "We've got ourselves down to an irreducible minimum in this country, in terms of purchases that have been postponed. Half of our cars are over seven years old. The mileage on cars turned in against new car purchases has skyrocketed. And in regard to the automobile industry, we can talk about all these nice theories; the truth of the matter is that if you go back and look at the history of the automobile industry over time, what happens to this country is, about every seven years we decide as a country we're going to buy a lot of cars. If you believe that theory, which has come about every seven years—it peaked about 1984 and 1985—in my opinion it's going to start climbing up very rapidly again this year, because our cars are simply old and have reached a point where people are going to decide it's time to move."

40,000 farmers demonstrate in Ottawa

London and Washington are turning the screws for free trade, but Canadian and Australian farmers reject it.

On Feb. 21, some 40,000 Canadian farmers and supporters rallied on Parliament Hill in Ottawa, in one of the largest demonstrations in Canadian history. Farmers were protesting the possibility that Canada's supply management program, its so-called marketing boards, would be abolished under the General Agreement on Tariffs and Trade (GATT).

Talks in the five-year-long "Uruguay Round" are still under way, and the United States is on a rampage demanding that a new treaty be rammed through that would disallow national supports for agriculture. The next negotiating session is set for the end of March in Geneva, and a 450-page draft treaty, by GATT General Secretary Arthur Dunkel, is on the agenda.

With or without a global treaty, Anglo-American interests have worked through the world food cartel companies (Cargill, Louis Dreyfus, Continental, ConAgra, Archer Daniels Midland, Bunge, Garnac/André, and others) to subvert the national marketing boards in Canada and Australia. The boards for such items as wheat, wool, milk, were historically mandated to buffer the farm sector from low prices—which the cartel insists be accepted. However, the Canadian Wheat Board is so insolvent that it went to Wall Street last year seeking short-term, high-cost financing. The Australian Wool Board has been destroyed in all but name.

The U.S. anti-farmer position represents the Anglo-American clique associated with the International Monetary Fund and World Bank, the agencies that support free trade and

"alternative," i.e., low-price, low-technology agriculture, in order to extract more loot.

However, farmers in Canada and Australia have been demonstrating their dissatisfaction with the Anglo-American overlords. Even U.S. farm organizations, while more abject and passive, have also stated opposition. A January release by the Denver-based National Farmers Union said, "American farmers are telling the President and the Congress that a new framework for the agricultural negotiations under the GATT will do them more harm than good. NFU leaders say their 'worst fears will be confirmed' if the new text agreement prevails."

Three busloads of U.S. farmers joined the Ottawa demonstration, saying that the United States needed marketing boards.

Canadian and Australian elected officials are caught between continuing their obeisance to Anglo-American dictates, or taking the political heat at home.

The day before the rally, Canadian International Trade Minister Michael Wilson met with European Community Agriculture Commissioner Ray MacSharry, who had refused to consider the option that Canada be allowed to maintain its marketing boards. The EC and the Anglo-Americans are at loggerheads over the latter's demands that the EC gut their farm sector.

A few days before the rally, Jacques Proulx, president of the Union des Producteurs Agricoles, had asked Canadian Prime Minister Brian Mulroney to pull Canada out of GATT

if the agreement would not allow Canada to retain its marketing boards. Mulroney responded by ranting that 103 of 108 countries had signed the deal, and that Canada would be a pariah if it did not also sign.

Finance Minister Mazankowski appealed to the farmers on behalf of the Mulroney government: "We are not your enemy; we are your friend," he told the crowd, which did not receive him well. Opposition leaders Audrey McLaughlin (NDP), Jean Cretien (Liberal), and Lucien Bouchard (Bloc Québécois) spoke in favor of the farmers.

The Canadian farm journal *Western Producer* reported on the grim situation in Australia in its Feb. 1 issue. "The Australian agricultural economy is in a state of virtual collapse, according to the Australian High Commission . . . Farm sales in 1991-92 will total Can \$240 million. Three years ago the total was \$3.9 billion.

"The number of farmers has dropped to less than 100,000 from 125,000 a few years ago. This year Australia may have to import wheat, since production is expected to fall 35% to 9.78 million tons. Barley will be down 11%.

"Nevertheless, the Australian government continues to pursue its policy of cutting or eliminating subsidies to agriculture and pulling back government involvement in the sector. Claiming support from the major farm groups, it has said it is intent on forcing Australian agriculture to become efficient and to live or die by the market.

"The chief bureaucrat responsible for agriculture policy suggested last fall that the Australian Wheat Board lose its privileged place in the grain marketing system. Geoff Miller said the vision for the future was an end to the wheat board monopoly and the growth of a private company jointly owned by farmers and private companies."

Adding toxic waste to injury

The World Bank proposal to use the Third World as a toxic waste dump is taking form in the ravaged nations of Africa.

It was the *Jornal do Brasil* that started the scandal. Thanks to a leak from the World Bank, the Brazilian daily printed part of an internal document from the international financial organization. The document, signed by Lawrence Summers, who heads the office for economic planning, was picked up by several German publications, but as of this writing, not by any in France. The memorandum figured that the costs of pollution are too high in the industrialized countries and that the most polluting industrial sectors should be transferred to the Third World or more generally to countries with low wage costs (see *From New Delhi* in *EIR*, Feb. 28).

This economic logic implies, of course, that toxic wastes, too, should be sent to the Third World, notably to Africa where, according to this document "several states are not overly polluted in the minds of their population." Summers then recommends that the World Bank take this aspect more into account in the elaboration of its upcoming development programs for Africa. The World Bank responded, acknowledging the existence of the report but underscoring that the use of this report was "strictly internal" and that the passages that were quoted were intended to be "ironical."

Meanwhile, even though agreements were signed during the Lomé IV Convention (which established relations between the European Community and the so-called Africa-Caribbean-Pacific countries) prohibiting

the export to the EC of toxic or nuclear wastes, a French-Belgian-Dutch-German consortium, seriously called "Afrique Energie," is preparing to build a waste treatment plant in Benin. "The consortium 'Afrique Energie' made its choice of Benin because it is the premier African country to presently offer the greatest guarantee of political stability for an investment as important as this, in the desire to help it establish its young democracy." Naturally, the treated wastes will be "neither toxic, nor nuclear, controlled by the international control agencies agreed to by the Atomic Energy Commissariat."

Better still, this is a project to recapture the energy contained in these "imported household wastes with high caloric content" of a paltry 30-100 megawatts of electricity! This is where they get this lovely name "Afrique Energie," for a mission far less noble: to dump between 1.4 and 3 million tons of European wastes onto Africa. For this, our consortium is prepared to agree to invest \$250 million north of Ouedo, "a small town with colonial charm" located 35 kilometers west of Cotonou.

It's something to see the ease with which one can come up with this much money! Beyond question, the waste financiers appear to be richer or more resourceful than those who desperately call for ridiculously small sums (on the order of \$1 billion) for projects in health care, water management, improvements in agricultural productivity—and who still can't manage to ob-

tain such vital projects.

But let's not be insulting: Afrique Energie "is prepared to receive, at its own expense, in Europe, several authorities and quality experts to have them visit power stations . . . similar to that projected for Benin, in order to demonstrate the safety of this type of installation, some of which have been operating for 10 years."

Frankly, the principle according to which the producer of wastes is responsible for their elimination, seems sound to me, and should, within the bounds of technological rationality, be accepted. It is absolutely not reasonable to send our wastes, however ordinary, thousands of kilometers away in order to eliminate them—even using safe procedures and viable techniques—under the pretext that the Europeans are too irresponsible to allow the installation of these kinds of treatment plants at home.

Rather than propose these corrupting voyages to the African leaders, the companies involved would do better to invest in educating Europeans on the problems of waste management. The future requires more information, and less hysteria.

As for Africa, insofar as it requires energy, it needs much more than 100 MW. We need more advanced solutions, put together with the perspective of beginning a new generation of skilled workers in the domains of energy, water management, and agriculture. Yes, absolutely, Africa deserves to be something better than our wastebasket! France, and the West in general, owes a special debt to this continent, which has undergone genocide and slavery on our behalf.

To think that the only profitable investments are waste treatments or trade in raw materials, is to bury a bit deeper this Africa which is a cradle of civilization, and to accept the unjust rule of international finance.

Economic reformers in the dock

A letter to the World Bank has triggered an uproar, amid charges that next year's budget is being leaked to foreigners.

The crucial Parliament session dedicated to allocation of the 1992-93 budget started with a bang. The Feb. 4 Lok Sabha witnessed a spectacle with the opposition chanting "*IMF ka dalal*" ("IMF agent") and "death to the agent" on the second day. The target of the opposition was Finance Minister Manmohan Singh, and the issue was the revelation by an English-language daily of correspondence between the Finance Ministry and the World Bank in November 1991.

According to the news report, in a reply to the Indian finance minister, World Bank President Lewis Preston listed 26 conditions for the grant of a structural adjustment loan. The opposition's claim is that the budget, as well as the nation's economic policy, is being determined by foreign agencies, and that the people's representatives have been kept in the dark.

The opposition's demonstration, which lasted for about 40 minutes and shook the rafters, was temporarily subdued only when the Speaker, at the end of the day, promised that the finance minister will present the said letter at the same time as he presents the annual budget on Feb. 29.

The exposé, made by the *Indian Express*, claims that the World Bank was told as early as mid-November that the Finance Ministry was committed to abide by the conditions laid down by the Bank in connection with India's request for a \$500 million structural adjustment loan.

While the *Economic Times*, in its editorial, "Tell Us Too, Dr. Singh,"

explained that this was necessary because the World Bank and the IMF work on cross-conditionality—the Bank won't lend until the Fund's conditions are accepted, and the Fund will not lend until the Bank's conditions are accepted—parliamentarians are of the view that the current budget has been jeopardized and that the Parliament has been taken for a ride to satisfy a foreign agency.

Admitting that he had indeed written a letter to the World Bank, a visibly shaken Dr. Manmohan Singh told the opposition that this is "the normal practice followed by all member countries wanting structural adjustment." It is evident, however, that not everyone present in or outside the Parliament accepts this explanation.

"Even if the fuss about economic sovereignty is excessive, and even if there has not been a breach of privilege in that no budget secrets have been leaked, the fact remains that the Indian people have been kept in the dark about commitments which will have far-reaching consequences for them," stated the *Economic Times*.

Opposition leader L.K. Advani, whose Bharatiya Janata Party (BJP) is expected to support the budget presented by the ruling Congress Party, commented that if the story turns out to be true, then "some ingredients of the budget were known to the World Bank."

Ruling party members who were somewhat at a loss for words in the face of the opposition onslaught, showed discontent. As one irate Con-

gressman pointed out, if the letter to the World Bank did not reveal any budget secret, why isn't the finance minister placing it on the table immediately? It was also evident during the day's proceedings that the Congress Party parliamentarians, many of whom are openly critical of the economic reforms propagated by the government of Prime Minister Narasimha Rao, didn't rush to rescue their finance minister.

The ruling party has locked Dr. Singh in the lion's den and thrown away the keys. Singh, a professional economist and administrator with no political base, has become the target within the ruling party for the adversities brought about by the economic reforms. And there is every likelihood that he will be allowed to draw fire across the board because of the reforms and the current budget before his resignation is accepted.

While addressing Congress Parliamentary Party (CPP) members on Feb. 25, Prime Minister Narasimha Rao suggested that Congress Party members henceforth meet every morning and participate in an open discussion on every aspect of the reform package. There is a lack of clarity among Congress Party members about the new economic policy, admitted the prime minister. He also made it a point to stress that the government is not initiating any new policy which is not in conformity with the election manifesto prepared by the late Rajiv Gandhi.

The prime minister's concern is based upon realization that if the ruling party leaders cannot defend their policies, the opposition will seize upon the price rise of basic commodities as an issue and bring the government down. The slender majority that the party enjoys with the cooperation of a few smaller parties can evaporate in no time.

Labor, industry demand a solution

Germany, too, is getting hard hit by the economic crisis, while Kohl offers platitudes about the free market.

The last week of February began with a demonstration against the policy of the government: The big industry associations boycotted Chancellor Helmut Kohl's roundtable on labor and investment policies on Feb. 24. They did so because of Kohl's habit of lecturing attendees on the thing he has the least knowledge of—economics.

The labor side of Kohl's roundtable is also discontent with his tales of a non-existent economic recovery in the five east German states. Heinz-Werner Meyer, national chairman of the DGB, the German Labor Federation, told Kohl that after examining "considerable investments" allegedly made in east Germany, most were in the service sector and very few were in the producing sector.

Broadening discontent with Kohl's policy is, as the commitment of unions to launch longer strikes during this year's tariff talks indicates, adding to labor radicalization.

On Feb. 25, workers of the Wismar MTW shipyard on the Baltic coast, which still employed 3,000 two years ago, occupied the facility to underline their demand for job safety and guarantees for shipbuilding in the future. MTW is slated for closure because the government has not been able to come up with a program to secure the 20,000 jobs in east Germany's shipbuilding sector. Only 3,000-4,000 jobs are to be kept, and this means the closure of whole facilities—MTW being only one.

What makes the situation now even worse, is that it was decided in Bonn on Feb. 25 not to extend the

special payments for those on short work in the east beyond Dec. 31, 1991. This means that no less than 500,000 workers who are either partially employed or are paid without working (and thus kept out of the jobless statistics), will lose their jobs in the next weeks and months.

Anticipating this change, which will push the east German jobless rate from its present 16.8% to beyond 20-25% within a few weeks, all 63 eastern members of the Bonn parliamentary group of the Christian Democrats met with Kohl to raise the alarm. They were hoping to extract a promise from him to save the most volatile sectors of the eastern industry from collapse by turning them into state enterprises. This, they argued, would secure 200-300,000 jobs in the 15 biggest firms in steel, mining, and shipbuilding. Kohl refused to make promises, lecturing, instead, about the "inevitability" of moving the eastern economy from state management to free market conditions.

Kohl's free market ideology has also come under increasingly open attack from the Christian Democrats in the east German state governments. Telling, in this context, was an essay published Feb. 11 by Kajo Schommer, minister of Economics and Labor Affairs in Saxony. Leaving the eastern economy to free market forces, Schommer warned, "denies them all chance of recovery." Instead, state intervention should create equal conditions for enterprises of all sizes (i.e., no preference for cartels), prevent entire branches of the economy from collapse (no de-industrialization), and

keep industrial firms that are now in too bad a condition for privatization (outmoded machinery, heavy debt, etc.), under a state umbrella. Schommer's remarks were the more remarkable as he was among those who were vehemently defending the flag of market economy against state intervention only a year ago.

The key to secured industrial employment in eastern Germany is three urgent steps: 1) canceling the old debt which causes, because of the high interest rates, more expense to the taxpayer than writing it off would now; 2) launching big public projects that can employ several hundred thousand workers quickly; and 3) creating a new system for productive industrial credit at low or, preferably, no interest rates.

Steps one and two have been called for in numerous initiatives from east Germany in recent weeks. Christian Democrats from the states of Saxony and Thuringia already called on the Finance Ministry in Bonn to cancel what was then DM 100 billion (\$62 billion) in old debt that remained on the books of the former state sector industry which blocks any development. Among the bigger projects proposed is a new initiative Feb. 23 by the Free Democrats of the state of Brandenburg for a track for the magnetically levitated Transrapid train from Berlin to Dresden. This project alone would employ 150,000 jobs in construction and high-tech industries.

What is missing in the debate is a discussion of proposals for a new credit system, like the one worked out by Lyndon LaRouche. His ideas are studied behind closed doors, but Bonn has restricted discussion of new policy initiatives. Now, economic reality is asserting itself, and more people are thinking about entirely new approaches. This will increase the pressure on Bonn to change policies—or fuel a campaign for a new government.

Business Briefs

Labor

Japanese earn more, work less than Americans

Japanese auto workers earned more per hour than U.S. auto workers in 1991, according to the German motor industry federation, the Feb. 20 London *Financial Times* reported. U.S. auto workers are now only the fourth best-paid in the world, while total wage costs (hourly wages, plus benefits) in the United States are the third highest. Both Britain and France now have the lowest wage costs of auto-producing industrialized countries—and the least competitive auto industries.

Meanwhile, the decline in real wages is forcing Americans to work longer hours, according to a study for the Economic Policy Institute prepared by Juliet Schor of Harvard University and Laura Leete-Guy of Case Western University. They found that in 1989, U.S. full-time workers worked 138 hours more a year than in 1989. Adding in a decline in days off and an increase in commuting time, the study found that Americans spent 158 hours more a year at work than in 1969.

The amount of paid time off, which included vacations, holidays, sick leave, and personal days, fell from 19.8 days in 1981 to 16.1 days in 1989, a decline of 18.7%. By contrast, workers in most European countries are given at least five weeks of paid time off.

The study directly attributed the longer work hours to the decline in real wages since 1973, and increased costs of health care and housing.

Ecological Holocaust

'Cholera war' between Peru and Argentina

An outbreak of cholera on an Aerolíneas Argentinas flight from Buenos Aires to Los Angeles Feb. 14 has caused a diplomatic incident between Peru and Argentina. When 65 passengers on the flight contracted the disease, spokesmen for the airline as well as for the Argentine government blamed contaminated

food taken on board in Lima, Peru from a local catering company.

Cholera first appeared in Peru in January 1991, and has since killed 3,000 people in that country. Peruvian Health Minister Víctor Paredes responded that cholera was already present among passengers who boarded in Buenos Aires and denied responsibility for the outbreak.

Rather than admit that the causes of cholera are to be found in the application of the International Monetary Fund's austerity policies which have gutted investment in health and sanitation infrastructure in both nations, both governments are now engaged in a back-and-forth trying to pin the blame on the other.

The Buenos Aires daily *Ambito Financiero* has dubbed the incident "the cholera war." After Aerolíneas Argentinas suspended flights to Lima, Peruvian Foreign Minister Augusto Blacker on Feb. 23 revoked the Argentine airline's license to land at Lima airport, and accused airline spokesmen of making "insignificant and reckless" statements.

On Feb. 24, Argentine President Carlos Menem jumped into the fray, blaming the Peruvians for the outbreak and asserting that cholera in Argentina "is practically controlled," and that cases reported recently are "isolated." Thus far, close to 200 cholera cases have been reported in Argentina.

Dirigism

German aerospace chief calls for state subsidy

The role of the state as the sponsor of "strategic technologies" like space research and nuclear fusion is indispensable, wrote Erich Riedl, the German government's chief coordinator of aerospace affairs, in an essay published by the *Frankfurter Allgemeine Zeitung* Feb. 18.

Repudiating General Agreement on Tariffs and Trade-related arguments against state funding of pioneer technology development projects, Riedl stated that scientific research and development in branches such as space exploration and thermonuclear fusion is "of special importance for the productivity" of a mod-

ern industrial economy like Germany's.

"He who decouples from participation in research now," warned Riedl, "will turn dependent on others once revolutionary applications emerge in the future."

Riedl concluded his essay with a proposal for an all-party consensus to exempt pioneer research projects from any budget cuts which otherwise might occur under the dictate of fiscal austerity. "It must be a priority objective," Riedl wrote, "to preserve our top rank in technology in the world economy."

Technology

U.S. falling behind in electronics

The U.S. is in danger of rapidly becoming non-competitive in the world electronics industry, as well as the semiconductor industry, the National Advisory Committee on Semiconductors warned in its *Third Annual Report to the President and Congress*.

"At the beginning of a decade that promises unprecedented growth in global high-technology markets, the U.S. firms competing in these markets are experiencing disturbing weaknesses. Many high-volume electronics products, from low-cost goods to highly complex merchandise, are already produced overseas. In addition, concern is growing about the ability of U.S. firms to remain competitive in markets where they traditionally have been strong, such as low-cost segments of the computer and office equipment markets. Across the entire world electronics market, the share produced by U.S.-owned firms has fallen by 14 percentage points since 1985. This market loss translates to more than \$100 billion in lost revenues, given the size of the current world electronics market.

"In part because of these losses in U.S. electronics manufacture, the U.S. semiconductor industry is losing market share. The committee finds that the long-term loss averages about one percentage point per year. And because leading Asian companies are outspending U.S. companies in both R&D and capital equipment, this erosion is likely to continue. In view of the critical linkages that tie

semiconductors to electronics systems in high-technology industries, and because of the enormous barriers to entry in the semiconductor industry, with its high capital costs, large technology-development investments, and the crucial importance of continuous learning to extend the state of the art, the nation must move decisively to maintain a robust future for semiconductors while the industry is still strong enough to respond."

Public Health

U.S. ranks low in immunization

According to the latest statistics from the Children's Defense Fund, the United States ranks 17th in the world for percentage of one-year-old children fully immunized against polio. This puts the United States behind countries like China, Albania, Costa Rica, Pakistan, and Mexico in protecting their young.

Taking only the black children of the United States, the United States ranks 70th, behind countries like India, Cuba, Indonesia, Iran, the Dominican Republic, Algeria, Vietnam, Nicaragua, Panama, Rwanda, Sierra Leone, Botswana, and Tanzania.

Education

Inland finds work force at fourth grade level

Inland Steel has found that one-quarter of its work force functioned at a fourth-grade level, *Industry Week* reported in its Jan. 20 issue. In a profile of the U.S. steel industry and its attempt to improve quality, *Industry Week* reported that in 1988, when Japanese companies were installing new machinery in Inland's East Chicago, Indiana plant, the Japanese told Inland executives that their workers needed the equivalent of a junior-college education to be able to operate the new machinery properly. Inland surveyed its unionized work force of

over 10,000 employees, and found that over half of them functioned at only a sixth-grade level, and almost one-quarter of them functioned at only a fourth-grade level.

In response, Inland instituted its own education program, which the company calls BEST University. According to *Industry Week*, "Emphasis is placed on reading, writing, oral communications, time management, financial education, and basic mathematics, as well as word processing." However, in order to entice timid workers into the program, introductory classes are offered on such things as "Making Home Movies."

Trade

Japanese repudiate 'Thornburgh Doctrine'

"We don't accept this idea of extraterritoriality. . . . We cannot accept the administration of a country's law beyond its territory," a Japanese Foreign Ministry spokesman said Feb. 24, dismissing demands made publicly on Feb. 23 by the U.S. Justice Department for the extension of the so-called Thornburgh Doctrine to Japanese trade and corporate law.

Yuji Tanahashi, vice minister of the Ministry of International Trade and Industry, called the Department of Justice plan "a violation of international trade rules," the Japanese press reported. Another Japanese official said that Japan might retaliate by trying to sue U.S. states and other government bodies for the "Buy American" laws on their books. "No state government has ever bought a Japanese car," he pointed out.

U.S. Attorney General William P. Barr said on the "One on One" television interview program on Feb. 23 that he expects the Justice Department to redefine anti-trust policy so that the U.S. government can sue Japanese companies "to create a useful tool against cartels which are excluding U.S. exports." Barr, the author of the Thornburgh Doctrine of extraterritoriality used by President Bush in Panama and Iraq, also said he will extend U.S. anti-trust law beyond protecting U.S. consumers to include protecting U.S. corporations from the Japanese.

Briefly

● **ZAMBIA** should not anticipate any significant change in the International Monetary Fund policy toward her in the immediate future, in spite of her trend-setting democratic changeover," World Bank president Lewis Preston declared in mid-February in Lusaka. Following standard IMF austerity policies, the Zambian kwacha was recently devalued 30%, with a resulting price spiral for all goods and services.

● **JAPAN** may give the Community of Independent States (ex-U.S.S.R.) the technology to build a fast breeder reactor and turn weapons-grade plutonium stockpiles into peaceful nuclear power, Japanese officials are quoted from Tokyo. Japan is discussing ways of helping the CIS safely dispose of its plutonium after scrapping nuclear warheads.

● **CHINA** is now constructing the longest and most costly new railway in the world, 1,500 miles long, the London *Guardian* reported Feb. 22. The railway will link Beijing with China's southern coast, and is the first major route built in China in 50 years.

● **MALAYSIAN** Prime Minister Dr. Mahathir Mohamed said that his nation, like any other, has a fundamental right to develop nuclear power and have nuclear technology for peaceful purposes, Germany's Hesse 3 television station has reported.

● **ENCEPHALITIS** transmitted by mosquitoes is a growing threat in the United States, the Atlanta, Georgia Centers for Disease Control warned in a report released Feb. 20. The CDC said that the "tiger mosquito" was found to be a carrier of a deadly encephalitis virus that kills one-third of its victims.

● **MIKHAIL GORBACHOV** said that Russian and CIS monetary affairs should be put under tight International Monetary Fund control, in an exclusive interview on Germany's 2nd Channel TV (ZDF) Feb. 21.

The Versailles order: Historical truth leads to liberation

by Nora Hamerman

The report below must be seen as, in some ways, the darker foil to the optimism expressed in this year's special inaugural issue (Vol. 19, No. 1. Jan. 1, 1992) on the theme of Hamiltonian economics. Many readers noticed that there was, in the 1890s exactly one century ago, a worldwide upsurge of interest in what we called the "American System" of political economy, which had its roots in traditions of western Christian thought reaching back to Leibniz and earlier. And yet, the history of this century so far, has been one in which those fruitful ideas were not only abandoned, but indeed erased from the consciousness even of supposedly educated people. The reason is to be sought in what Lyndon LaRouche has described as the Versailles System.

The photograph on the facing page shows a few of the thousands upon thousands of grave markers which offer an unforgettably chilling sight to visitors to the Verdun battlefield cemetery in France. Although it honors a fallen American unknown soldier, the majority of those who died in that terrible battle were Germans and French. The Battle of Verdun in 1916 is perhaps the most sobering symbol of the mass butchery that was World War I.

The war ended with a series of diplomatic disasters calculated to lead to World War II: not only the Versailles Treaty in 1920, but the triumph of the Bolshevik Revolution in Russia in 1918 and the establishment of the Communist International one year later; the Balfour Declaration of 1917 promising a Jewish homeland in Palestine; the Treaty of Trianon of 1920 which cost Hungary 68% of its territory; the Sykes-Picot Treaty by which the British and French carved up the Middle East between them, and so forth. Above all, it was the commitment to debt collection by the international financial oligarchy that dictated these bloody "geopolitical" arrangements that ran roughshod over the human dignity of individuals and the rights to sovereign development of nations.

It is of more than symbolic significance that the "race hygiene" promoter Margaret Sanger opened her first birth control clinic in the United States in 1916, at the same time the Battle of Verdun was killing off the flower of youth of



A scene in the cemetery at Verdun, where France and Germany together suffered 770,000 casualties in 302 days. The Allies only finally "won" in the unprecedented butchery that was World War I because of the arrival of fresh American troops. The Versailles "peace" that followed, laid the foundations for a new war.

continental Europe. Jacques Cheminade describes in his article below, the brainwashing which accompanied that physical blow—the spread of hedonism and nihilism, the degraded counterculture of 1920s Paris and Berlin, the resurgence of the long-discredited theories of Malthus claiming that population growth would automatically outstrip the food supply. In 1930, the City of London banking establishment was imposing on Germany Hitler's later economics minister, Hjalmar Schacht, to enforce the Versailles war-reparations. In that same year, the Anglican Bishops of Britain became the first Christian body to issue a nonbinding directive to members that allowed the use of artificial contraceptives, which only a short time before Sanger had trumpeted as "the only true eugenics," designed to redress the "unbalance between the birth rate of the 'unfit' and the 'fit'" which she regarded as "the greatest present menace to civilization." With the advent of the Nazis, who vigorously applied the dictums of Sanger and her co-thinkers, eugenics became an unsavory term, but the policies have persisted under pleasanter monickers and become "social orthodoxy" and indeed, official policy, in every government of the so-called free world.

As Lyndon LaRouche has emphasized in many recent writings and speeches—one of which appears on page 60 of this issue—we are witnessing the collapse of the Versailles System. To the extent to which we are able to locate the truth about the history of this century, we will reach those people who are capable of becoming leaders among the debris left behind by the collapse of the Versailles System. We invite you to "read over our shoulders" as we do this.

For example, LaRouche notes, a Russian who is interested in the thesis of how Count Sergei Witte wanted to create a modern, productive nation out of Russia, is a Russian whose life is illuminated with a perspective which will enable him or her to understand what's going on in the world.

Similarly, in the United States, who is willing to face the fact that we have been living a lie for so long? Where is the person from the South, who comes from a family that was part of the Confederacy, who is willing to face the fact that the Confederacy were traitors working for a foreign power—Britain—to balkanize and destroy the United States? Where is the military man who can accept the truth that the Union commander, General McClellan, was philosophically a traitor who conducted battle to avoid a victory over the Confederacy?

LaRouche points out that when solutions are presented to a deep crisis of this type, and we find the resonance for this truthful view of history and science and philosophy, we will inspire and pull together the networks of forces throughout the world who will organize around this truth. These individuals will catalyze the future public servants who will be the instrument by which the implementation of policies consistent with that philosophy we have called American System, or more precisely, "the science of Christian economy," will be accomplished.

EIR is happy to present the sad story of World War I and the Versailles Treaty. The knowledge and conceptions contained here are destined to reach out among oppressed nations and inspire those who are capable of being inspired—the natural leaders of the new period now emerging.

The Versailles Treaty: 'an act of madness unparalleled in history'

by Jacques Cheminade

"After the butchery, the sharing of the spoils." "A vindictive, dishonorable and deceitful treaty, if adopted, would be the precursor of a century of strife and conflict." "The terms are an act of madness unparalleled in history." "A gigantic military conflict leads to a universal international civil war."

These comments on the Versailles Treaty of 1919 were not made many years after, by pro-German commentators measuring its impact, but during the negotiation itself, by leading advocates of the British cause, such as Arthur Ponsonby, Ramsay MacDonald, and John Maynard Keynes. Indeed, right from the beginning, the more intelligent—if morally flawed—leaders on the side of the victors were fully conscious that the world they were building was not one of stability and peace through mutual economic development, not one of "peace without victory" and "respect for Germany," as President Woodrow Wilson had said in his famous Fourteen Points speech of Jan. 9, 1918, but rather "a Punic treatment, prelude to quarrels in a deeply divided and hideously embittered Europe." This world, inherited from the 1814-18 Congress of Vienna, and continued in the Teheran, Yalta, and Potsdam agreements of World War II, is still the world in which we are living today.

True, with the collapse of fascism and Stalinism, the liberation of eastern Europe and the coming fall of "flea market" economics, the conditions for the "era of Versailles" to come to an end are now being met. But history is not made of an "objective trend"; it is determined by the subjective intervention of human beings. Therefore, those "conditions" for an end of Versailles are not a gift bestowed upon us, but a challenge. To avoid a shift from controlled disintegration, the true name of the geopolitics of Versailles, into chaos, we have first to ask ourselves a few questions and then provide historical answers. What has the Treaty of Versailles really accomplished? What were, beyond the treaty itself, the implicit axioms—cultural, economic, scientific, and social—of the Versailles order? How was it possible to perpetrate such an order upon human beings in their right mind?

Strategic aims of the Anglo-Americans

At the end of World War I, the Congress of Paris met on Jan. 18, 1919, and the peace treaty was imposed upon

Germany and signed at the Hall of Mirrors of the Versailles Palace. The symbol was clear to everybody: The "peace" was a continuation of the Congress of Vienna of one century before, and based on "containment, counterrevolution, and geopolitics." The package included an adjustment of borders according to the dictates of the Anglo-American balance of power, and a system of financial control from above through debt management. The indebted nations that fought the war, both the German loser and the French victor, were submitted to the banks of London and, more directly, Washington. John Maynard Keynes put it bluntly: "In 1919, Europe was in complete dependence upon the food supplies of the United States, and financially she was even more absolutely at their mercy." And he adds that America's "delegation had a precocious understanding of economic power as an instrument of control in the international politics of this dawning era of civil war; the lesson from England was well learnt."

Concretely, it meant first punishment and debasement of Germany. Germany was considered guilty and should therefore be submitted to the payment of "war guilt reparations" taking into account "damage done to property and humans" and "pensions to war orphans and war widows." Needless to say, the reparations clauses ignored Germany's obligation to meet the needs of its own population, and the inability of the postwar German governments to pay constantly fed "eagerness for revenge." Furthermore, the economic clauses of the treaty wrecked Germany and German firms on a world scale.

Second, Europe was geopolitically divided in such a way that nations were pitted against each other, and held in check through a balance of power based on "permanent French-German opposition." Therefore, World War II was embedded in the peace treaty of World War I. France not only got back Alsace-Lorraine—which was fair, considering that Germany had gotten it through the war of 1870—but was also given the administration of the Saarland coal mines, Saarland itself being submitted to 15 years of League of Nations control. The League of Nations was created as a league of victors, without Germany. All German colonies were taken over by the League of Nations administration, and the British were granted de facto control of the seas. The

Allies were granted the occupation of the left bank of the Rhine for 15 years, with an evacuation of one-third of their forces pledged every five years, as long as Germany met the schedule for payment of its war reparations on time! The German Army was reduced in principle to 100,000 men, without aviation and heavy artillery. Poland was carved out at the expense of Austro-Hungary and Germany (see **Figures 1, 2, and 3**).

The Austro-Hungarian Empire was destroyed, and while we are not going to follow today's new geopolitical fashion and shed tears over its fate as an empire, we have to stress that not only was it brutally divided without taking into account the will of its people, but it was replaced by a combination of synthetic nations. All were given a poisoned pill in their very cradle: Yugoslavia was made of Orthodox Serbs and Catholic Croats and Slovenes, with Hungarian and Muslim minorities, and Czechoslovakia was divided into Czechs, Slovaks, and a significant German minority in the Sudetenland. Any German-Austrian unification was explicitly forbidden by the law of the victors. All these arrangements were deliberate provocations, creating the conditions for a conflict to be unsolvable among nations, and demanding "control from above." In that sense, more than the order of Vienna, the order of Versailles is the first financial-geopolitical supranational order, based on an everlasting civil war held in check by the League of Nations, as an appendage of London and Washington.

Third, the "peace" was arranged to prevent "the occurrence of any Prussian-Russian alliance." In a word, the Anglo-American design was, and is, never to allow peace to prevail among France, Germany, and Russia. Germany and Russia should be kept from establishing bilateral relations outside the control of London and Washington: As early as March 28, 1919, the still young Herbert Hoover writes to the aging Wilson: "If the militant features of Bolshevism were drawn in colors with their true parallel with Prussianism as an attempt at world domination that we do not stand for, it would check the fears that today haunt all men's minds." To avoid this, the Anglo-Americans decided to play both sides, and control them through the "new weapons": capital, food, and economic aid. As for Russia, the Americans considered that "Bolshevism can be cured and used cleverly." "Military truce combined with economic aid is bound to redirect the revolutionary currents into reformist channels in Russia"—in other words, create the conditions for a more efficient looting by the American firms located, for example, at 120 Broadway, in New York, with the Hammers and the Schiffs acting as middlemen. Britain's Lloyd George expresses the same more bluntly: "We must call in the Soviets and talk to them as Rome used to do with barbarian tribes."

As for Germany, Wilson's design was to "bring the social reform forces [such as the Social Democrats, the Progressives, and the Christian Democratic Center], through a democratic revolution, into an alliance with London and Washing-

ton." The William C. Bullitt papers indicate to us why: "In spite of the developments of the Russian Revolution, the moderates have clung to their creed that Germany can only find salvation in democratic development and understanding with England and the United States." Bullitt adds more bluntly: "They consider Russia, not England, the irreconcilable enemy of Germany."

It is therefore clear that the Versailles order meant European vassalage under Anglo-American rule, the victors being treated ultimately no better than the losers on the continent.

The axioms of the Versailles order

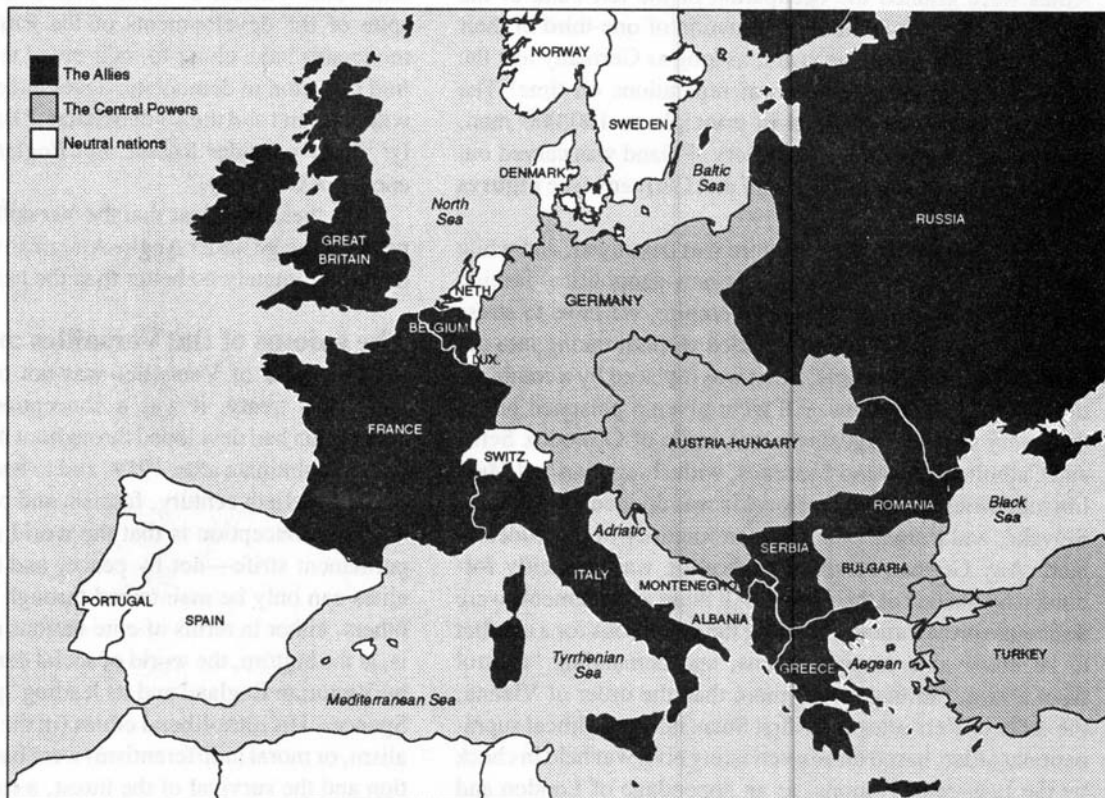
The order of Versailles was not only the cold-blooded letter of a treaty, it was a conception of the world. This conception had developed throughout the nineteenth century, only to culminate after 1919, and to lead to the two monsters of the twentieth century, fascism and communism.

This conception is that the world is ruled by conflict—permanent strife—not by peace, and that the power of the elites can only be maintained through the oppression of the others, either in terms of elite nations or elite individuals. It is, at the bottom, the world of social darwinism, as conceived by Victorian England and its leading "philosopher," Herbert Spencer. His ultra-liberal ethics (in the sense of British liberalism, or moral indifferentism) were based on social competition and the survival of the fittest, a conception that the war in the trenches of World War I made extremely popular. In Germany, it took the form of the "Great Germany" and eugenics of Ernst Haeckel, and in France the neo-Nietzschean conception of a Georges Sorel—regeneration through strife and violence—or the cult of "sacrifice to the blood and soil" of a Charles Péguy at the end of his life. This set the terms, and in that sense the ultra-liberal Darwinian world view was and is the ground on which fascism (race struggle) and communism (class struggle) both grew. Before they grew up fully, the sense of doom with which the people went to war in all European countries came from the popularization of that British-originated world view.

This has to be stressed to understand the three heads of the monster. *Socially*, it is malthusianism: Only the fittest and the best species survive. *Economically*, it is usury: Money goes for rent (the world of 1913, like the world of 1992, was a world of rentiers, with very high interest rates), and not for production and the development of the human mind. *Scientifically*, it is entropy: a dual universe where creation is infinite but unmeasurable ("spiritual"), and technology is measurable ("useful") but linear, deductive. Therefore the universe on which man can act upon is necessarily doomed to an end, the management of the permanent crisis having to be controlled by a ruling elite which is lucid, pessimistic, and enjoying the pleasures of impotent meditation.

In a word, such a world has a smell of death, and Versailles is the result of that smell, which infected the trenches and butcheries of World War I.

FIGURE 1
Europe at the
outbreak of
World War I



How Versailles could be sold

How could such an infamous order be accepted by human beings? A beginning of an answer is given by the famous saying that, psychologically, Adolf Hitler was born in the trenches of World War I. Rarely were human beings subjected to such mistreatment and degradation as the soldiers of those days. Bombarded day and night (the noise of the cannons, like volcanoes, never stopped during more than four years on the battle front), often half-abandoned and unfed, subject to epidemics and “triaged” if wounded, and sent into “offensives” that were meaningless in most cases, and which killed between one-fourth and one-half of them, the soldiers generated a sense of pessimism and despair convenient to the thinking of the degenerated elites.

World War I was the first in history where all countries involved gave weapons to all their young men to kill each other at random; it was the first butchery to which all were compelled to go. It was the first time in history also where such a density of means to kill was produced. French and German industries were totally geared for war, France, for example, having produced in those four years 300 million shells, 6.3 billion cartridges, and 51,000 airplanes. To this unprecedented mass killing corresponded a mass brainwashing: War censorship was established in all countries, and nothing could be written in the trenches. The strategy of the

French and German general staffs was to bleed each other *in infinitum*, and the Allies finally “won,” only because of the arrival of fresh American troops. For example, in the two-week offensive of the Chemin des Dames, France lost 147,000 men, and at Verdun, France and Germany lost together 770,000 men (killed or severely wounded) in 302 days.

By the end of the war, about 1.5 million had been killed, 34 dead out of every 1,000 inhabitants, the figure being 30 per 1,000 in Germany and 21 in England. More than 25% of French men between ages 18 and 27 were killed, 14% were permanently disabled, and about 40% were wounded! In France, where the war took place, 350,000 houses were destroyed, 62,000 kilometers of roads, 5,000 kilometers of railroads, and 1,900 kilometers of waterways were lost, and more than 2.5 million hectares of farmland were burnt.

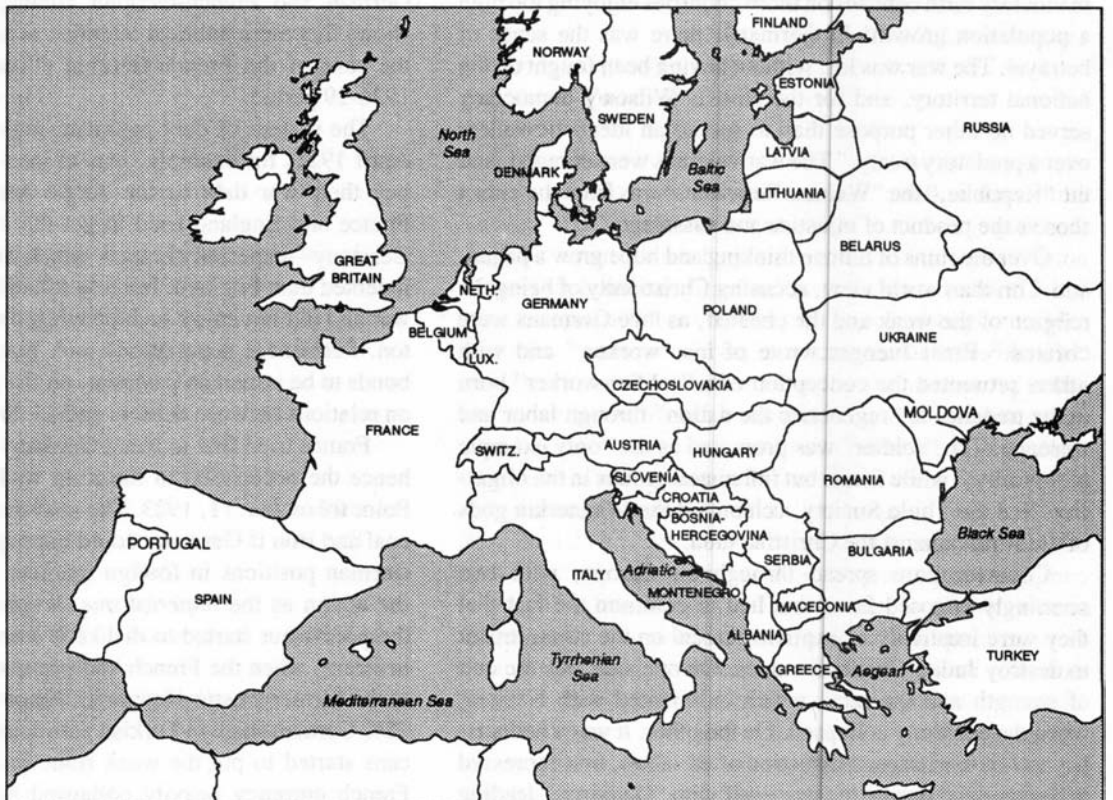
The financial cost of the war was enormous. In France, the war expenses reached 120 billion gold francs, of which 30 to 35 billion were never paid and 9 billion were received from Germany in reparations. This meant that 80 billion gold francs were thrown into the war Moloch, in a country where the national budget barely reached 5 billion francs before the war. Therefore, the war consumed, in only four years, 16 years of budget!

The financier and the war speculator (as shown, for exam-

FIGURE 2
Europe after
the Versailles
Treaty



FIGURE 3
Europe after
Jan. 15, 1992*



*As of this writing, major map companies have not produced a map of Europe reflecting the existence of new countries since the breakup of the Soviet Union in December and the European Community recognition of Croatia and Slovenia on Jan. 15, 1992. This map is intended to reflect the political changes and cannot be an accurate representation of new boundaries.

ple, in the paintings of the German satirical artist Grosz) increased their status, and vast fortunes were made without labor by ignorant, incapable, or cowardly persons, while the flower of the population was killed in the trenches. Civil servants and retired people lost part of their income, not only, as is notorious, in Weimar Germany, but also in France, where the pace of inflation in annual terms was 100% between April and July of 1917. The social status of the teachers and professors collapsed, as 6,000 of the latter were killed, out of a total of 65,000. The war speculator and the financier won over the teacher and the professor, while the demobilized soldiers felt at a loss in their civilian lives.

A desperate counterculture became rampant, with the idea that no noble cause is possible, sacrifice for the fatherland is a bad joke, and the “ennobling of the self” is an idiocy. At the same time, a “cult of war and pain” developed, with war monuments in every village of France and Germany, and cyclical war ceremonies. The obsession with death in an atmosphere of misery and pessimism was the common denominator.

In France, the demographic bloodletting produced a society of widows and old maids: In the younger age groups, there were 12 women for 10 men. As a result of all this, malthusianism spread in society, with a fall in the rate of marriages and fertility, and an ideology of hedonism to compensate the fears of the past and those of the future. A philosopher like Henri Bergson started saying that over-fertility is the cause of wars, and the League of Nations should put mandatory birth controls on those countries enjoying too high a population growth! In Germany, there was the sense of betrayal: The war was lost without having been fought on the national territory, and for the elites, “Wilson’s democracy served no other purpose than to spread an idealistic veneer over a predatory treaty.” The war veterans were enraged, and the “Republic,” the “Weimar Republic,” was from the outset seen as the product of injustice and vassalage.

Over the ruins of human thinking and hope grew a pagan, anti-Christian world view, accusing Christianity of being the religion of the weak and the cheated, as “we Germans were cheated.” Ernst Juenger wrote of his “worker,” and with others promoted the conception of a “soldier-worker” born in the trenches to “regenerate the nation” through labor and violence. The “soldier” was promoted as the “only example of morality,” while fringe but influential groups in the oligarchy, like the Thule Society, celebrated the Wagnerian gods of the North against the Christian God.

Counterculture spread through all Europe, with two seemingly opposed faces that had in common the fact that they were implicitly or explicitly based on the commitment to destroy Judeo-Christian values. On one side was the cult of strength and the race, which culminated with Nazism, when the economy collapsed. On the other, it was a hedonistic, anti-authoritarian destruction of all values, first expressed in Switzerland during the war itself with “Dadaism,” leading

to surrealism. Russian ballet music, celebrating the pagan gods of the North, was introduced by emigré Russian oligarchs, while jazz (itself an artificial creation of French origins imposed on American blacks) was brought into France and Germany by the American soldiers. The Frankfurt School and Georg Lukacs explicitly promoted the “destruction of the values of the West to promote new values,” based on “marginality” and “rejection of the father image.”

We asked at the beginning of this article: How was it possible to impose the Versailles order, an order of strife and death, upon human beings in their right mind? The answer is simple: Those human beings were not in their right mind! The horrible reality of the war and the counterculture that “rationalized” it afterward, together with the economic and social disintegration, drove most people sick or mad, or demoralized them, making them vulnerable to the very axiomatic basis of a self-destructive world. The Spencerian-Darwinian conception of the British oligarchical elite had spread to broad layers of the population of Europe, dooming them to fight each other, while the debt, culture, and geopolitical negotiations were controlled “from above.”

The lesson of 1923-29

The only answer to our own crisis today is, politically, what the Anglo-Americans did not want at the beginning of the century: a continental European alliance, involving France, Germany, and Russia, based on peace through mutual economic development. But the failure of the Russian-German and French-German alliances during the 1920s shows that mere political intention is not enough. Let’s take the case of the French-German alliance conceived in the 1926-29 period.

The system of debt payment, under the Dawes Plan of April 1921, for example, was to have France and England pay their war debt to the Anglo-American banks, while France and England tried to get the most they could from Germany—especially France, which was much more heavily indebted than England, because it had borne the brunt of the war and did not enjoy such privileged relations to Washington. Permanent negotiations took place on the quantity of bonds to be issued on payment, on the pace of issuance, and on relations between debtors and creditors.

France tried first to bleed Germany as much as possible: hence the occupation of the Ruhr by Prime Minister Henri Poincaré on Jan. 11, 1923. The goal was to take over German coal and iron if Germany could not pay in cash, and to grab German positions in foreign markets. The British mocked the action as the *imperialisme du pauvre*—imperialism of the poor—but started to dislike it when France became too insistent, when the French had occupied sensitive positions in the former Austro-Hungarian Empire, and taken over the 25% German share in Turkish petroleum. The Anglo-Americans started to put the weak franc under pressure, and the French currency heavily collapsed between the last eight

months of 1923 and March 1924.

In October 1923, Poincaré had to withdraw his troops from the Ruhr and accept on March 1924 a severe austerity plan. By a set of mandatory government decrees, he cut public expenses by 1 billion francs and increased direct taxes by 20%! Against this, the Bank of England lent France £4 million and J.P. Morgan lent \$100 million, "just for the Treasury."

Poincaré and the French elites had then understood that the real master in the world was not the French Army, "which had won the war and shed more blood than all others," but the British and American banks. It is then that their policy shifted, and they decided to "achieve not only an alliance of the weak with Germany, but national reconciliation." This yielded first the "spirit of Locarno," the Briand-Stresemann appeasement policy, and on Sept. 4, 1926, Germany was admitted into the League of Nations. But what is beneath the surface is far more interesting.

France softened her obsession with "guilt reparations," Germany backed French industries, and a trade treaty was signed in August 1927. A steel agreement was signed on a continental basis, and psychological détente followed the economic arrangements: A French-German Committee for documentation and information was created, to drop the idea of "absolute German responsibility in the war" and reestablish "the historical truth."

More interestingly, a project emerged for a "European Zollverein" (after the name of Friedrich List's customs union among the German states in the 1830s), with explicit references to List and Paul Cauwes, the French economist who was an enemy of free trade and of the "British system" at the end of the nineteenth century. French economist Charles Gide and political leader Yves Le Trocquer created a Union Economique et Douanière (Economic and Customs Union) to promote that idea.

This was now a real threat to London and Washington: A German-French alliance was in the works, based on industrial and infrastructural development, in potential combination with Russia, while the British responsibilities in World War I threatened to be established by the common French and German historical work. Yet the French-German alliance did not work. The lessons of that failure are very relevant today.

First, the French authorities did want an agreement with Germany, but without confronting London and Washington, while the German Social Democrats and Christian Democrats were also reluctant to face the Anglo-Americans head-on. Briand and Poincaré, in France, vacillated between a deliberate policy of continental alliance, or gaining an instrument of pressure over England. A genuine promoter of the Franco-German alliance writes: "The advocates of a continental bloc were too often nothing but frustrated Atlanticists."

Second, partially as a result of such indecisiveness, the command of the alliance policy was left to "field operators," such as industrialists or thinkers, and had no political brain.

The French population, in particular, was not organized for such an alliance, and the alliance remained a matter reserved to the elites.

Third, and most important, the axioms of the Versailles order were not frontally attacked, and the alliance was seen more as an improvement of such an order than as its reversal. Economically and culturally, the French-German alliance was therefore unable to take off, as opposed to the de Gaulle-Adenauer entente after World War II, which did confront the Anglo-American order and its prejudices and cultural outlook.

Disaster started when the French government, instead of going for a break of the two newly allied nations from London and Washington, tried instead to "contain" Germany, within a set of international economic and political agreements, notably within a "European Federation." The dynamics of the process were then blocked, as they are today in 1992, and for a similar reason. The alliance finally collapse into the chaos spread by the Wall Street crash of 1929, when for lack of common goals and policies, Paris and Berlin went on an "every man for himself" rampage.

From Versailles to our times

The first point to be made on the Versailles order is that it was a failure from the start. We should not overestimate Versailles as a grand scheme to control the twentieth century; it was a social, economic, and political failure, of which the spread of Stalinism, fascism, social democratic corporatism, and unchecked free trade are the products. Versailles is a permanent collapse, an attempt to avoid a Krakatoa volcanic explosion through the organization of a permanent mudslide, a dream to control disintegration leading to the nightmare of chaos plunging everybody in the mud.

The second point is that such an order is finished; it led to disaster and cannot be mended. The only question left, is what comes after.

Third, it has to be emphasized that in the Versailles period, Europe was in a revolutionary situation. That's indeed why the peace treaty was signed in the first place: to try to check the revolutionary process. It only succeeded because the leadership of the revolution was misguided by the same prejudices and axioms as those embedded in the peace treaty itself. The ennobling of the human condition and the improvement of what Friedrich Schiller and Charles de Gaulle called "character," the capacity of the human soul to naturally lean toward the common good, was on nobody's agenda. What followed was our century of continuing mass murders, concentration camps, and holocausts.

Today, let's stress it again, the order of Versailles has reached its end. But "naturally," without subjective intervention and change, what is coming next will lead to chaos and death, as the present situation both in the Third World and eastern Europe exemplifies. Are we willing to meet the challenge, to reverse the Anglo-American, Aristotelian axioms of the twentieth century?

Britain's chaos scenario

As in the days leading up to World War I, the British, along with various allies, are fomenting a panorama of chaos and civil strife across the globe.

1. Korean peninsula: As the two Koreas attempt to negotiate their reunification, U.S. CIA director Robert Gates told the House Foreign Affairs Committee that North Korea could possess the bomb in a few months—a statement that could mean a U.S. military strike against Pyongyang.

2. Indonesia: Indonesia military says it will not permit a Portuguese vessel to dock in East Timor. The ship, carrying 100 students and journalists, is due to leave Darwin, Australia, March 3, for East Timor, in support of the Portuguese- and Australian-backed Fretilin Timor separatist group. Indonesia has also banned journalists from East Timor, in preparation for the confrontation.

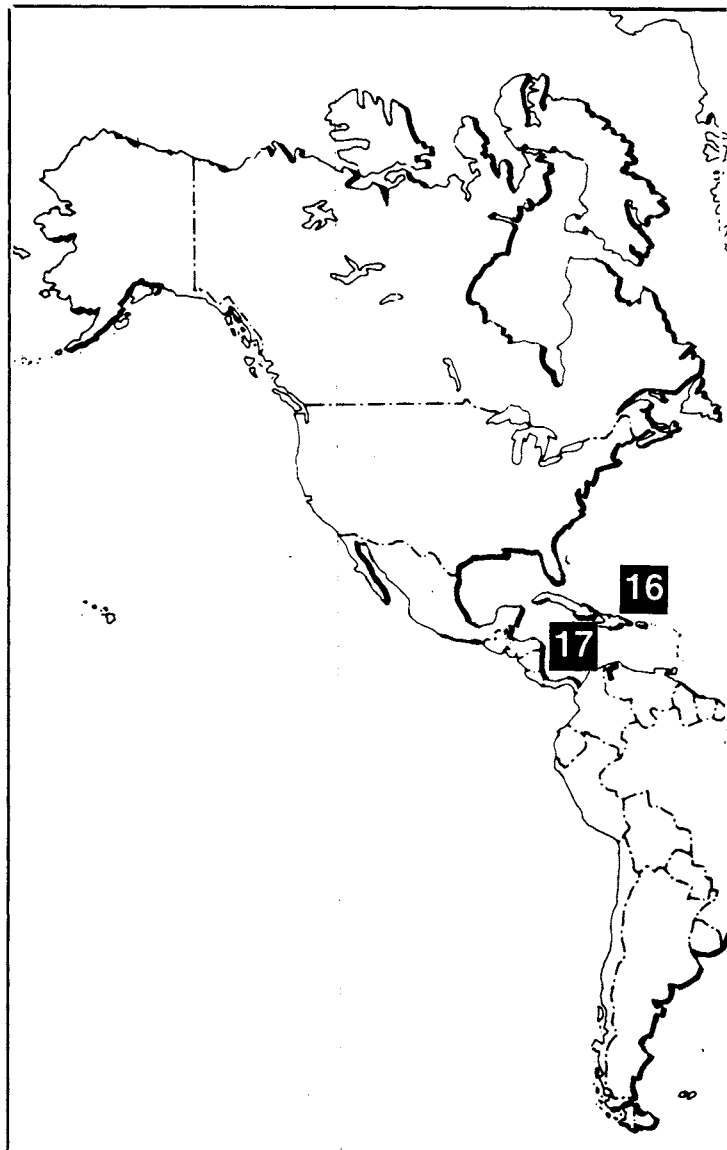
3. Cambodia: The U.N. is preparing to dispatch 22,000 troops to Cambodia as part of a peacekeeping force. The Khmer Rouge is marauding the southeastern section of the country.

4. Bangladesh: Hundreds of thousands of Muslim refugees have been hurled out of Burma (Myanmar) by the military government, and Burmese and Bangladeshi military forces have been amassing on the border.

5. Kashmir: Sources in Europe warn of an Indo-Pakistani war over the disputed province of Kashmir will erupt soon. Self-avowed British agent Jamanullah Khan, head of the Jammu and Kashmir Liberation Front, tried to lead a march of Kashmiris from Pakistan's Azad Kashmir into Indian Kashmir. The march was blocked by the Pakistani military, but Khan has vowed he will try again this month.

6. Sri Lanka: Government troops are now deciding whether they will prepare a final assault on the northern city of Jaffna, stronghold of the separatist Tamil Tigers, who are also accused of murdering Indian Prime Minister Rajiv Gandhi in May 1991. Sinhalese hardliners are vowing to stop any settlement negotiated to avoid a bloodbath in Jaffna.

7. Armenia: Units of the communist Azerbaidzhan government have stepped up their attacks on the disputed Armenian enclave of Nagorno-Karabakh, and even attacked the Russian CIS garrison there on Feb. 23. A war throughout

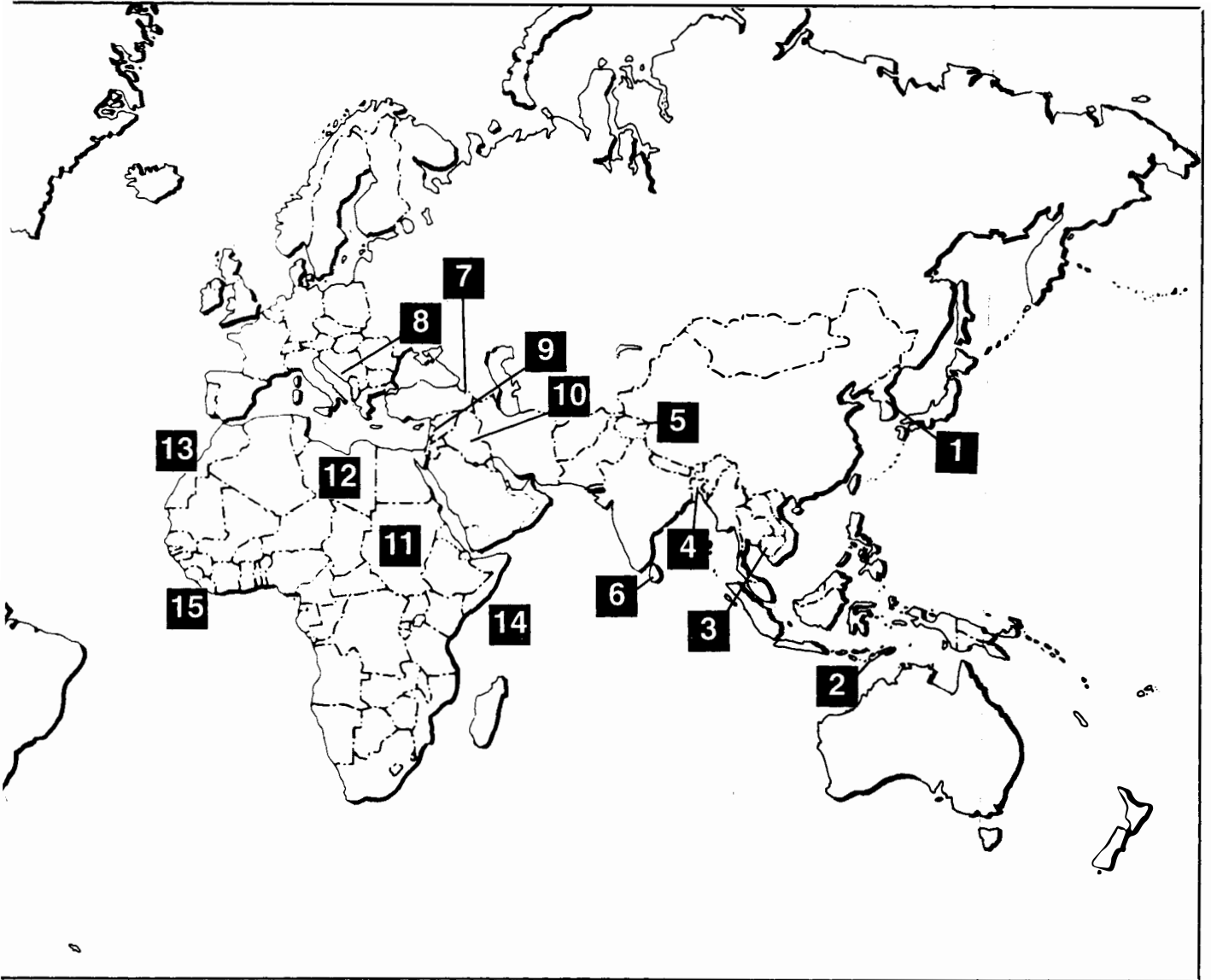


the Transcaucasus might soon ensue, eventually drawing in Iran, Turkey and others.

8. The Balkans: By mid-March, the U.N. is slated to send 14,000 troops into Croatia, not to protect the borders, but to guarantee a so-called peace in territories conquered by the Serbian-dominated Yugoslav army and handed over to Serbian Chetniks.

9. Lebanon: Israeli forces invaded Lebanon on Feb. 19 in a 24 "clean-up operation" directed against seven villages, after first attacking U.N. peacekeeping forces stationed on the border. Two U.N. soldiers are near death due to wounds. A week earlier the Israelis killed the leader of the Lebanese-based Hezbollah.

10. Iraq: The U.N. sent Swedish Amb. Rolf Ekeus to Iraq to warn that state that it faced "serious consequences," if it did not dismantle its alleged weapons capability. The



U.S. has reportedly asked Argentina for a warship deployment against Iraq.

11. Sudan: Civil war continues between the Khartoum government and rebels in the south led by the Israeli-backed Sudanese People's Liberation Army of John Garang. The war has precluded the development of the water and oil resources of the southern part of the country.

12. Libya: Britain, U.S., and France are preparing a new U.N. resolution demanding Libya instantly hand over two alleged terrorists or face a total embargo (and possible war). Libya is accused of bombing a 1988 Pan Am flight over Scotland.

13. Morocco: The U.N. has sent in troops to monitor a referendum in Western Sahara on whether the area will be an independent state under Polisario or remain in Morocco.

14. Somalia: The U.N. is preparing to mediate and send in a peacekeeping force into Somalia, where civil war has continued since Winter 1991 among rival tribes and clans, producing thousands of refugees.

15. Liberia: A regional peacekeeping force led by Nigeria controls capital of Monrovia, although Charles Taylor, reportedly Libyan-backed, is in control of the rest of the country. The war has spilled over to Sierra Leone and Guinea.

16. Haiti: The U.S. is drawing up plans for military intervention against Haiti, according to the German daily *Die Welt* Feb. 17.

17. Cuba: Although Bush has an arrangement with Fidel Castro to impose pro-IMF, narco-terrorist regimes in Ibero-America, Cuba could become a military target to boost President Bush's election campaign.

Transcaucasus explodes on the heels of Baker's visit

by Konstantin George

Despite three abortive cease-fires arranged between Feb. 20 and Feb. 27, the war in the Transcaucasus between Azerbaidzhan and Armenia continues to rage full force, as Azerbaidzhani forces escalated their shelling of Stepanakert, the capital of the Armenian-inhabited enclave of Nagorno-Karabakh. The latest cease-fire, a three-day "breathing space" which began Feb. 27, was arranged through the feverish, though by no means neutral efforts of Iranian Foreign Minister Ali Akbar Velayati, shuttling between Baku and Yerevan, the capitals of Azerbaidzhan and Armenia, respectively.

Three Muslim nations of Southwest Asia have become directly involved, supposedly in mediation efforts, but in fact they are backing Muslim Azerbaidzhan. These are Iran and, acting as partial surrogates for the United States, Saudi Arabia and Turkey. It is noteworthy that the activities by Iran and Saudi Arabia to conclude a cease-fire became frenzied only when Armenian forces began mounting successful counteroperations to save the besieged and hungry inhabitants of Karabakh.

It was the Bush administration, however, which sanctioned the Azeri offensive against Karabakh, in collaboration with the Turkish regime of Prime Minister Suleyman Demirel. The bombardment of Stepanakert began Feb. 14, three days after the visit of U.S. Secretary of State James Baker to Baku for talks with the Azerbaidzhani leadership. While Baker was in Baku, George Bush and Demirel were meeting in Washington. On Feb. 14, the very day that the bombardment began, the U.N. Security Council voted, on American initiative, to unconditionally recommend Azerbaidzhan's admission to the United Nations.

The next qualitative escalation of the war by Azerbaidzhan, beginning with a devastating round of shelling against Stepanakert on Feb. 21, occurred immediately after the Feb.

20 White House announcement that Washington would unconditionally assume full diplomatic relations with Azerbaidzhan. Speaking to reporters while in Baku, Baker proclaimed that the condition for U.S. recognition of Azerbaidzhan would be its "respect for human rights."

What we are seeing now is a replay of Bush administration policy in the Balkans. It was Secretary Baker's June 1991 visit to Belgrade which gave the go-ahead to the Serbian communists to launch their murderous war of conquest against Croatia. The United States, unlike all European states, has still refused to recognize the independence of Croatia and Slovenia.

The support of war and crisis escalation in the Transcaucasus is part of an Anglo-American policy promoting their willing junior partner, Turkey, to become the regional power, serving American interests in the Caucasus, Balkans, Central Asia, and parts of the Arab Middle East. The implementation of this policy was worked out at the Washington summit between Bush and Demirel.

A senior European defense specialist observed to *EIR* on Feb. 24 that Baker and "the whole lot" running policy from Washington and London are "a bunch of idiots, running around like headless chickens. Their depth of historical knowledge can be measured in the millimetric. There's no way to have any idea of what you're doing in that area, unless you are familiar with the intricacies of the last 150 years of history there. There are many precedents for workable arrangements, but there's no way of coming up with any workable policy today unless we look back. . . . We're still living with the awful residue of the breakdown and collapse of the Ottoman Empire, a post-colonial settlement from which we can find no way out. Meanwhile, Baker runs around, making statements and speeches, as if history there

began yesterday. He's making a fool of himself."

By Feb. 26, the conflict had expanded to include other western powers. French Foreign Minister Roland Dumas proposed the establishment of internationally supervised "security corridors" and "buffer zones" in and around the Karabakh enclave. The "Dumas Plan" will probably be presented to the U.N. Security Council, as the first official move in the direction of a U.N. military force being sent to the Transcaucasus.

Drawing in Russia

On Feb. 23, Azerbaidzhan attacked the 366th Motorized Rifle Regiment of the Community of Independent States (CIS) forces based in Stepanakert. The attack, occurring on Russian Armed Forces Day, killed two Russian soldiers. It was either a crude attempt to provoke a Russian military response and force a confrontation between Russia and Turkey, or to force a withdrawal of CIS troops from Karabakh and Azerbaidzhan, opening the path toward greater military involvement by Turkey. On the same day, the jeep carrying Gen. Nikolai Popov, commander of CIS forces in Azerbaidzhan, was attacked in Baku.

These are only a few of the many Azerbaidzhani provocations against Russian forces stationed in Karabakh and Azerbaidzhan. The non-stop rocket bombardment of Stepanakert since Feb. 14 is also designed to provoke the 366th Regiment to fight on the side of the Armenians. Rockets and shells have repeatedly hit the soldiers' garrison compound and the quarters of officers' families. There has also been a regular pattern of Azeri forces attacking or ambushing Russian troop convoys in Azerbaidzhan, besieging battalion-size units, and seizing stores of conventional small arms, artillery shells, and rockets from CIS stocks on Azerbaidzhan territory.

On Feb. 24, Azeri forces raided a CIS arms depot in the Agdam district, east of Karabakh, and made off with, according to the CIS tally, 728 cases of artillery shells, 225 containers of large caliber rockets, and 130 containers of 122 millimeter rockets. Rockets mounted on Multi-Barrel Rocket Launchers, stolen from CIS stocks, have been the main artillery used by Azeri forces in their terror attacks on Armenian civilians in Stepanakert and elsewhere. The massive haul seized on Feb. 24 portends an escalation in the fighting.

The Azeri attacks and provocations forced Marshal Yevgeni Shaposhnikov, commander-in-chief of all CIS forces, to issue an order on Feb. 24 authorizing CIS forces to fire back in self-defense if attacked, and to use whatever force is required to defeat any attacker. The move, however, is strictly defensive. The war is a nightmare for Russia, although nobody wants to talk about it publicly. Nearly 1 million Russian civilians live in Azerbaidzhan, including at least 500,000 in Baku alone, and could become hostages or pogrom victims. Similar large urban concentrations of Russians exist throughout all of the former Soviet Central Asian republics.

The 'massacre' that never was

In the 48 hours preceding the "cease-fire" on Feb. 27, Armenian forces had achieved the first significant victories toward breaking the Azerbaidzhani encirclement of Karabakh. On Feb. 26, Armenian militias, driving southwest within Karabakh, had captured the village of Khodzhal, one of two key Azerbaidzhani strongholds inside Karabakh. Khodzhal had been the base from which Azeri forces had shelled Stepanakert Airport, thus preventing any airlift of food, fuel, arms, and other supplies for the 300,000 Armenians of Karabakh, except for the minuscule amounts that could be brought in by helicopter.

In a parallel thrust, other Armenian forces captured Azeri positions around the town of Shusha, the other main Azerbaidzhani stronghold in Karabakh, located in the southwest part of that region. Through these gains, Shusha has been surrounded, and its Azerbaidzhani garrison cut off. The advances made by Armenian militias on Feb. 25-26 have given the Armenian forces the potential to drive the Azeri attackers out of the southern part of Karabakh, and to move the additional 12-30 kilometers (at its closest, the distance between Armenia and Karabakh is 11-12 kilometers) to link it up with the Armenia.

The response of the Azerbaidzhan leadership has been to prepare for the next escalation, including renewed attempts to induce a foreign intervention on Azerbaidzhan's behalf. When Khodzhal was captured, a spokesman for Azerbaidzhan President Ayaz Mutalibov issued a declaration charging that CIS troops of the 366th Regiment had attacked and captured the village and, together with Armenians, had "massacred" 100 Azerbaidzhani civilians. This was the fourth time in two weeks that Azerbaidzhan had falsely accused the 366th Regiment of fighting alongside the Armenians. The charge of committing a "massacre" opens the path for atrocities against the large Russian community in Azerbaidzhan.

There may have been some civilian deaths in the battle for Khodzhal, but the reports of a "massacre" are untrue. Armenia issued an official denial of the charges, and noted that earlier in February, well before the battle, Azeri civilians had fled, pointing out that the Azerbaidzhan government itself had earlier condemned as an Armenian "crime" the forced flight of Azeri civilians from Khodzhal and nearby villages. The tragedy is that the report of a Khodzhal "massacre" is believed by everyone in Azerbaidzhan, and this will be used as the justification for the next round of Azeri attacks.

One can only hope that European countries will not repeat the combination of blunders, cowardice, and crimes that allowed Croatia to bleed for so long, and intervene with the political and economic means at their disposal on behalf of a just peace for the people of Armenia and Azerbaidzhan. Ironically, the more successful the government of Azerbaidzhan becomes in its aggression against the Armenians, the more it jeopardizes its own sovereignty and becomes a tool in the hands of one or another regional power.

Bush gives go-ahead for new Mideast war

by Joseph Brewda

Casting himself as a new David fighting an awesome Goliath, U.S. President George Bush told reporters on Feb. 25 that he was determined to link \$10 billion in U.S. housing loan guarantees to Israel to a freeze on Jewish settlements in the Occupied Territories. "I'm not going to shift the foreign policy of this country because of political expediency," he said, alluding to the vast powers of the U.S. Zionist lobby—which Bush has always patronized. "Frankly, we have an obligation to the American taxpayer," Secretary of State James Baker added.

The decision was promptly condemned by numerous senators, including Robert Kasten (R-Wisc.), Dennis DeConcini (D-Ariz.), and J. Bennett Johnston (D-La.). "I believe that United States responsibility to Soviet Jews is at least as compelling" as the question of the (illegal) settlements where the Jews would be housed, Kasten railed.

But this election theater has intentionally obscured the fact that the Bush administration is encouraging Israel to go to war, possibly during this spring's U.S. primary season. There has never been an Israeli war with the Arabs that was not first cleared in London and Washington.

Provocations mount

On Feb. 16, Israeli helicopters launched a rocket attack on a car convoy of the Hezbollah leader Sheikh Abbas Musawi in southern Lebanon, killing him and his family. The operation against the Iranian-run guerrilla leader had been planned for six months, according to Israeli authorities, and was not in response to any particular incident. Following the murder and a 50,000-man funeral in Beirut, Hezbollah guerrilla units in Lebanon predictably began firing rockets into northern Israel.

Also on Feb. 16, Israeli aircraft attacked two Palestinian refugee camps in southern Lebanon, killing four people and wounding ten. The attack was in purported response to the killing of three Israeli soldiers at their barracks in northern Israel.

On Feb. 19, Israeli armed units, backed by helicopters and 36 tanks, attacked United Nations peacekeeping forces stationed on the border between Lebanon and Israel, gravely wounding two U.N. soldiers from Fiji, and wounding a dozen more. After attacking the U.N. forces, the Israelis bulldozed their way through U.N. positions and attacked seven villages in southern Lebanon, in what was termed a 24-hour "clean up operation." Following the invasion, Israeli officials

told the press that they would soon return if "extremists" resumed their earlier rocket attack on Israel. They did not say whether they would again attack U.N. soldiers.

Speaking on Feb. 20, Secretary of State Baker refused to condemn Israel for the murder of Musawi, the invasion of Lebanon, or the attack on U.N. troops. "It's unfortunate," Baker blandly told the Washington press corps, "that there are these ever increasing cycles of violence." The same day, State Department spokesman Margaret Tutwiler asserted, "I am not going to make a judgment on if this was justified, non-justified. You know very well there have been rockets that have been launched onto Israeli soil off of Lebanese soil."

For its part, the U.N. Security Council, chaired in February by U.S. Ambassador Thomas Pickering, refrained from condemning Israel for either the invasion or the attack on U.N. troops. Instead, a mealy-mouthed statement was first issued against the "upsurge of violence" in the region, followed by a mild protest no one took seriously, issued as the Israelis were already withdrawing.

The new U.N. secretary general, Boutros Boutros Ghali, former deputy prime minister of Egypt and a life-long British asset, could only issue appeals for "restraint . . . on all sides," especially given the supposed promise of the Bush-initiated Mideast peace conference which reopened in Washington on Feb. 24.

The British Broadcasting Corporation had its own evaluation of the new invasion, and coming invasions: "a neat and efficient exercise in an election year," as Israeli Prime Minister Yitzhak Shamir faces a national election in June while an embattled George Bush has to contend with this spring's primary season.

Iraq set to be hit

While Israel was invading Lebanon, the United States was again threatening military action against Iraq. On Feb. 19, the U.N. Security Council warned that Iraq would face "serious consequences" if it didn't unconditionally comply with all U.N. demands concerning elimination of weapons of mass destruction, and capacity to build such weapons. According to the new U.N. demand, four assembly lines in Iraqi factories must be dismantled simply because they had the potential of being used for military production purposes. There is also a new report before the U.N. Human Rights Commission, which makes the unprecedented demand that U.N. "human rights monitors" be allowed full and unimpeded access anywhere and everywhere they might want to go inside Iraq.

On Feb. 20, British Foreign Secretary Douglas Hurd raged against the Iraqi leadership in a London address before the Anglo-Egyptian Society. Warning against alleged Iraqi violations of U.N. resolutions pertaining to the Kurdish part of Iraq, Hurd threatened, "Saddam should not think we will stand idly by."

Pérez government crumbles in Venezuela

by Gretchen Small

Venezuelan President Carlos Andrés Pérez fired his old pal, Pedro Tinoco, as head of the Central Bank on Feb. 21, shuffled cabinet members around four days later, after insisting, Bush-like, to the press on Feb. 22 that “I will not resign nor let myself be resigned.” But such public demonstrations of desperation on the part of the hated Venezuelan President have only fueled national debate over who should replace Pérez—and how.

Given the growing revolutionary ferment in the country, Pérez’s resignation may no longer satisfy the demands for radical change now coming from every sector of national life. Discussion is rapidly moving beyond which personalities could replace Pérez at the helm of state, to center on what form of government should replace the system of corrupt party rule which has dominated Venezuela for the past three decades.

Tinoco: corruption incarnate

Widespread, flagrant corruption was one of the main motives for the Feb. 4 military rebellion which revolutionized the country, second only to the government’s policies of economic misery. Since Pérez is adamant that he will not break with the hated International Monetary Fund (IMF) policies, he attempted to deflect anger by dumping Tinoco, a banker who had come to personify corruption at the public till.

Tinoco has long been a business partner of Gustavo Cisneros, the overnight billionaire who financed the President’s election campaign. Cisneros fled the country as soon as the shooting started on Feb. 4. He had found himself repeatedly at the center of charges of corruption and ties to drug-money laundering.

Tinoco may regret his decision to stay around. His resignation did not quiet demands for investigation into his corruption. In a Feb. 21 editorial, *Diario de Caracas* called upon the Attorney General to immediately launch a probe into the ties between private financial institutions that speculated with exchange rates, debt-for-equity conversions, and zero coupon bond sales, and the directors of the Central Bank—i.e., Tinoco. Tinoco’s conflict of interests were notorious. While

presiding over the Central Bank, he still served as president of the private Banco Latino. He remained a director of Chase Manhattan Bank in Venezuela—the country’s chief creditor—while heading Venezuelan debt negotiations!

CAP now means ‘Chávez to Power’

Sentiment in Venezuela is decidedly revolutionary. Eyewitness reports say that, during live TV coverage of the Feb. 4 coup attempt, crowds of Venezuelans gathered in front of television sets in store windows to cheer each time one of the rebels appeared. T-shirts emblazoned with the face of rebel military leader Lt. Col. Hugo Chávez are being worn surreptitiously by Venezuelans across the country, fake paper currency with Chávez’s face on it is appearing on university campuses, and even the walls of primary and secondary schools have been painted with “Viva Chávez!”

President Pérez, known in Venezuela by his initials “CAP,” can no longer venture outside the presidential palace without seeing his initials, altered to read “(C)hávez (A)l (P)oder” (Chávez To Power), scrawled on city walls. Radio newscasters are having a field-day making puns at CAP’s expense. Chávez’s nationally televised “surrender” speech—in which he acknowledged tactical defeat, but emphasized that it was only “for now”—became an instant favorite. People across the country tack the phrase, “for now,” onto the end of the most innocuous comments, chuckling away.

Nor have the rebels been totally silenced. Chávez explained to a group of congressmen who visited him in jail Feb. 21 that the rebels acted on Feb. 4 with the same idea as those that led Venezuela’s independence fight in 1810. They, also, had no elaborated plan of action, he explained, but “it was a question of breaking the rules of the game, producing a new correlation of forces and calling the people to democracy, because this is not democracy.”

Another rebel leader, Lt. Col. Francisco Arías, sent an open letter to his family, stating that the rebels are not isolated, because they acted in “perfect harmony with . . . the tendency toward true participatory democracy that is sweeping the world, with the goal of ending dictatorships and rule by tiny groups, whether they be the powerbrokers that rule political parties in Venezuela or the Romanian Communist Party. . . . Our combat of the armed populace fits in perfectly with a situation of misery and oppression which surrounds us. . . . We are neither a party, nor an anti-party, we are a true democracy.”

It’s Ibero-America’s turn now

On Feb. 27, the Venezuelan Labor Party (PLV) published a call for civic resistance à la Eastern Europe to begin. In a full-page advertisement published in the national daily *El Nuevo País*, widely read by the opposition to Pérez, under the title, “Down with the IMF dictatorship,” the PLV called upon Venezuelans to begin wearing every day a “national

symbol (flag, coat of arms, tricolor armband, etc.),” as a sign of support for the PLV’s six-point program for national change. The first point of the program: that the President, the Congress, and the Supreme Court immediately resign, and a new Constitution to replace party rule be drawn up.

“Humanity has entered a revolutionary period in its history. Barely two years ago the entire population of Eastern Europe took to the streets in search of liberty and sovereignty: Moscow’s puppets fell. Less than a year ago, people took to the streets en masse in the former Soviet Union in rejection of the dictatorship: The communist clique fell. Now it is Latin America’s turn,” the PLV wrote.

Detailing the looting of all Ibero-America which has occurred under the IMF, and citing the fact that while the Venezuelan state received more than \$200 billion in oil income in the last 15 years, the majority of Venezuelans still live in misery, the PLV called for the urgent formation of a “nationalist movement” to implement an emergency economic program. Venezuela must declare a debt moratorium for at least five years, impose strict exchange controls, and take measures to secure jobs and the vital necessities of the population, all as part of a program of Ibero-American integration, based on “great agricultural and industrial projects, transport, and infrastructure works,” the PLV explained.

The PLV ad concluded that instead of party rule, a participatory democracy based on a “harmony of interests” and the precepts of the papal encyclicals *Rerum Novarum* and *Quadragesimo Anno*, is needed.

New actions coming

The PLV is not a lone voice. On Feb. 20, former President Rafael Caldera told the press that “if the people want,” he would support the dissolution of the current Congress, and the calling of a Constituent Assembly to draft a new constitution. Prominent intellectual Arturo Uslar Pietri, head of a political grouping dubbed “the Notables,” led a delegation of congressmen, ex-ministers, and members of several influential Venezuelan families which presented the Supreme Court on Feb. 24 with petitions containing 5,000 signatures demanding that the entire Supreme Court resign.

Maj. General Yacobo Yépez Daza, president of the association of retired military officers, told Reuters news agency Feb. 26 that there could be another coup attempt, if the Supreme Court does not resign, or if Pérez associate David Morales Bello is named head of the Congress. Morales Bello, the ruling Democratic Action party nominee for the post, called for the military rebels to be executed after the coup attempt. The post has taken on unusual importance now, because the president of the Senate is next in line for the presidency, if the President resigns.

“Those [who] were discontented will continue to be, because nothing has been changed,” Yépez Daza stated. “If there is radical rectification, we will not see another coup.” Otherwise, there are no guarantees.

Cuban communists bring ‘democracy’ to

by Gretchen Small

When Joaquín Villalobos, the leader of El Salvador’s Farabundo Martí Liberation Front (FMLN), announced in January that he welcomed the United States as the “guarantor” of the “peace” agreement between the Salvadoran government and his guerrillas, he signaled the formal opening of a new phase of strategic collaboration between Washington and communist narco-terrorist forces in Ibero-America. That collaboration extends far beyond the precedent-setting Washington-FMLN agreement, under which FMLN rule over El Salvador will be imposed through foreign occupation.

Across the continent, the FMLN’s closest ally, the Cuban Communist Party, is on an organizing drive to pull the diverse Marxist, socialist, leftist, and environmentalist movements and parties, back into centralized control, deployed behind a program accommodated to the post-Soviet Union world. Fidel Castro’s regime adamantly rejects any democratic changes for Cuba, but in the rest of the Americas, it is deploying forces into an alliance with Washington, under the twin banners of support for “democracy,” and acceptance of continued dominance of the region by the Anglo-American financial system.

Nationalism declared the enemy

Nationalism, not the “democratic system” nor the International Monetary Fund (IMF), is the enemy to be defeated, according to the partners in this alliance.

This is certainly not the first time Marxists and international usurers have put aside their differences to join forces against a nationalism which they both abhor. Yet there are still many who fail to understand that, and claim stubbornly that Washington’s policies today are based on the same brand of anti-communism it employed in the 1950s.

Recent developments in El Salvador, Colombia, and Haiti provide adequate proof that Washington, too, now hangs its policy upon this alliance. No longer able to rely solely on the “free market” democrats to contain the political ferment exploding in the region, Washington has turned to these retooled communists-turned-democrats to ensure that Ibero-America does not break free from the crumbling new world order. The Bush administration, for example, insists that “democracy” requires co-rule in Haiti between Communist

help George Bush Ibero-America

Party Secretary General René Theodore and Jean-Bertrand Aristide's Maoist radical Lavalas Movement.

As FMLN honcho Shafik Handal told Peru's *Sí* magazine after the "peace" accords were signed in January:

"The U.S. government now has a different point of view, and believes that their policy towards Latin America is on a different track. . . . Of course, the U.S. government, like we, has their own purposes and expectations. The coming years will tell who achieves them, and who doesn't. But I don't think that our purposes and expectations, in this particular period, are totally opposed to the purposes and expectations of the U.S. government. They may have a strategy which does not coincide fully with ours, but there are points of agreement. And it's worth the effort to make them move forward. . . ."

São Paulo Forum: left wing of the new world order

The revamped communist movement working with Washington is being pulled together around a group called the "Meeting of the Movements and Political Parties of the São Paulo Forum." Established in 1990 as a means to keep the communist movement in Ibero-America alive, after the collapse of communism in the Soviet Union and Eastern Europe shattered existing international links, the São Paulo Forum first functioned as a loose network joining together the non-Socialist International left in the continent. Here we find the Party of the Democratic Revolution (PRD) of Mexico's Cuauhtémoc Cárdenas, the Lavalas Movement of Haiti's Aristide, the FMLN, the Sandinista Liberation Front, Colombia's narco-terrorist M-19 movement, Uruguay's Communist Party-run Frente Amplio, the Workers' Party (PT) of Luiz Ignacio da Silva ("Lula") of Brazil, Peru's United Left (IU) party, Chile's new Socialist Party, and the Free Bolivia Movement, among others.

The primary muscle behind the Forum, from the outset, has been the Cuban Communist Party.

Now Castro's party and its allies in the Forum have decided that the time has come to transform the loose network into a centralized strike force. Agreement on a program for action is to be hammered out at a Feb. 26-29 seminar on "Integration

and Alternative Development in Latin America," to be held in Lima, Peru. The "big names" invited to speak are the FMLN's Rubén Zamora, Nicaraguan Sandinista chief Daniel Ortega, the Brazilian PT's "Lula," and former Mexican Sen. Ifigenia Martínez, who is a spokesman for Cuauhtémoc Cárdenas. The agenda for the event includes four subjects: "Changes in the World Economy"; "Integration and the New World Order"; "Sovereignty and the Democratization of Economic Policy"; and the "Experiences of Government and 'Popular Power.'" "

Speaking to the Feb. 10-21 Winter Colloquium in Mexico City on "The Great Changes of Our Time," Adolfo Gilly, one of Cárdenas's advisers, made abundantly clear that the São Paulo Forum is mobilized around a war against the roots of Ibero-American nationalism, a program that coincides point for point with Washington's economic and political strategy.

Gilly, a Trotskyite and member of the editorial board of *Nexos* magazine, which co-sponsored the colloquium, delivered a diatribe against those who wasted the decade of the 1980s campaigning for "illusory political slogans such as the non-payment of the foreign debt." Neo-liberalism's free-market economics and the global economy are here to stay, and must not be fought, he declared. "The international economic system . . . and its agencies such as the International Monetary Fund and the World Bank, have built-in guarantees which are unavoidable, such that no government in its right mind can at its own risk resort to those kinds of measures, without paying an intolerable price.

"The new social movements of Latin America are obligated to start from the fact of these larger realities, many of which are irreversible," he insisted. Illusions to the contrary come from those who still cling to "the nationalist theory of dependence," but such old nationalist myths must be discarded. "The restructuring of Latin American capitalism . . . has finished off . . . for good the outmoded national-populist pacts. . . . Any proposal to revive those pacts would only be a deviation." For that reason, Gilly said, "new democratic and leftist political formations, in a total or partial break with the past," have been formed by those who recognize that the only feasible basis for politics in the global economy is "the defense of political democracy and electoral pluralism"—a formulation lifted straight out of U.S. State Department briefing papers.

And which are these "new political formations" which champion democracy and the international financial system? Precisely the parties involved in Cuba's São Paulo Forum: Cárdenas's PRD, the FMLN, the M-19, the Sandinistas, the Frente Amplio, etc. "Their emergence is one of the new developments which define the new horizons of democracy and of politics in our countries," Gilly intoned.

Gilly left no doubt as to the kind of perverse "New Age" democracy for which Washington's communist allies are deployed. He called for the unification of the new political

parties with “the new social movements” which seek such “global rights” as “diversity of sexual options,” abortion, feminism, ecology, ethnic interests. Democracy must be based on a combination of “the profound changes” in sexuality and the liberties won in the 1968 countercultural upsurges throughout the continent.

New friends: the Marxists and the IMF

On Jan. 31, the Argentine newspaper *El Cronista* published an interview with the commander of Colombia’s M-19 narco-terrorists, Antonio Navarro Wolf, under the title “The Ex-Guerrilla Praised the IMF.” Navarro Wolf, who has long argued that the FMLN’s strategies should serve as the model for the left in the rest of the continent, announced that the ex-guerrillas of the continent must now champion a democracy of “multi-partyism.”

Like Gilly, the M-19 chief argues that this means accepting IMF rule. IMF politics “have been a scourge, they are bleeding us with the payment of the debt,” he admitted, “but in the middle of all that, we have to admit that they have imposed discipline in the management of monetary affairs, and that helps integration.” Similarly, the dollarization of Ibero-America’s economies brought about by the IMF is useful, he said, because “now there is a handling of monetary matters imposed by the international banks, which has made the issue of money more homogeneous in the region.” Of course, “that contributes to the internationalization of the economy, which logically benefits the great blocs of economic power”; but, he insists, that is a good thing, because “that reality has made us do what we weren’t able to do voluntarily—integrate. . . . I would say that that is the positive aspect of neo-liberalism which forced Latin American businessmen to be more responsible.”

The M-19, which prides itself as the group which applied Gnosticism to the development of Marxism, also champions permissive immorality as a criterion for “democracy.” In the *El Cronista* interview, Navarro Wolf limited himself to insisting that the drug trade cannot be exterminated from Colombia —“it’s only possible to aspire to control it”—although he is a fervent advocate of drug legalization. Likewise, his M-19 *compañeros* who now run the Colombian Health Ministry, have changed it from a ministry that ensures health care, into an instrument to spread sexual libertinism and attack the Catholic Church: The ministry itself recently produced pornographic television ads promoting condom use.

Taking aim at the Church

The decision of the continent’s communists to lay aside their weapons—for a time—did not stem from any change in strategy on their part, but rather represents a change in battlefield.

In a December 1985 interview with the Mexican leftist magazine *Cuadernos Políticos*, Navarro Wolf defended the

M-19’s bloody takeover of the Colombian Justice Palace the month before—paid for by the drug cartels—on the basis that the M-19’s goal was to destroy “one of the last, if not the last, respectable institution which the country has. . . . We evaluated what the Supreme Court meant, in a country which no longer believes in anything, and which only has two institutions left: the Catholic Church and the Supreme Court.”

With the judiciary in Colombia utterly discredited by the combined assault of the drug mob and the M-19, the M-19 is today concentrating its fire on the remaining institution which Navarro Wolf had targeted in his interview nearly seven years ago: the Catholic Church. The only difference is that warfare is now carried out from a more comfortable position, from *within* the Colombian government, a fortified position achieved with the active backing of the U.S. embassy.

It is on the institutional level that the “points of contact” between the communists and Washington are found. Since the mid-1980s, official State Department documents have identified the “cross and the sword” as the key to the continuing domination of what they consider an “authoritarian,” as opposed to a “democratic,” culture in the region.

While the M-19 focuses on the “cross,” El Salvador’s FMLN has achieved the biggest success so far in destroying “the sword” in their country. As Shafik Handal stressed to *Sí*, in an interview in its Jan. 20 issue, the “central aspect” of the so-called peace accord “is that the armed forces, the army, which has been the hegemonic force in the country for more than 60 years . . . must answer to the democratically elected civilian authorities.” The new relationship between the FMLN and Washington is based precisely on the fact that the United States has promoted “civilian society to a level of leadership,” Handal said.

Indeed, collaboration between the United States and the Forum is advancing rapidly. Two FMLN leaders have been invited to the United States, to discuss reconstruction plans with American businessmen, Congress, and the administration.

After Sandinista Gen. Humberto Ortega awarded the U.S. military attaché the country’s highest medal, the U.S. military reciprocated by sending its first official mission to the country, while Sandinista Comandante Henry Ruiz was invited by the U.S. State Department to speak at various U.S. universities—the first time in nearly a decade such an invitation was extended to a Sandinista leader.

Looming in the near future as the next likely site of collaboration, in the wake of their success in El Salvador, is Haiti, where the Bush administration appears willing to use military force to reinstate the Maoist lunatics of Aristide’s Lavalas Movement in office. Any such military invasion, as Cuauhtémoc Cárdenas has promised, will this time be hailed by the communists in the São Paulo Forum as a victory for “democracy.”

Pope calls for action to save dying Africa

by Linda de Hoyos

Pope John Paul II has used an eight-day tour of three West African countries—Senegal, Guinea, and Gambia—to draw the world's attention to the necessity to halt the ongoing economic genocide in Africa.

In a speech before diplomats in Dakar, the capital city of Senegal, on Feb. 21, the pope called upon the advanced nations to act quickly to save the African continent. According to Reuters, the pope said he was gravely concerned about starvation and drought in Africa, which is threatening millions, particularly along the continent's east coast. "Malnutrition is still dramatically widespread. . . . Mutual aid is carried out, but it is slow and difficult. Something must be done and it must be done soon," the pontiff stated.

Defeat the 'structures of sin'

Africa is the worst victim of the policies of the International Monetary Fund and of what the pope called "structures of sin" in a 1987 encyclical. In his speech in Senegal, the pope added that even debt reduction and providing new credits to African nations would not be enough now, given the damage that has been wreaked on the continent. "It is time for the human family to become aware of its real duties," he said.

The pope sounded the same theme in a sermon in Banjul, Gambia. "Africa is finding it difficult to meet the old challenges of poverty, hunger, ethnic rivalries, and the new challenges of materialism, the tragic spread of AIDS, and the deadly onslaught of the drug culture. . . . I ask the developed nations to give assistance wherever it is needed, but also to share their know-how, technology, and skill, so that Africans themselves can be the principal artisans of their own advancement."

This, of course, is the type of technology transfer which is prohibited by the malthusian dogmas that dominate the International Monetary Fund, the World Bank, and most advanced-sector governments. Since the writing of the U.S. National Security Council's National Security Study Memorandum 200 under Henry Kissinger in 1974, the systematic denial of technologies to the Third World, including Africa, has been a doctrine of U.S. national security.

The pope, however, called for a "new era of solidarity

with Africa," and said he was renewing his appeal "to those governments in a position to help and to international organizations to hurry to Africa's side in this decisive hour."

The 'aberration of slavery'

The pope also decried what he called the "aberration of slavery" during a visit to the island of Goree, off Senegal, which was the major transshipment point for African captives to the slave markets of the Americas and Europe. "From this African sanctuary of black pain, we implore forgiveness from heaven," the pope said.

Standing before a slave shipment building on the shore, the pope held a seven-minute silent prayer and then said: "Here what comes most to mind is injustice. The drama of a civilization which called itself Christian. . . . Those men, those women, and those children were victims of a shameful trade, which was carried out by people who were baptized but did not live their faith. . . . How can one forget the enormous sufferings, the contempt for the most basic human rights inflicted on the populations deported from the African continent?" He called slaves "unknown victims of an unrecognized crime," and then noted, "Unfortunately, our own civilization, which calls itself Christian, has recreated this situation even in this century. . . . We know what concentrations camps were like."

Call for religious tolerance

The pope chose to visit three predominantly Muslim countries, at a point when British intelligence networks are working to foment religious warfare between Muslims and Christians throughout the northern half of Africa. Speaking to Muslims in Ziguinchor, Senegal, from a cathedral sacristy, the pope said that "there is no justification for the discrimination based on race, religion, sex, or social condition." He said that religious leaders have the duty "to help believers unite to build peace."

In Conakry, Guinea, the pope passed by thousands of cheering crowds, most of them Muslim. In 1967, Guinea had nationalized Catholic schools and expelled all foreign missionaries, and Catholics make up only 2% of the country's population today. The pope praised the current government's effort for "reconstruction" after the dismantling of the regime of Sekou Touré, after Touré's death in 1984.

In Banjul, Gambia, the pope further called upon all the nations of the region to help end the civil war in Liberia. "A terrible fratricidal war has ravaged that country and caused immeasurable suffering among its people. I am deeply disturbed by the plight of hundreds of thousands of refugees, and so many homeless and hungry people. Such a situation destroys any chance of economic development and political stability for the people involved." In his speech to diplomats in Senegal, the pope had called upon the neighboring countries to "accept refugees, control the growth of armed groups, block the supply of weapons and impede their transit."

Peruvian in E. Europe for LaRouche cause

by Cynthia Rush

“This is a matter of conscience. . . . I have a debt to repay. When I first met Lyndon and Helga LaRouche, I was a mere trade unionist; I had been fired from my job; I was a nobody. But they had confidence in me, they knew I could become a leader. Now I must repay that debt.” These were the words stated repeatedly by Juan Rebaza Carpio, former fisheries minister in the government of Peruvian President Alan García (1985-89), and former president of the world’s largest fishing concern, Pescaperú, during a Feb. 3-16 tour of four eastern European countries.

Sponsored by the Schiller Institute, the tour took Rebaza to Prague, Budapest, Kiev, and Warsaw for a series of public conferences and private meetings in which he emphasized two points. First, people must fight for the release of American presidential candidate Lyndon H. LaRouche, who is imprisoned because of his policies toward the developing sector and his rejection of the International Monetary Fund’s malthusian policies. Second, the governments of eastern Europe must repudiate the IMF’s policies, and link up with the nations of the developing sector to seek an alternative economic approach that can guarantee these nations’ industrial development.

In every meeting and discussion, the Peruvian leader urged his listeners to send messages to the U.S. House and Senate Judiciary committees demanding action on the LaRouche case, and detailed his personal history of association with the LaRouches, which began in 1980. Not since John F. Kennedy, has there been a President who cared about Ibero-America, Rebaza stated. He told this writer, “When I was a child in Peru, we received powdered milk in our school from the Alliance for Progress, which Kennedy created. Now, people in my country who try to provide milk for poor children are assassinated by Shining Path” narco-terrorists.

LaRouche, Rebaza told his audiences, would change the policy orientation of the United States, were he to become President. Communism has fallen in eastern Europe, and dramatic change has occurred in the world, he noted. “Don’t we have the right to demand now that the United States also change?” Those who heard Rebaza speak, including parliamentarians, businessmen, political leaders, trade unionists, and press, responded warmly to his remarks, and were shocked to hear of “political prisoners” in the United States.

In public conferences in all four cities, Rebaza’s remarks

were accompanied by a discussion of LaRouche’s proposal for creating a “Paris-Berlin-Vienna Productive Triangle.” This plan is based on the development of massive infrastructure and energy projects which could turn the region into a capital goods-exporting center able to serve as the “motor” for developing the rest of eastern and western Europe. In a Feb. 7 conference in Budapest, co-sponsored by the Hungarian Association for Former Political Prisoners, Rebaza was joined by Schiller Institute founder Helga Zepp-LaRouche, who reiterated that LaRouche’s ideas and freedom are indispensable for defeating the IMF and George Bush, and creating a just world economic order.

Central and Eastern Europe are suffering a deep economic crisis caused by the application of the IMF’s austerity recipes, promoted by Harvard “economist” Jeffrey Sachs. Rebaza told his audiences that if they want a horrifying example of where these policies will lead them, they need only look to Peru. “You can tell me about communism,” Rebaza said, “but I can tell you about the IMF. Both these models have failed.” With the economic “shock” program imposed in August 1990, President Alberto Fujimori has destroyed every last vestige of productive activity in Peru, Rebaza reported. Farmers can’t produce food, because they can’t get credit, and turn to cultivating coca for cocaine instead. Parents, unable to feed their children, resort to selling them, and this has now become a lucrative “business.” Over 400,000 people have lost their jobs since Fujimori took office, Rebaza said, and thousands more will follow. Deaths from the cholera epidemic, unchecked because of intense poverty and lack of health infrastructure, mount daily. The Peruvian leader used slides to show how Shining Path has devastated the country’s energy infrastructure, and how it works together in an unholy alliance with the drug mafias to necessary weapons and money.

‘I can’t starve my family to pay debt’

Rebaza repeatedly blamed the crisis in Peru and Ibero-America on the payment of the continent’s foreign debt which has been extracted by creditors over the past decade at a terrible cost to the continent. “We have to think about this as the head of a household would,” he said. “I have a wife and family. I also have a debt. But I can’t put all my resources into paying my debt, and let my wife and children starve. It’s not that we don’t want to pay the debt, but the policy has to be humane and just.” Rebaza explained that when former President Alan García limited Peru’s debt payment in 1985, a two-year period of economic growth followed. But other Ibero-American nations didn’t rally to García’s support, and he was isolated. Today, he explained, recent developments in Venezuela show that people are fed up with the IMF’s policies and with the governments which impose them. If patriotic forces everywhere unite and fight for real economic integration, Venezuela “will only be the beginning” of a real revolution, he stated.

U.S. uses threats, bribes to draw Brazil into 'special relationship'

by Silvia Palacios and Lorenzo Carrasco

In the aftermath of the dramatic military developments in Venezuela in February, the Bush administration is trying to accelerate implementation of a new order of hemispheric security, based on an inter-American system of limited sovereignties, that will impose stability upon the International Monetary Fund's "democracies" of the continent.

The recent tour of U.S. Defense Secretary Richard Cheney to several key Ibero-American countries—Brazil, Argentina, Chile, Guatemala, and Panama—had the express purpose of pressuring the armed forces of those countries to join the hemispheric military reorganization of Bush's new order, which would imply the self-mutilation of those armed forces as the necessary first step toward their subordination to a multinational strike force under Pentagon control. The same idea had already been presented by Cheney at a conference of American army commanders held last November in Washington, D.C., and U.S. diplomacy has been using discussion of the Haitian crisis within the Organization of American States (OAS) to promote the same agenda.

During his pass through Brazil, Secretary Cheney dropped several veiled threats against the armed forces of the continent. In clear reference to the military insurrection in Venezuela in early February, Cheney said that the United States will use all of its "moral and diplomatic authority to strengthen democracy in the hemisphere." It is important, he added, "that we work with other governments of the region and with the Organization of American States" toward that end.

He further proposed, one by one, each of the aspects that make up Bush's new hemispheric military policy. In a meeting with Brazilian President Fernando Collor de Mello, for example, Cheney openly declared that the United States would like to see the Brazilian Armed Forces reduced in size, and more involved in the fight against drug trafficking.

The daily *O Estado de São Paulo* editorialized Feb. 23 that Cheney "came to work with very clearly defined objectives." Among these were a proposal to transfer a part of the training program of the U.S. Southern Command, currently headquartered in Panama, to Brazil. As part of the U.S. pressure to strengthen the role of "civilian society," a huge

pressure campaign has been unleashed inside Brazil to create a Defense Ministry that would unify the three presently existing military ministries.

The 'McNamara plan' for dismantling the military

In sum, the elements of Washington's new hemispheric military policy, based on the same doctrinal principles first presented in May 1991 by former U.S. defense secretary and former World Bank president Robert S. McNamara, are the following:

- Reduction of military forces;
- Making official a regional system of "technological apartheid," imposing supranational control through the Nuclear Non-Proliferation Treaty and ratification of the Tlatelolco Accord in the nuclear field, and of the Missile Technology Control Regime (MTCR) in the area of missile launchers;
- Modification of the military training program, transforming schools of higher military studies into indoctrination centers centralized by Washington, to guarantee "civilian control" of the armed forces;
- Redirecting the functions of the armed forces away from national defense and toward the Bush administration's phony war on drugs;
- Conversion of the OAS into a continental version of the United Nations Security Council, with military prerogatives to impose, as necessary, the new order of limited sovereignties throughout the hemisphere,

Junior partner in Bush's new order?

To crystallize its new hemispheric security strategy, the Anglo-American Establishment which rules through the Bush administration, needs to buy Brazil, by whatever means necessary. As is well known, the Brazilian Armed Forces have come out publicly against the colonial impositions of the new order. To neutralize them, Washington has launched a diplomatic offensive which, through a clumsy combination of bribes and threats, is parodying what in the 1970s was known as the Brazil-U.S. "special relationship," fruit of the political machinations of former secretary of state Henry Kissinger.

As part of this new parody, and for the purpose of nurturing the fantasies of President Collor and his foreign affairs Establishment, U.N. Secretary General Boutros Ghali threw out the bait—in a February interview with the German magazine *Der Spiegel*—that Brazilian membership in an expanded U.N. Security Council was being considered, along with that of Germany, India, Japan, and Nigeria. The new U.N. secretary general's romance with Brazil goes back to at least last November, when Foreign Minister Francisco Rezek traveled discreetly to Egypt to express Brazilian support for the anticipated election of Ghali to the U.N. post.

The ploy is only too clear. Brazil is being invited to take a seat at the First World's table, as a sort of poor "junior partner," to help the Anglo-Americans consolidate their imperial in the Western Hemisphere. The scheme has its inevitable historic parallel with Portugal's João VI regime at the beginning of the last century, when British machinations succeeded in seating Brazil, then the Portuguese imperial seat, in the Holy Alliance, in exchange for its automatic alignment with the policies of British Foreign Minister George Canning. It is worth noting that the personal weaknesses and pretensions of President Collor are unfortunately all too similar to those of King João IV.

It was at the end of last year that the Collor government signaled its availability, initially suggested during the Persian Gulf crisis, to embrace the new military policies emanating from Washington. Collor agreed to subject control of Brazil's nuclear technology to the oversight of the U.N. Security Council, through de facto compliance with the Nuclear Non-Proliferation Treaty, which had historically been rejected by Brazilian diplomacy as a discriminatory accord.

In this same context, in early December 1991, Brazil and Argentina signed a safeguard agreement with the International Atomic Energy Agency, opening up all of its nuclear installations to international supervision. Commenting on the agreement in a Dec. 16 interview with *O Estado de São Paulo*, IAEA director Hans Blix expressed satisfaction that one of the lessons learned from the Iraqi nuclear program is that "the agency cannot limit itself to mere inspection of installations. The agency should also have the right to demand inspections of undeclared installations." Blix added, "If we believe that a country is not complying with its obligations, this is referred to the Board of Governors, or to the United Nations Security Council, which is the appropriate place to apply economic, diplomatic, or political pressure."

At the same time, between November and December of last year, in a well-coordinated move, Brazilian and U.S. diplomatic moves intensified. On Dec. 16, U.S. Ambassador to Brazil Richard Melton offered praise for the nuclear agreement with the International Atomic Energy Agency, and then announced that a delegation of the Missile Technology Control Regime would be visiting Brazil in January 1992, to discuss with Brazilian authorities exercising greater control over exports of strategic materials.

One month later, the Collor government issued a decree creating a new agency to substitute for the Brazilian Commission of Space Activities, without the participation of the Armed Forces and subject to the control of the Secretary of Strategic Affairs. Pedro Paulo Leoni was named to head the new agency.

And as if the message weren't clear enough, the Foreign Affairs Ministry announced in a November 1991 evaluation "the normalization of military relations" between Brazil and the United States, as evidenced by the visit of high-ranking U.S. military commanders to the country. For the first time, it was revealed that the head of the U.S. Southern Command, Gen. George Joulwan, had been in Brazil.

It was also no surprise that President Collor de Mello pledged to Cheney that his country would submit to the new colonial technological order. On Feb. 19, Collor sent a bill to the National Congress which would classify as a crime the import or export of any product that could be either directly used for war purposes, or which had multiple uses. The bill seeks to control transactions in areas of sensitive technologies, and also considers criminal the export of services directly linked to the use of war and/or nuclear materials.

Playing with fire

Unlike the earlier years of the U.S.-Brazilian "special relationship," today the South American nation is suffering the worst depression of its history, with a collapsed industrial infrastructure and with the clear opposition of its own Armed Forces to the Bush administration's colonial designs.

Cheney's meetings with the three Brazilian military ministers were apparently the coldest possible. Although nothing from the meetings has yet been publicly divulged, it is known that the Armed Forces have insisted that they will not get involved in the war against drugs, since they see their mission otherwise.

Perhaps the response to Cheney regarding his proposed dismantling of the existing military apparatus was given before he even arrived in Brazil, by the Army Ministry. A Feb. 6 editorial in the official Army magazine *Noticiario del Ejercito*, entitled "The Lessons of History," declared, with reference to the war against Iraq: "It is worth noting that the recent international developments indicate that the germ of controversy flourishes when and where it is least expected. It is not, therefore, prudent to turn cowardly in the midst of difficult times, and much less in the face of crushing comparisons between our Armed Forces and the extraordinary military might of the developed countries, so recently demonstrated.

"Regarding the criticisms which seek to emphasize the obsolescence of war matériel currently in use by the Brazilian Armed Forces, it is worth remembering that Hitler prepared his exceptional war machine—despite the severe restrictions imposed by the victors of World War I—using obsolete or simulated material."

Is North Korea next on U.S. hit list?

by Lydia Cherry

North Korea may be as close as “a few months” away from building an actual nuclear weapon, U.S. Director of Central Intelligence Robert Gates told the House Foreign Affairs Committee Feb. 26. “We have some information that suggests that they have a deception plan for hiding their nuclear capabilities,” he continued, adding that the country is one of the world’s “major proliferation threats.” Widening the discussion to a possible Iranian threat, Gates added that North Korea is “Teheran’s principal source of special weapons.” Syria, “too, has turned to North Korea”; Libya, he said, is trying to expand its special weapons capabilities, but only with mixed success. “Tripoli is shopping diligently for an alternative. . . . North Korea may be the answer.”

The CIA chief’s testimony was part of a drumbeat emanating for several weeks from the United States against North Korea, in a period in which it has become clear that George Bush might take any number of military actions against small countries for purely electoral reasons. The notion that Third World nations have no right to technologies that may or may not be used for weapons development has become the cutting edge of Bush’s “new world order.”

The threat to use force

On Feb. 18, a week before Gates’s testimony, U.S. Rep. Les Aspin (D-Wisc.), chairman of the House Armed Services Committee, called for “a stated U.S. policy” of using military strikes “if there is no other way to stop a small country from developing nuclear weapons.” Speaking at the Johns Hopkins University School of Advanced International Studies, Aspin said the United States should first try to get international support for such a hit, “but it’s not critical. If you can’t get it, it doesn’t mean you shouldn’t do it.”

With the fading of the threat posed by former Soviet forces, the United States “is the biggest conventional force on the block,” he said. “Proliferators may threaten nuclear use to deter the United States and the international community from taking actions that are in our interests.” Knocking out this potential should be the United States’ “major focus,” Aspin insisted. Iraq was within a year of acquiring a nuclear capability, he claimed. “North Korea is now within a similarly short distance.”

During the last week in February, the United States gave North Korea a deadline of the end of June to open its nuclear

facilities to international inspection; the “or else” has not been made public.

Douglas Paal, senior official at the National Security Council, in a meeting with South Korean leaders in Seoul on Feb. 24, expressed U.S. displeasure with the lack of progress in North and South Korean discussion over control of nuclear facilities.

The *Washington Times*, in a front-page story written from Tokyo on Feb. 25, quoted Japanese officials who met with Paal in Tokyo before he left for Seoul. “It sounded like the Gulf war all over again,” a Japanese Foreign Ministry official is quoted saying. “If the United States has drawn a line in the sand as an ultimatum to Kim Il-Sung like the one to Saddam Hussein in Iraq, Japan could be drawn into a conflict against its will.” Tetsuo Mitsuda, a television commentator, said the ultimatum is tied to the U.S. elections. “It is an election year in the United States and anything could happen,” he said. “Remember Grenada and Panama.”

North Korea responds

What do they expect we will do—blow up our neighbors? North Korea’s paramount leader, Kim Il-Sung asked in discussions with South Korea’s Prime Minister Chung Won-shik on Feb. 19. “It is unimaginable for us to develop nuclear weapons which could slaughter our fellow countrymen; nobody can deny this! We do not intend at all to have a nuclear confrontation with the powerful countries surrounding us.” With the collapse of East bloc communism, North Korea has been groping for economic and political alliances with countries such as Japan, Taiwan, Indonesia, Malaysia, and of course with South Korea (while maintaining strong diplomatic links with the People’s Republic of China, Cuba, and Iran).

South Korean officials are critical of the strong pressure the United States is exerting on North Korea, according to some South Korean press reports. The South Korean daily paper *Hangyore Sinmun* on Feb. 11 quoted an official noting that Bush administration pressure tactics—which include economic sanctions using the United Nations—are not backed by his government. “At a time when North Korea has signed the nuclear safeguards accord with the IAEA [International Atomic Energy Agency], when the North and South have agreed to conduct mutual nuclear inspections in the wake of their declaration of the denuclearization of the Korean Peninsula, and thus, when North-South dialogue is entering a mature stage, it is undesirable to impose strong pressure on North Korea,” the paper quoted the unidentified South Korean official.

On Feb. 18, the prime ministers of the two Koreas formalized a nuclear weapons ban treaty. North Korea, however, has announced that the ratification of the IAEA safeguards accord must await a full session of its Supreme People’s Assembly, which means that ratification might be delayed until early April.

Book Review

Two wrongs don't make a right

by John Morrison

Other Losses

by James Bacque

Prima, Rocklan, Calif., 1991

296 pages, hardbound, \$22.95

The author of this review is an anti-war activist from Scotland, one of the first members of the Committee to Save the Children in Iraq.

"It is beyond doubt," states James Bacque in his introduction to this astonishing book, "that enormous numbers of men of all ages, plus some women and children, died of exposure, unsanitary conditions, disease and starvation in the American and French camps in Germany and France starting in April 1945, just before the end of the war in Europe. The victims undoubtedly number over 800,000, almost certainly over 900,000, and quite likely over a million" (emphasis added).

Bacque's research for this book began in 1986 following remarks made by Hans Goertz, formerly a POW, who had been imprisoned in a French camp in 1946. Goertz claimed that Raoul Lapoterie, a French resistance hero, had saved his life by removing him from the camp to work in his tailor store "because 25% of the men died in one month" of "starvation, dysentery, and disease."

Four years of intensive research later, Bacque alleges that as a matter of deliberate policy, a large proportion of disarmed German soldiers and some civilians, including women and children, were condemned to an early grave.

Denied POW status, and re-classified as DEF (Disarmed Enemy Forces), the prisoners were stripped of all rights and humane legal representation. They were channeled for the most part into wire-enclosed compounds, often sorely overcrowded, where they were exposed to the elements continuously without adequate sanitation, with meager or nonexistent food rations, and even denied potable water in some cases.

Lest anyone think that these deaths were unavoidable and inevitable in the chaos of postwar Europe, Bacque goes to great lengths to point out and document that ample food

stocks were available from a variety of sources, but that these were willfully denied to the prisoners as part of a policy largely dictated by Gen. Dwight D. Eisenhower, commanding general of Supreme Headquarters Allied Expeditionary Force (SHAEF). Impartial help from relief organizations that wanted to help the prisoners in the American camps was also blocked by the Army.

Great efforts have gone into debunking Bacque's charges by the American and French governments, which in a way lends even more credibility to this meticulously researched book that carries many eyewitness accounts of the atrocities that took place in the prison camps.

No one should try to equate the horrors detailed in this book with the slaughter implemented as policy by the depraved Third Reich. However, the feelings of hatred that motivated those who deliberately wrought brutal revenge on disarmed enemy forces including civilians, resulted in enormous and unnecessary suffering for the German people. Two wrongs never made a right, and truth should never be suppressed, because truth is the only forward to a world in which mass slaughters will be a thing of the past.

This slaughter took place in 1945 and 1946. Forty-five years later, in 1991, we witnessed in Iraq the decimation of the civilian population as a result of policies implemented as retribution by western governments, for the crimes of an un-elected despot, Saddam Hussein. Some things never change.

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Twisting arms at San Antonio

President Bush will use the drug summit to push ahead with his proposed multinational invasion force.

On the eve of George Bush's high-profile anti-drug summit in San Antonio, Texas with the heads of five Ibero-American countries, the U.S. President has already announced that no new financial assistance will be forthcoming for the war on drugs in the Andes, and that besieged countries like Peru, Bolivia, and Colombia should instead talk to the countries of Europe and Asia if they want economic aid.

The "new" U.S. strategy on drugs will instead center around the formation of a multinational military strike force, precisely the centerpiece of Defense Secretary Richard Cheney's just-concluded tour of the region. The concept of such a strike force, which would be forged at a U.S. Southern Command regional training center relocated to Brazil and empowered to cross national borders, met with nervous resistance from most of the governments Cheney met with. But Bush is not about to give up on his new "Military Initiative for the Americas."

Thus, San Antonio will provide an arena for pushing ahead Bush's anti-drug "invasion force" scenario. But few expect anything concrete to come out of the summit itself, except maybe some electoral mileage for Bush's candidacy. One South American diplomat was cited by the *New York Times* saying, "I think the main objective for Mr. Bush here is going to be domestic."

However, Bush's drug war appears to be batting zero on the home front. In the period leading up to the summit, his administration has been

hit with a series of congressional and private evaluations which all conclude that his anti-drug strategy is a complete and total failure. Both production and consumption of drugs is soaring, and the Bush approach of militarizing the war abroad and ignoring it at home has enraged many.

The government nonetheless insists that its three-year "war on drugs" has garnered successes. Melvyn Levitsky, U.S. assistant secretary of state for international narcotics matters, testified on Capitol Hill Feb. 20 that cocaine use among students and occasional users was down, but neglected to address the country's soaring crack addiction rates, especially in the inner cities. He claimed coca cultivation in the Andean region was down, even while cocaine production from that region is officially reported to be near a record 1,000 metric tons! He claimed that drug seizures were significantly up in countries like Mexico and Colombia, but in view of the dramatic overall rise in cocaine production, those seizures are a drop in the bucket.

Finally, there is the bad joke of Levitsky's claim that the surrender of Medellín Cartel kingpins under the Gaviria government's plea-bargain arrangement is a "success story." Repeated charges that Medellín Cartel chieftain Pablo Escobar is running his trafficking operations from his army-protected bunker have been all but admitted by the Colombian government. Latest revelations include claims that Escobar is reviving his assassination bureau, to "pay back a few debts" to people like former Justice Minister

Enrique Parejo, one of Colombia's few surviving anti-drug voices.

More significantly, President Gaviria has authored an amnesty for the cartels' drug money—the unspoken part of his U.S.-approved plea-bargain offer—which has brought in a flood of narco-dollars and delivered control of the country's banks and stock markets to the narcos. Columnist Juan Diego Jaramillo charged Feb. 8 that the Gaviria government's economic policy is deliberately designed to create a "narco-economy."

Wrote Jaramillo, "It all began a year ago, when the government resolved to beg Colombians to bring their dollars home from abroad. They were amnestied with a 3% tax and invited to speculate with super-high interest rates that the government itself guaranteed. Then extradition was prohibited, and we were ready to turn ourselves into a fiscal and moral paradise of drug trafficking, which is precisely what has happened."

The Bush administration is now claiming that it intends to provide the evidence to keep Pablo Escobar behind bars. A deal between U.S. Assistant Attorney General Robert Mueller and Colombian Justice Minister Fernando Carrillo was reportedly just struck, whereby the U.S. will hand over evidence and witnesses to back up a new 50-count indictment against Escobar. And yet everyone in Colombia—and in Washington—knows that Escobar, along with his Cali Cartel colleagues, is essentially untouchable as long as cartel money is keeping the Colombian "economic miracle" afloat. The delivery of U.S. evidence against Escobar to the thoroughly corrupted Colombian justice system is thus just another element of the plea-bargain deal, whereby Escobar is protected from any future Colombian or U.S. prosecution under the double-jeopardy protections.

Strange assortment targets LaRouche

Death threats fly amid increasing hysteria over LaRouche's influence, following well-publicized tours by supporters.

On Feb. 25 the Australian Broadcasting Corporation's widely listened-to "Country Hour" featured as its lead item following the national news, an attack against U.S. statesman and political prisoner Lyndon LaRouche. Janine Powell, head of the Australian Democrats and one of the country's most prominent politicians, railed against a demonstration that day in Canberra, claiming it was being organized by LaRouche supporters. As proof that LaRouche, whom she described as heading up "an international anti-Semitic group known for its radical conspiracy theories," was behind the demonstration, Powell claimed that one of the protest's sponsors had been "handing out brochures for the LaRouchite Pat Ruckert," during Ruckert's mid-1991 tour of Australia.

Following Powell, ABC spokeswoman Lisa Parlou interviewed businessman Joe Bryant, a leader of an early January demonstration in Canberra to protest President Bush's visit to Australia. Parlou abruptly demanded of Bryant, "Do you know Lyndon LaRouche?" Bryant replied that he knew the name, but that no, he did not know him. The nonplussed interviewer cut short her line of questioning.

LaRouche supporters did not, in fact, organize the Feb. 25 rally, but Powell's presumption that they had, reflects the Australian establishment's growing tendency to see LaRouche behind every bush. A few days earlier, the national television program *Hard Copy*, associated with the syndicated program of the same name in the United States, opened its attack against the reelection victory of Can-

berra state parliamentarian Dennis Stevenson, by claiming that Stevenson was "believed linked to the jailed right-wing U.S. fraudster Lyndon LaRouche," and to the Citizens Electoral Councils (CEC), whose founders John Koehler and Craig Isherwood, have endorsed LaRouche for President. Stevenson is well-known for his courageous exposure of the "citizens above suspicion" behind the Australia's pornography industry.

The Australian establishment's fear of the spread of LaRouche's ideas is not without foundation, as evidenced by a highly successful tour of Western Australia in the first three weeks of February by CEC founder Koehler, and Max Johnson, a leader of the Western Australia-based Rural Action Movement, who has also endorsed LaRouche for President.

Koehler is an activist for the international Food for Peace organization, a movement set into motion by the Schiller Institute at LaRouche's urging in 1988. Last year, Koehler was one of many farmers who traveled to the U.S. Midwest on Schiller Institute-sponsored tours. In Australia, Koehler and Johnson spoke to over 2,000 people in 13 public meetings. The two located the roots of the crisis now devastating Australia's rural industries in the Anglo-Americans' genocidal international food cartels. Over 240 copies of "Sovereign Australia: An Economic Development Programme to Save Our Nation," developed jointly by the CEC and *EIR* upon the principles of physical economy outlined by LaRouche, were sold.

By the end of the tour, key figures

associated with it, in particular Koehler, were receiving death threats. At a meeting in Perth, officials from the Wharfside Workers' and Seamen's Unions—self-proclaimed communists—called Koehler "the most dangerous man in Australia," who "has to be gotten rid of very soon." Shortly thereafter, Western Australia CEC leader Alan Rout was threatened by an associate of the union leaders, one Ken McCaffrey, that Rout had better stop his organizing or he would be "fixed up good."

The threats expose some dirty secrets of Australia's Security Intelligence Organization (ASIO): the use of Nazi-communist gangs to silence political opposition. McCaffrey, a former mercenary in Rhodesia, is today a good friend of communists, but he was for years an associate of Jack van Tongeren, leader of the violent neo-Nazi Australian National Movement until van Tongeren's recent imprisonment. McCaffrey still visits his apparent mentor in jail.

Van Tongeren has boasted that many of the beatings, firebombings, and other mayhem he committed under his "neo-Nazi" flag, to which ASIO and various police agencies turned a blind eye for years, and which led to politically restrictive "hate crimes" laws being passed, had in fact been paid for by leaders in Australia's political parties, and prominent members of Perth's Jewish community.

The charges are highly credible. The ANM itself was a split-off from the neo-Nazi National Action party founded in the early 1980s by a reputed homosexual ASIO operative named David Greason. Upon quitting National Action, Greason suddenly surfaced as a radical "left-winger," but during both his "neo-Nazi," as well as his "left-wing" incarnations, he maintained the closest of ties to leading Australian Zionists.

Sweden bids to join new world order

Shedding Sweden's traditional "neutrality," Premier Bildt is jumping on the faltering Bush bandwagon.

Visiting the United States Feb. 18-21, Swedish Premier Carl Bildt whole-heartedly endorsed President Bush's new imperial world order, and scolded Bush's Democratic and Republican opponents alike. Arriving in New York City the day of the New Hampshire primary, Bildt used a speech before the Council on Foreign Relations to call for Bush to continue his present foreign policy.

Two days later, on the White House lawn, Bildt proclaimed that "if there is one single message that I would like to bring to you, Mr. President, it is that the active involvement of the United States will be as indispensable in the 1990s as it has been in the past. We need the vision, the determination, and strength of the United Nations when it comes to securing this new peace."

After decades of heckling American policy, neutralist Sweden has become one of Bush's staunchest supporters—concerning policy in Europe, toward the new nations liberated from the Soviet empire, against Libya, or even in Central American policy, which was for years the biggest stumbling block in U.S.-Swedish relations. And lest anybody think that is because Sweden's social democratic regime has been replaced by a more conservative coalition, Bildt's social democratic opponents at home voiced broad support for his performance in the United States.

When Swedish premiers visited the U.S. in the past, "we had sharp disagreements. This is no longer the case, and this is good. . . . It is good

that Sweden is represented by an informed and respected prime minister with an international outlook," said Pierre Schori, the social democratic foreign policy spokesman who used to be number two at the Swedish Foreign Ministry.

The role of Sweden in a future, enlarged European Community is one issue of particular interest to the Bush administration. In the climate of trade war wielded by an economically weakening United States against competitors like Europe, the traditionally Anglophile Scandinavian countries represent a key lever of potential influence to check the strongest continental European power: unified Germany. As pointed out by Danish Foreign Minister Uffe Ellemann-Jensen during his recent visit to Sweden, after Sweden, Norway, and Finland join the EC, the Nordic countries, with 22 million inhabitants, will have 16 votes in the EC Council of Ministers, whereas Germany, with 80 million people, has only 10 votes.

"The decision to apply for membership in the EC brings Sweden into the circle of allied European countries with which the U.S. has close contacts in the field of politics, security policy, and economic policy," stated U.S. Ambassador to Stockholm Charles Redman earlier this year. "We are no allies, we are partners in cooperation. We are strong supporters of continued U.S. presence in Europe," a Swedish Foreign Ministry source is quoted in the press.

Both Bush and Secretary of State James Baker were reportedly very in-

terested to hear "the Swedish view" of the situation in Russia—no wonder, as one member of Bildt's delegation was none other than Soviet expert Anders Åslund, who along with Harvard's Jeffrey Sachs, is the chief economic adviser to the government of President Boris Yeltsin.

Not surprisingly, Bildt received full backing for his policy of pushing for early membership in the International Monetary Fund of the three Baltic nations of Estonia, Latvia, and Lithuania. Scandalously neglecting any support for its nearest neighbors to the east, at the time when their national independence was in jeopardy, the Swedish government now is happy to lead those countries over the abyss of IMF-imposed economic ruin.

Sweden is trying to obtain a seat in the United Nations Security Council in 1993, which requires U.S. support. Since the U.N. was founded, Sweden has been one of the most outspoken supporters of a strong role for the supranational institution, rendered relatively pitiful as a result of the Cold War, but given a new boost after the collapse of the Soviet empire. Former premier Ingvar Carlsson is expected to become the chairman of a new commission to investigate how the U.N. can be granted more power, the so-called Stockholm Initiative, launched on April 22, 1991, by some 30 international leaders.

A document signed on that occasion calls for more power to the U.N. secretary general as well as to the Security Council, and for the writing of a new "world law," stipulating sanctions and military action against countries violating the U.N. Charter. "The U.N. ought to become something of a world government," Carlsson demanded.

Smelling a new springtime for their ideas of supranational rule, Bildt, Carlsson, et al. seem to be shedding their "neutralist" clothing.

International Intelligence

British Labour Party to downplay ecology

Environmental issues will not figure prominently in Britain's upcoming electoral campaign, because the population is primarily concerned about the economic crisis, Labour Party spokesman on Treasury and Economic Affairs Chris Smith said during a Feb. 17 speech at the Friedrich Ebert Foundation in Bonn on the subject, "The British General Election: Labour's Vision for Britain and for Europe." The issue of the environment has "less salience and importance than it had two years ago," he declared.

When challenged on this point during the question and answer period by a German Economics Ministry official, Smith confessed that he had cut the section on the environment out of his speech "for time reasons. However, I regret to say that the factor of recession has put environment lower down on the public list of concerns." He noted that only two years ago, the British Greens had scored a surprising 15% total in elections for the European Parliament, but that that level of support began to die off within six months. Only among younger voters, is the environment still a matter of concern, Smith said.

'Discovery of America' fair destroyed by fire

A suspicious fire destroyed the main pavilion at the "Discovery of America" fair in Seville, Spain on Feb. 18, and this main showpiece of the giant exhibition in honor of the 500th anniversary of Columbus's voyage will not be repaired by the time the exhibition opens later in the spring.

The celebration has been opposed internationally by groups perpetrating the "Black Legend" against Spain: that the evangelization of the Americas was only a "colonialist" exploit against the indigenous cultures.

Although no evidence has so far surfaced that terrorist groups were involved,

there are several reasons to suspect foul play. Firemen were called a full 45 minutes after the fire started, according to the Spanish daily *El País*. This was the fourth recent fire at the exhibition site. The president and general commissar of the Exposition of Seville called a meeting of the 2,000 workers on the site, to demand that they take "more security precautions" in the future.

There have been numerous warnings from Spanish, German, and other security sources, that a terrorist mobilization against the Columbus 1992 anniversary, particularly focused on Seville, would break out this year.

In its Madrid dispatch today of Feb. 19, the London *Times* called the fire a "severe blow" to Spain, which has "deeply damaged Spain's belief that it can promote itself seriously as a modern and vigorous society." This is an "embarrassing setback. . . . Many of the doubts about the wisdom and viability of the whole 1992 enterprise and of Spain's ability to cope have now been reawakened."

Problems arise in bid by Georgian monarchists

Members of the Georgian Monarchist Party and the National Democratic Party of Georgia went to Spain in February to meet with the Bagratian family, who are the pretenders to the throne of the former Soviet republic of Georgia. But their effort to reinstall a monarchy in their country ran into unanticipated difficulties.

The Bagratians were told that they should come back to Georgia and learn to speak the language and get involved in the affairs of the country. The Georgians offered the throne to Irakly Bagratian, the 19-year-old son of the current pretender, Jorge. But according to reports, the aging pretender rejected this plan, telling the two representatives from Georgia that he himself felt young enough to take the throne.

The Georgians told the Spanish daily *El País* before they left the country that their

mission had been "a failure." "The Bagratian family is only interested in becoming king," said one. "It doesn't care where: It could be Georgia, or it could be France, or it could be Senegal."

As *EIR* reported on Feb. 14, the monarchists had vowed to take power by the end of the year. The Bagratians were last in power in Georgia nearly two centuries ago, in 1801-02.

Britain's libraries are under assault

The London *Guardian* reported on Feb. 22 that 100,000 books disappeared from the shelves of the public Brent Central Library in the suburban part of London between 1980 and 1990. It turns out, according to the library's bibliography department, that members of the Labour Party who had been running the library, had stripped it of all books that were considered to be sexist, racialist, colonialist, art books which were Euro-centric, all books on the subject of war, and books considered to be irrelevant to the community. All of those books were sold.

The Library Association has announced that when Prime Minister Margaret Thatcher came to power in 1974, there were 228 libraries in England that were each open about 60 hours a week. There are now 18.

Commission will probe Gorbachov's activities

A public commission was set up in the Community of Independent States (CIS) on Feb. 20 to, in its own words, "investigate Mikhail Gorbachov's anti-popular, anti-state activities." It consists of "scientists, cultural workers, writers, lawyers, diplomats, manufacturers, economists, and deputies of all ranks."

The commission's statement said: "We are convinced that such a public investigation of Gorbachov's activities and the publi-

Briefly

cation of facts pertaining to his breaches of the Constitution and the laws of the U.S.S.R., his abuses of the status of head of state, as well as public condemnation of such actions, shall help establish supremacy of the power of the people and of top legislative bodies over Presidents, governments, and ministries, make them responsible to the people and to elected legislative bodies, shall contribute to the unswerving observance of the Constitution and other laws."

The statement denounces Gorbachov's foreign policy as a "sellout" of the interests of the former U.S.S.R. Russian President Boris Yeltsin and his cabinet have all said publicly that a trial or investigation of Gorbachov would be a return to Stalinism and that it would be of no benefit to the reform process. This begs the question: Who benefits from such an investigation, particularly when a major state investigation into the affairs of the Communist Party of the Soviet Union is already ongoing?

Did Mossad divert U.S. aid from Afghan rebels?

An article published in February in *Israeli Foreign Affairs*, a California-based newsletter, charges that the Israeli Mossad, working with the CIA and Lt. Col. Oliver North, diverted American military equipment destined for the Afghanistan rebels to Iran in order to raise money to covertly arm the Contras in Nicaragua.

The story is based on recent interviews in the *Far East Economic Review* and in the Israeli daily *Hadashot* with Pakistani intelligence officials and ex-Mossad operative Ari Ben-Menashe, who said that an estimated \$700 million in U.S. arms were withheld from the Afghan rebels and instead sold by Israeli intermediaries to the Iranians in return for cash that went to the Contras.

U.S. congressional investigators turned up a \$700 million discrepancy in the amount of arms that were actually delivered to the Afghan mujahideen, but never were able to determine where the missing equipment was

delivered, according to the report. The story further charged that the Israelis ran training camps for Afghan rebels led by rabid fundamentalist and alleged heroin trafficker Gulbuddin Hekmatyar.

Taiwan delays decision on opposition party

The Republic of China on Taiwan decided to "delay indefinitely" a scheduled Feb. 24 vote on whether or not to disband the opposition Democratic Progressive Party (DPP) for demanding that Taiwan declare independence and abandon its official goal of reunification with mainland China. The DPP officially adopted such a policy as part of its program last October—a policy which is illegal under Taiwan's sedition laws.

"This is a responsible action . . . negotiations between the [ruling] Nationalist Party and the DPP could change the fact that the DPP should be punished," a spokesman for the government commission studying the question, Huang Shou-kao, told reporters. The DPP, legalized in 1989, had threatened to stage mass protests if it was dissolved. The approach of the meeting date helped to push the stock market sharply lower, amid fears of street violence.

The DPP is pressing for the Council of Grand Justices, which interprets the Constitution, to rule on whether the official ban on demands for independence is unconstitutional. Opposition legislators have threatened to riot in parliament if the Nationalists do not agree to a constitutional ruling.

As *EIR* reported on Nov. 15, 1991 ("Taiwan Targeted by 'Independence' Drive"), the DPP was created by the U.S. intelligence community grouping known as Project Democracy, with input from the European Green parties and assorted "New Age" cults. Taiwan's sedition laws are premised on the belief that all of China must be united and free again, and that to accept the separation of Taiwan from the mainland would mean relegating the mass of the Chinese people to communist rule.

● **BOLIVIA'S** exhibition at the Seville World's Fair will distribute coca leaves and coca tea to visitors. Bolivia's ambassador to Spain, told the London *Daily Telegraph* of Feb. 23: "Everyone knows it is used for cocaine, but we want to show the good side of coca." The *Telegraph* commented: "The leaf is said to have a relaxing effect and induce a mild numbness."

● **PALESTINIAN** prisoners in a Hebron military administration building are being systematically tortured as a means of forcing confessions, according to testimony given to the Palestinian Human Rights Information Center and reported in the Israeli newspaper *Hadashot*. The Israeli authorities deny the charges.

● **THE P.R.C.** has pulled its embassy out of Latvia because of that country's decision to establish ties with Taiwan. Latvia and Taiwan have established consulates in each other's capitals. Beijing recognized the Baltic republic soon after it became independent last year, in what analysts said was a bid to head off a diplomatic challenge by Taiwan.

● **THE EUROPEAN** Community is pushing the Swiss model as a solution for Bosnia-Herzegovina, one of the republics of the former Yugoslavia. The idea is to have a degree of autonomy for the three main ethnic groups there. The official EC envoy on the Balkans problem, Peter Lord Carrington, arrived in Belgrade on Feb. 26 to discuss the proposal with the Serbian leadership.

● **KAZAKHSTAN** President Nursultan Nazarbayev announced that Kazakhstan would not undergo nuclear disarmament until the countries it perceives as potential threats—the United States, Russia, and the People's Republic of China—also disarm. He made the announcement during a recent visit to India, the BBC reported Feb. 23. He was thus adopting the same stance on nuclear non-proliferation as India.

Russia's Shield Union vows to defend democratic gains

An interview with Lt. Col. Ilya Fedotovich Vasilyev (ret.)

Lt. Col. Ilya Fedotovich Vasilyev (ret.) is deputy chairman of the Moscow Shchit ("Shield") Union, the organization of younger officers in Russia, Ukraine, and other states of the Community of Independent States. A programmatic resolution passed by a Shield conference in January was published in EIR on Feb. 7. Colonel Vasilyev was interviewed by EIR correspondents Michael Liebig and Karl Michael Vitt in Moscow in January. The answers were translated from the Russian by Rachel Douglas.

EIR: When was Shield founded? What were the specific circumstances which led to the formation of Shield?

Vasilyev: By the end of 1988, it had become clear to the politically active part of Soviet society, that [former Soviet President Mikhail] Gorbachov's perestroika [restructuring], glasnost [publicization], and "democratization" were the latest attempt by the CPSU [Communist Party of the Soviet Union] ruling elite to deceive the working people "for the sake of the bright communist future." There was no longer any sense in expecting serious reforms from above, and the progressive layers of society started forming popular fronts, movements, and parties.

Meetings of these public organizations took place almost daily in various regions of Moscow, Leningrad, and other major cities. A furious process of politicization of society was under way, which also touched the progressive part of the officer corps of the Armed Forces.

A great number of "unofficial" editions of leaflets and proclamations appeared, which exposed the totalitarian essence of the state structure of the CPSU, which called itself a party, and of the political organs in the ranks of the Armed Forces. Instances were exposed of the decay of the high standards of authority, as well as corruption and the protection of the humiliating treatment of rank and file workers and

servicemen in the Army and Navy. Inside the CPSU, there arose the "Communists for Perestroika" movement, which subsequently grew into the "Democratic Platform in the CPSU."

Those enrolled at the higher [military] academies, reserve and retired officers, and *afgantsy* soldiers [Afghanistan war veterans] frequented all of these unofficial organizations and movements, but they gradually became convinced that there had to be a special organization of military servicemen, in order to take into account the peculiarities of army life. The massive persecutions, launched by the command and the political organs against servicemen who participated in the democratic movements, helped them reach this conclusion.

Thus, in March 1989, at premises where the Coordination Council of the Moscow Popular Front usually met, a group of enthusiasts initiated the formation of a Union for the social defense of servicemen, reservists, and members of their families, which at its constituent meeting on March 29, 1989 was named Shchit [Shield].

From the first days of its existence, the Shield Union posed the task of achieving deep democratic reforms in the Armed Forces: abolition of the political organs and CPSU party organizations in the Army and Navy, and a gradual transition from obligatory military conscription to a professional army, formed on a voluntary, contractual basis.

The main goal of the Shield Union at that stage, however, remained the social defense of servicemen, since the ideas of perestroika, glasnost, and "democratization" had absolutely not affected the Armed Forces.

The CPSU political organs played the role of ideological gendarme in the army. The slightest free thinking was crushed, and the free press did not penetrate the military towns.

Officers who had been in the capital and found out about

the broad democratic movement “from below,” and about the Shield Union, disseminated information about them all over the country. There emerged local formations of Unions of servicemen in various regions, which united into the All-Army Shield Union.

As of Oct. 1, 1991, the Shield Union is a full member of Euromil—the Association of Military Unions of Europe—and is receiving observer status in EKKO—the European Organization of Unions for the Defense of the Rights of Soldiers and Sailors.

In the Shield Union there are no divisions according to military ranks or duties; everyone is equal.

At the present time, by decision of the conference of the Moscow Shield Union, which took place Jan. 11, 1992, a decision has been adopted on creating a mass organization for servicemen, a trade union. An analytical group has been formed, to prepare the whole legal basis for this organization, on the foundation of the Shield Union.

The constituent conference is scheduled for next fall, but already now there are grounds to assume that all the preparatory work will be finished by spring.

EIR: Can you tell us about the activities of Shield concerning corruption and the inhuman treatment of soldiers in the armed forces?

Vasilyev: Concretely about corruption in the army and the brutal treatment of servicemen, so much has been written in the democratic press, including in the journal *Ogonyok*, that I will have to repeat.

If you want to receive a service promotion, the next military rank, and especially an accelerated promotion, know how to play up to a senior commander. I will give examples from my own 33 years of service. I spent 10 years as a platoon commander, eight of them with the rank of junior lieutenant—I did not know how to “play up.”

Before my discharge into the reserve (in 1975), I worked in one of the communications NII’s [Scientific Research Institutes], and was the author of 10 inventions. Not one of them was adopted and applied; my arm could not be twisted to write in senior commanders as co-authors.

For 15 out of my 33 years of service, I had no place to live—“If you don’t grease up, you won’t go anywhere!” [Russian proverb: *Ne podmazhesh, ne poyedesh!*]

And what would happen on entrance examination days at the Academy? The entire square in front of the Communications Academy in Leningrad was filled for a month with black Volgas [cars]: The competition of high-ranking bureaucrats, of papas whose sons were “taking” the competitive exams, was under way. Some papas pressured [*davili*] with their general’s rank; others simply “gave” [*davali*, bribes].

And how does military inspection get along at defense plants, if its outcome depends on the boss, the factory director?

And how does one obtain privileges during army draft

days? And how is a trip pass to a good sanatorium obtained, if you have excellent health? And so forth. . . .

EIR: What are conditions in the service like?

Vasilyev: The mail received daily by the Shield Union, from the parents of soldiers doing their stint in the service, bears witness to the complete lack of restraint in the army. The tyranny sometimes reaches the point of outright violence and even murders. Fighting is an ordinary occurrence in remote garrisons.

During the past 20 years, we have also found out about *dedovshchina*. This is a unique phenomenon. A soldier with service seniority or a sergeant becomes the “master,” and the young soldiers are the slaves. Such a system frees unscrupulous commanders from having to bother with the new recruits. If you are a literate or, even more, an intelligent soldier, if you make an attempt to defend your human dignity, then a black life in the unit is assured for you. Often such servicemen perish from “accidents” or are forced to flee the ranks of the Armed Forces.

It is no accident, that up to 10,000 servicemen die in the army every year. It is not from living the good life, that thousands of mothers and fathers of servicemen have united in the Union for the defense of their sons from army tyranny.

Without radical military reform, without legal defense of the honor, dignity, and human rights of the person in uniform, we will not obtain a combat-ready army, capable of defending democratic society.

The Shield Union is applying every effort to solve this problem, but so far its forces are significantly less than the organized resistance of the army’s administrative system.

As is known, even after the failure of the August putsch, all its rank and file participants within the Armed Forces command remained in their positions.

All the political organs occupy the key posts they did before, in the hierarchical structure of the army. The party organizations of the Communists have only formally been dissolved, but in reality they exist and are conducting anti-democratic work.

An example of this is the conference that took place Jan. 17, of so-called representatives of officers’ assemblies, who in fact are the political workers in epaulets, who tried to present an ultimatum even to the defense minister of the CIS [Commonwealth of Independent States].

EIR: How did the Afghan War affect the condition of the Soviet Armed Forces? What effect did the Afghan War have on the self-conception of Soviet soldiers?

Vasilyev: The Afghan War is a classic example of communist expansion. Turning to history, the Bolsheviks took advantage of the hardships of World War I and the weakness of democratic forces in Russia, and using the populist slogans “Factories to the workers,” “Land to the peasants,” they seized power and established a so-called dictatorship of the

Without radical military reform, without legal defense of the honor, dignity, and human rights of the person in uniform, we will not obtain a combat-ready army, capable of defending democratic society.

proletariat, i.e., a dictatorship of the Bolshevik Party, under cover of the Soviets [workers' councils], which they monopolized.

V.I. Lenin, however, understood perfectly, that the victory of socialism in one country was difficult, and then the slogan was put forward, "Proletarians of all countries, unite," which became the basic strategy of the Bolsheviks in all the years that followed. It is no secret, that from the first days of Soviet power, the Communist Party spent substantial funds on creating an extensive network of communist parties in all the countries in the world, and maintained and subsidized the party leaders in all countries.

The scheme to establish totalitarian communist regimes almost everywhere was the same: A group of communist plotters, supported by voluntarily deluded or simply deceived people, seizes power, and then appeals to the CPSU for "fraternal" assistance, and its leaders willingly extend such assistance.

Cuba was an exception, but there, too, "fraternal assistance" was not lacking.

Military servicemen who went through the Afghan meat-grinder became convinced that they were carrying out a gendarme function in Afghanistan, and were fighting against the people for the corporate interests of the henchmen of the CPSU.

Many *afgantsy* soldiers are now Shield Union activists. Throughout the Soviet Armed Forces, despite the conservatism of its upper leadership, the idea is asserted and actively supported, of non-participation by the Armed Forces in national conflicts, either in the CIS countries or outside the borders of the former U.S.S.R.

Even at the Conference of Representatives of Officers' Assemblies, organized by former staffers of the Main Political Directorate, a resolution was adopted on the impermissibility of using the Armed Forces to resolve political and national conflicts. The army is only for defense against the direct attack of an aggressor.

EIR: What role did Shield play during the August 1991 putsch by the communist *nomenklatura*? What did you do during those days?

Vasilyev: During the first hours of the August putsch, the chairman of the Shield Union, People's Deputy of Russia V.G. Urazhtsev, was arrested, but the members of the Union, on orders from their conscience and their duty, went out on their own to build the barricades around the White House

[Russian Parliament building]. And those who were on duty with the troops, having received information by radio or from tapes, which were put out by the Defense Staff, gave briefings to the soldiers and officers.

Staffers of the executive committee of the Shield Union directed the formation of the "living chain" around the White House, and of detachments on the barricades.

On Aug. 19, I personally was at my dacha in Tver Oblast, 160 kilometers from Moscow. I found out about the putsch from listening to Radio Liberty, and my wife and I immediately left our elderly parents in the care of neighbors, made tracks, and by 11 p.m. we were in Moscow. I put on my military uniform, my wife brewed tea and made sandwiches, and we went to Volokolamsk Highway to talk with the servicemen, who were stationed at various points in armored personnel carriers.

Having received assurances from the commanders that if they were sent to the White House the soldiers would not open fire against its defenders, we went to the Defense Staff, where we reported on the situation, and then we conducted intelligence until daybreak, traveling up and down Leningrad Prospect on the route of the tank columns.

Rather later, we found out that many members of the Union had worked as agitators and intelligence officers in other locations. We also learned that the KGB unit "Alpha," known for its punitive operations, on the night of Aug. 19-20 for the first time ever did not carry out an order, and refused to storm the White House on the very night that the number of defenders of the White House was comparatively small—no more than 3-5,000, in my estimation.

EIR: The Armed Forces seem to be split. Can you tell us more about the factional lines between flag officers shaped by the CPSU and younger officers much less conditioned by the party? What happened to those tens of thousands of communist officers?

Vasilyev: Those few higher officers and generals who understand the necessity of democratic reforms in the army, are involved in preparation of the legal basis for such reforms and are assisting parliamentarians in this, but the majority of the high command is conservatively inclined and is waging a struggle to preserve its privileges and perquisites.

There is particularly strong resistance to military reforms on the part of the former political workers and employees of the Main Political Directorate, the military section of the

CC [Central Committee of the] CPSU. They changed their signboards, but they are firmly ensconced in the Armed Forces and are not the least bit interested in Armed Forces reforms, since they are the first ones who will have to go look for a new job.

EIR: What is the position of Shield concerning those sections of the armed forces that are being transferred back from Germany and eastern Europe?

Vasilyev: The military units transferred from outside the borders of our Motherland ought to be disbanded, and the majority of the servicemen from these units discharged into the reserve.

Concerning the major naval bases on the Baltic and Black Seas, in our opinion, treaties should be concluded for their territory to be leased by the CIS countries or the Russian Federation, at least for the next 3-5 years, until all disputed questions are settled and the economic situation is stabilized.

EIR: What is the program of Shield for soldiers and officers who are being demobilized? What plans do you have concerning their integration into society and economy?

Vasilyev: By decision of the Second Conference of the Moscow Shield Union, supported by the Coordination Council of the Russian Union, a packet of legislative bills will be presented to the Supreme Soviet of Russia, which would guarantee normal starting conditions for servicemen discharged into the reserve, to adapt to the free market.

Among such conditions, the following can be listed:

- the right to professional retraining at state expense;
- a severance allowance adequate for putting one's affairs in order;
- credit on preferential terms;
- the right to receive land, agricultural machinery, and materials necessary for organizing a farm, free of charge;
- exemption from all taxes for the first three years.

At the conference, an economic group was formed which is already working actively to prepare such a draft packet of legislation, which we will present to the Supreme Soviet of Russia.

At the same time, we will make efforts to have considered a packet of laws intended to reform the Armed Forces and create a Russian Guard.

The President already has these proposals, and they are waiting for their time to come.

Work has commenced on creating a Military Trade Union. The documents for its constituent congress are being elaborated.

EIR: Shield seems to emphasize a role in agriculture for demobilized members of the armed forces. Can you elaborate on this?

Vasilyev: The same Shield Union analytical group is studying as a single complex, questions of the utilization of dis-

charged servicemen in the agrarian sector, for instance, by means of creating groups of farmers comprised of veterans of the same unit, and other forms of collective group utilization of servicemen in agriculture.

We hope that parliamentarians will listen to our proposals, and that conditions will be created, which ensure the effective incorporation of discharged people into the economy.

EIR: You indicated already that Shield proposes a significant reduction of the size of the armed forces of the former Soviet Union. What do you think would be an appropriate size for the armed forces of the CIS and Russia?

Vasilyev: In our opinion, it would be sufficient for the defense of the CIS countries to have an army of 1 million, formed on a professional, contractual basis. The final decision, however, is in the hands of the Council of Presidents of the CIS countries.

Even if it proves impossible to preserve a united Armed Forces, the strategic forces, in any event, will be united.

It is our conviction, that the military themselves will not permit the strategic forces to be divided up, nor will the leaders of the CIS countries undertake this.

EIR: With the implementation of the Gaidar price float reforms along the Polish model of "shock therapy," a rather rapid pauperization of the general population seems to occur. What is your view on the economic policy of the Russian government?

Vasilyev: The way the question is posed suffers from imprecision. The impoverishment of broad layers of the population in our country has been going on for a long time.

The relative prosperity of the capital cities was achieved at the expense of relentless exploitation of the provinces and agricultural regions.

It is no accident that, before the Gaidar reforms, the capital was besieged by "bag people" from all the cities of Russia. So the population of the provinces already shifted to self-provisioning a long time ago, and the main body of the population was not hit very hard by the Gaidar reform.

If the unleashing of prices is not followed by privatization which is popular among the people, i.e., of a sort where each citizen receives initial privatized capital in the form of some kind of document, certifying his portion of the privatized property. . . . Privatization [*privatizatsiya*] in the form of "grabbing" [*prikhvatizatsiya*], which is already going on, provokes only bitterness on the part of broad layers of society, and nothing good will come of this. There can be a reverse effect. The rating of the [President Boris] Yeltsin-[Yegor] Gaidar government will fall, and without confidence, effective labor is impossible, and the same goes for further movement along the path of reform.

The second aspect of the reform is the resistance of broad layers of the party and economic *nomenklatura*, which under

market conditions will lose not only its power, but all its privileges. The population of the rural areas itself represents a special danger for the economic reform; here, drunkenness and thievery from the *kolkhoz* [collective farm] and *sovkhov* [state farm] fields is firmly rooted, the people have forgotten how to work effectively, even for themselves. It is no accident that farmer-enthusiasts get robbed, and also burned out.

In the country, my wife and I simply do a lot of good work on our garden plot, in order to obtain food for the winter. Our neighbors, who are local *sovkhov* workers, loaf around in the summertime, and come fall, they are overcome by such envy, that they are ready to burn us out.

There can only be one way out: group farming and a stiffening of administrative and legal sanctions against those who hinder the development of farming in the countryside.

EIR: The military-industrial complex of the former Soviet Union has been on a very advanced scientific-technological level. What, in your view, could be its contribution to the economic regeneration of Russia and the other CIS states?

Vasilyev: Many industrial enterprises of the military-indus-

CIS officers want action on military's problems

At the first Officers' Assembly of the Community of Independent States on Jan. 17-18, some 6,000 members of the former Soviet officers corp met to discuss the crisis in the Armed Forces, and issued a resolution demanding the passage of "laws in the shortest possible time" by the CIS states "to secure defense, military service, status of military servicemen and families, living quarters, material and financial well-being, and also for reservists and retired," and "to protect each serviceman from humiliation."

The resolution noted that "haste in dividing up the Armed Forces under conditions of an unstable political situation and economic chaos can have tragic consequences. It can devastate the security and defense ability of all CIS states, and their cooperation with the nations of the world community." The officers called on the "CIS heads of state and parliaments to maintain, for a transitional period, a unified command system of the Armed Forces, unified military-strategic space, and work out the fate of the Armed Forces through negotiations. We expect civilized, thought-out and well-founded laws and decisions, to exclude any confrontation among future armies of the republics."

trial complex (MIC) can be reoriented to the production of consumer goods, especially for the needs of agriculture. Until this has happened, I would not rush ahead with indiscriminate privatization of the MIC, but rather direct its efforts to providing technical help to enterprises engaged in food-processing and production of goods for everyday life, i.e., small goods producers, which should be under private ownership.

Later on, it will be possible to proceed to auctioning off the MIC enterprises as well.

EIR: With the price float and the radical "free market reforms," mafia-type organizations seem to have gained a dominant role in Russian economic life. These mafias seem to merge with the old communist *nomenklatura*. What danger, in your view, does this mafia-*nomenklatura* combination represent for Russia?

Vasilyev: I do not see a problem of the mafia merging with the apparat, since I am convinced that from the outset, our totalitarian system and its party and economic apparat gave birth to a mafia for the purpose of siphoning off national wealth as their personal property. The main mafia was the Politburo of the CC CPSU. That's precisely who uncontrolledly squandered not only party funds, but also the state treasury.

The latest press revelations about the secret millions of the CPSU, the KGB, and the ministries and agencies of the U.S.S.R. confirm my idea.

The appearance of commercial banks, joint enterprises, stock markets, and other commercial firms, with millions in capital—before the beginning of general privatization—also demonstrates the mafia origins of this capital. It is no accident, that on the boards of these commercial enterprises former *apparatchiki* of the party and state organs have turned up.

EIR: What is your view on the political future of Boris Yeltsin? Do you think that Yeltsin will be able to weather the economic and social storms as Russian President?

Vasilyev: I never trusted Gorbachov, since at difficult moments he always avoided taking direct responsibility and let his companions-in-arms take the heat.

Boris Nikolayevich Yeltsin, whom I have met face to face three times, is a complete opposite to Gorbachov. Him I trust. So far, the entire politicized part of the democratic movement also trusts him, and maybe that is precisely why we criticize him so freely, for all the mis-steps in his work as President and chairman of the Council of Ministers of Russia.

I am confident that we will be able to keep him as President to the end of his term.

EIR: If the economic plight in Russia worsens, do you think that Vice President Gen. Aleksandr Rutskoy could emerge

The army has become very politicized in the recent period. What is important to the officer corps is not so much the unity of the Armed Forces, as a unified approach to solving questions of service, daily life, and material provisioning.

as an alternative to Yeltsin?

Vasilyev: Rutskoy is not a politician, and he landed in the post of vice president due to tactical considerations, under pressure from conservative forces. Whether he will grow into an understanding of the tasks of state, and do this under conditions of a market economy—in my opinion, no. And that means that, at best, he has awaiting him the role of a pawn in the big game, which those who are now grouping themselves around Mikhail Gorbachov are playing behind the scenes.

In words, there is support for the economic reform, but in reality, sabotage is being organized.

The calculation is obvious. The reform suffers partial defeat, the Yeltsin government resigns, along with Yeltsin. Rutskoy takes his place, and Gorbachov and his renewed team assume leadership. The reform is rapidly crowned with complete victory, since the most difficult part—stabilization of the situation—will have been traversed already today, under Yeltsin and Gaidar.

Such a conclusion suggests itself, independent of the fact that I would not like this to be so.

EIR: Do you see the danger of a fascist dictatorship being established?

Vasilyev: I do not believe in the possibility of a fascist dictatorship being established in the country, but it is useful for the CPSU, the KGB, and the MIC to utilize such people as Zhirinovskiy, Nevzorov, Alksnis, Kogan, et al. to rock our half-sunk boat.

Their calculation is obvious: that the lumpenized part of the population will be instigated to robberies and pogroms, and the entire responsibility for the consequences will be dumped on the democrats—although, in reality, the democrats today are in the minority even in the Supreme Soviet of Russia, not to mention the provinces.

Zhirinovskiy and other odious figures will be taken out of the game, as soon as they have carried out their function. After all, it is no accident that behind Zhirinovskiy's demagoguery there is not the slightest serious program to be glimpsed, for taking the country out of the crisis.

Even the participants in his mobs laugh at his slogans, like in a merry comedy where everybody is both actor and audience.

EIR: What will happen to the nuclear weapons?

Vasilyev: I would like to believe that Russia will never let nuclear weapons get out of its control, and that the heads of the governments of the CIS countries will not permit this either. The consequences of the Chernobyl catastrophe were too great for anybody to think seriously about the possibility of using nuclear charges for the resolution of political conflicts. We hope that this is fully understood in the West, too.

EIR: What is the evaluation for maintaining the unity of the Armed Forces?

Vasilyev: The army has become very politicized in the recent period. This is also demonstrated by the All-Army Conference of Representatives of Officers' Assemblies. In fact, only political questions were discussed at this meeting.

Concerning the unity of the Armed Forces, I would put it this way. What is important to the officer corps is not so much the unity of the Armed Forces, as a unified approach to solving questions of service, daily life, and material provisioning, including pensions, and a unified approach to questions of citizenship upon discharge into the reserve or retirement.

The questions were posed correctly, although also somewhat aggressively. It is necessary to bear in mind, that according to the design of its organizers (former officials of the Main Political Directorate), the conference was supposed to give an ultimatum to the governments, virtually for the restoration of the U.S.S.R. in its previous form.

The arrival of B.N. Yeltsin and Marshal Shaposhnikov at the conference turned the conference into a constructive channel and everything ended well.

It is evident that in the future, the government of Russia and those of the other CIS countries will have to be more attentive to military questions.

As long as there are unified Armed Forces, there should also be a unified approach to solving all questions connected with the life of the Army and Navy. The Shield Union, although they attempted to expel its chairman from the conference, supports the above-outlined position. Moreover, our analytical group is working on a unified Charter of a Military Trade Union of Servicemen.

It is gratifying, that the conference adopted, almost unanimously, a resolution on the impermissibility of using the Armed Forces to resolve national conflicts, both inside the CIS, and abroad.

U.S. caught in international scandal on LaRouche case

by Warren A.J. Hamerman

During the week following George Bush's political collapse in the New Hampshire primary, a series of intersecting extraordinary developments has brought the international human rights scandal in the case of Lyndon LaRouche to the center of the political stage in Washington, D.C.

Both National Public Radio (NPR) and a widely read congressional newspaper prominently reported that the Bush administration was refusing to respond to allegations from the U.N. Human Rights Commission in Geneva that the administration violated LaRouche's human rights. Furthermore, the U.S. government even failed to notify the relevant committees in Congress that such an inquiry had been made. The NPR story quoted LaRouche presidential campaign spokesman Debra H. Freeman that this stonewalling is "part of a consistent pattern by the Bush administration to cover up critical exculpatory evidence in the LaRouche case," and that a delegation of high-level Ibero-American congressional representatives would be in Washington that week to investigate the U.N. charges.

As if to prove the allegations afresh, the Bush administration engaged in a massive effort to try and sabotage meetings for the South American parliamentarians. Under the pressure, meetings were abruptly canceled, rescheduled, and canceled again with comments to the effect that the United States would not allow its justice system to be criticized by nations which run theirs with cattle prods. When the Ibero-American dignitaries went home after one week's stay, not a single one of their peers, not a single congressman or senator, had the courage to even meet with them! In the only two meetings which did occur on Capitol Hill—one with the chief counsel of the Senate Judiciary Committee, and the other with the staff director of the Congressional Human Rights Caucus, which has 200 senators and congressmen in it—the South Americans challenged the outrageous double standards which Washington keeps with respect to human rights.

The reception afforded the congressmen was totally different at the Organization of American States. There, OAS

Secretary General João Baena Soares had a cordial meeting with the visiting delegation for over half an hour, after which he committed himself to look into the LaRouche case and forward all relevant documentation to the OAS Human Rights Commission.

Also, the *Wall Street Journal* on Feb. 21, in an amazing piece of journalism which never once explicitly mentioned that the LaRouche case was raised in Geneva in early February, ran an editorial which warned its readers that the current session of the U.N. Human Rights Commission in Geneva was out of control. In a feat of journalistic gymnastics, the *Journal* editorial didn't mention the name of Lyndon LaRouche once, or that the Special Rapporteur had raised the issue that LaRouche was being persecuted for his beliefs in the right to economic justice and development for the Third World. What the editorial did say is that the ongoing human rights meeting in Geneva could not be taken seriously, because Third World countries have too much power there and are insisting that agenda items such as the "right to development" and detentions and imprisonments are being raised. The *Journal* scribbled: "But if the U.N. is to be taken seriously, agencies with the high visibility of the Human Rights Commission will have to make a much greater effort to act seriously."

Stonewalling scandal

After the U.N. Special Rapporteur communicated allegations in writing to the U.S. government, asking for its "comments and observations" that it was in violation of the "Declaration Based on the Elimination of All Forms of Intolerance and of Discrimination Based on Religion or Belief," the U.S. has completely stonewalled.

Four times the U.S. government failed to respond to the allegations: 1) It failed to answer the written communication from the Special Rapporteur; thus, the written report was printed with no rebuttal from the U.S. government. 2) When the first U.S. delegate spoke under the relevant agenda item,

he made no comment on the case in the Special Rapporteur's written report. 3) Vice President Dan Quayle made no mention of the allegations in his speech. 4) After the delegate for one non-governmental organization challenged the United States during the plenary session on the floor of the U.N. Human Rights Commission in Geneva on Feb. 10 for gross double standards on human rights abuses by not answering on the LaRouche case, even then the U.S. government did not exercise its oral "right to reply" to his speech.

Even as the U.S. government refused in Geneva to acknowledge the existence of the Special Rapporteur's allegations, U.S. embassy personnel around the world were busily spreading lies about the LaRouche case. For instance, on Feb. 4, a U.S. embassy official in Bonn, Germany dispatched a signed communication on embassy stationery lying that LaRouche was not imprisoned for his political beliefs but for not paying his taxes, a charge which LaRouche was neither convicted of, nor even indicted for. While refusing to face the human rights allegations openly in Geneva, American embassy personnel in numerous countries around the world are vigorously spreading the same falsehoods as part of a coordinated "black propaganda operation." Fake stories have been planted in the press from eastern Europe to Ibero-America to try to diffuse the impact of the human rights violations in the LaRouche case. Various sources on Capitol Hill report that the U.S. government is surreptitiously spreading the exact same lie throughout official channels in Washington.

Confrontation in Geneva

What happened on the 10th of February in Geneva? The delegate of the International Progress Organization (IPO), a non-governmental organization, was the lead speaker of the afternoon session of the plenary session after the morning session that featured a speech by Vice President of the United States Dan Quayle, in which the vice president boasted of America's triumph in the Gulf war against Iraq and, among other things, stated, "The United States will, of course, always respect the sovereignty of nations. However, you should be forewarned: We shall not hesitate to speak the truth about clear violations of civil rights and civil liberties wherever they may be found, and whoever may be responsible. The days when a government charged with human rights abuses could cite 'sovereignty' or 'non-interference in internal affairs' as a defense, are gone. Today, whether we like it or not, we have all become our brothers' keeper—not merely for our brother's sake, but for our own."

A few hours later, the IPO delegate quoted the Special Rapporteur's allegations to the U.S. government of human rights violations in the LaRouche case and then said in part:

"As of this hour, the U.S. government has remained silent on these grave allegations, a tactic of non-recognition of human rights complaints which it has loudly condemned in other nations.

"Given the special role it has sought as a kind of chairman of its vision of a 'pax universalis,' it is incumbent upon the

U.S. government to be held to the highest standards.

"The United States has come frequently to the United Nations, including this morning the Vice President, to strongly condemn smaller nations for alleged human rights violations. In well-known instances, the United States has even sought sanctions and gone to war against nations of the South in the name of righting these injustices.

"Lest the appearance of double standards operate when the United States is the accused rather than the accuser, we urge the commission to insist upon a full and impartial investigation or *enquête* into these allegations.

"From the standpoint of international law, the protection of human rights cannot be considered anymore as something that exclusively belongs to the state's internal affairs. As was rightly stated by several delegations at the 3046th meeting of the Security Council on Jan. 31 in New York (Security Council document S/23500), a policy of double standards in regard to the application of international legal principles would undermine the validity of those very principles."

The longer the U.S. government remains silent, the more it proves the case that LaRouche is a political prisoner.

Documentation

'A dirty war carried out by intelligence services'

Ibero-American congressmen visiting the United States on the violation of the human rights of Lyndon LaRouche gave the following press conference at the National Press Club in Washington, D.C. on Feb. 24. They were introduced by Debra Freeman.

Debra Freeman

I'm Debra Freeman, the national spokesman for Lyndon LaRouche. We are pleased to introduce our distinguished speakers. They are part of the delegation that has come to the United States, invited by the Commission to Investigate Human Rights Violations, to look into the case of Democratic presidential candidate Lyndon LaRouche.

The visit comes on the heels of the U.N. Human Rights Commission in Geneva asking the United States to respond to charges that Mr. LaRouche's human rights have been violated. To date, the United States has refused to respond to the United Nations charges and, furthermore, the administration has failed to even notify the appropriate committees of Congress that these questions were raised.

Our delegation from Ibero-America comes at a time when the Human Rights Committee of the Congress of Mexico and

the Congress of Bolivia have similarly taken up the LaRouche case. This delegation has had a series of meetings on Capitol Hill where they have informed the relevant congressional committees of what the President of the United States has failed to inform them. They recently returned from an international conference in Chicago; they will continue to have meetings here in Washington, as well as meetings with officials of the United Nations and of the Catholic Church in New York tomorrow.

I would like to introduce the members of the delegation. We have, from Peru, Cong. Rivas Dávila (APRA), who was the minister of economics during the administration of Alan García; Cong. Oswaldo Bockos (Cambio 90); Cong. Lino Cerna Manrique (APRA); Cong. Francisco Palomino García (APRA); and Cong. Eduardo Salhuana (IU). From Panama, Cong. Miguel Bush Ríos (PRD). And from Venezuela, Cong. Jorge León Díaz (Independent).

Cong. Carlos Rivas Dávila

First of all, I would like to greet the U.S. journalists who are here today, on behalf of each and every one of the representatives from the different congresses of Latin America who are here visiting the United States. . . .

We support the political current and views of Mr. LaRouche because he identifies with the problems that the Third World nations are passing through today, especially as a result of the policies of usury of the international financial organizations, which, through the payment of the foreign debt, imposed very harmful conditions of domination upon our peoples. And those who are most hurt by this are the popular classes, which generate greater misery and impoverishment, which in turn is an incentive for the aggravation of problems of violence, the problems of delinquency, prostitution, drug addiction, and other social problems such as very high indices of unemployment, mortality rates, and diseases such as cholera, and so forth. Because the only thing that the policies of the International Monetary Fund, in particular, seek, is that they be paid, and what is paid on the foreign debt account is at the expense of the main requirements and necessities of our populations.

In this regard, Mr. LaRouche has been very clear in pointing out that these policies must be modified, and that, in the international area, a more just order must be presented. And we know that this is one of the fundamental reasons why Mr. LaRouche is today in jail in the state of Minnesota. We hope that the United States government will respond to this concern, which has also been expressed by the Special Rapporteur for the United Nations, who has presented a request that the matter be looked into, because no one can be persecuted because of his ideas, and especially so when we consider that these ideas are just for our peoples.

Cong. Eduardo Salhuana

We came to the United States very concerned, having received in Latin America, and particularly in Peru, journal-

istic information with regard to an alleged violation of the human rights of a U.S. citizen, Mr. Lyndon LaRouche.

This concerned us greatly, because we had really believed that the United States was the bastion of freedom, and the paradigm of respect for human rights. And as we received these accusations, this caused us great astonishment. And we received an invitation from the International Commission to Investigate Human Rights Violations to come here to the United States to find out for ourselves the facts regarding these allegations, which for us are of great concern.

That is the reason for our presence here, as congressmen from different political groups, from different countries. We believe that, beyond the matter of specific political proposals or beyond ideology, there is the fundamental and supreme concern, which is that of respect for the rights of the individual human being. And it greatly concerns us that an American citizen should be confined in a prison, precisely because of his ideas, because of his political proposals, which, as my colleague, Cong. Rivas Dávila, has just indicated, have as their goal, as their objective, the establishment of a more just world economic order. That is why we hope that this visit will move the most sensitive fibers of U.S. journalism, of public opinion in this country, and of your congressmen, so that they grant an American citizen the opportunity to receive justice and solidarity.

I think that is the very least that we can ask, because this great nation cannot have the luxury of losing a great man and have him locked up in jail. That is the request, that is the invocation which we make, now no longer as congressmen, or as Latin Americans, but simply as human beings.

Debra Freeman

Before we take questions, there is one point that I think is very important to make in this press conference.

Due to the stature of this delegation, and due to the gravity of the charges that they in fact are investigating, as one might expect, when they arrived in the United States last Tuesday, they had a jam-packed schedule of meetings on Capitol Hill, with the diplomatic corps, with the press, etc.

Shortly after their arrival here, we noticed an incredible pattern of meetings being canceled, rescheduled, and canceled once again.

An investigation showed that there was an unprecedented strong-arm effort by the Bush administration directly, to pressure members of Congress, the diplomatic corps, and the press to not meet with this delegation. People were told in no uncertain terms that any meetings with this delegation on the part of the diplomatic corps would be considered interference in the internal affairs of the United States.

Members of Congress were told that a Latin American delegation of congressmen had no right to question human rights in the United States, when the human rights pattern, according to the White House, was questionable in their own countries.

I think that this has to be said, because it has the same

stench of coverup emanating from this administration that we have witnessed from the day Lyndon LaRouche went to jail three years ago. And it is something that the world should know: that while the United States has repeatedly gone to the U.N. to raise human rights charges against the smaller nations of the South, that the United States itself considers itself to be above investigation when grave charges and allegations are raised against it.

The press

I would like to ask Congressman Rivas Dávila if he's informed of the fact that Mr. LaRouche was sentenced by a court here in the United States, for, I understand, tax evasion, and illegal maneuvers to fundraise.

Cong. Miguel Bush Ríos

All of the congressmen who are present here today and some who were unable to come on this tour to the United States are quite clear with regard to the judicial terrorism which the Bush administration has imposed against all those Americans who are opposed to the policies of the International Monetary Fund and those who are opposed to free trade.

The same thing happens in my country and in all countries of Latin America. Your government, your administration here, the administration of President Bush, has also carried out the same measures in Panama.

They've fabricated charges against those of us who have opposed the policies of the International Monetary Fund. And these people present it as though we were common criminals. President Bush knows very well that there are over 50,000 documents on the case of Lyndon LaRouche, which prove his innocence, and which President Bush has refused to release on the grounds of national security considerations. This was part of the accusations which were presented in Geneva, before the Special Rapporteur of the Human Rights Commission of the United Nations, who requested that the U.S. government respond to that accusation.

What those documents will demonstrate and prove is their innocence. Everybody in the United States, all political candidates, know perfectly well that fundraising is carried out here and in every part of the globe. A trap was set for LaRouche, and he has been denied the opportunity to defend himself. We have seen this in the documentation which the LaRouche defense lawyers have prepared for us. This is a dirty war being carried out by the intelligence services of the United States.

Cong. Carlos Rivas Dávila

I would like to point out, as a complementary feature to this, that our presence here has nothing to do with intervening into the internal affairs of the administration of justice in the United States, but rather, to point out with clarity and to identify ourselves with the defense of human rights, which is the principal matter and the *raison d'être* of all human beings.

Lyndon LaRouche

Democratic presidential candidate Lyndon LaRouche issued the following statement from prison on Feb. 25.

As most of you know by now, the charges have been reported to the United Nations' Human Rights Commission that the United States committed massive violations of human rights in fraudulently charging, indicting, and convicting me with a show trial in Alexandria, Virginia back in late 1988.

The Bush administration's response to this is, among other things, to complain that these charges are making the United States look ridiculous in the eyes of the Third World, saying that the United States is now being compared to some legendary banana republic in the way it conducts its judicial system.

At the same time, unfortunately, George Bush continues to sit on the very file which he knows would exonerate me. Well, if that isn't Bush League justice, I don't know what is.

So maybe we ought to worry less about defending the reputation of our justice system, and worry more about cleaning the corruption out of it.

OAS secretary general agrees to look into LaRouche case

João Baena Soares, the secretary general of the Organization of American States, on Feb. 25 told a high-level delegation of seven visiting congressmen from Ibero-America that he would look into the charges of grave violations of human rights by the government of the United States in the case of American presidential candidate and political prisoner Lyndon H. LaRouche.

The secretary general did this at the request of the visiting congressmen, and offered his good offices to forward the matter to the Human Rights Commission of the OAS, so that the matter could again be taken up by that body, thereby bringing up to date an earlier, July 1991 formal complaint filed with the commission.

The OAS secretary general met with the congressional delegation for over half an hour, in a cordial exchange of information and views. On behalf of the entire delegation, Cong. Oswaldo Bockos, from Peru's ruling Cambio 90 party, formally presented Mr. Baena Soares with a copy of the full complaint and supporting documentary evidence filed with the OAS Human Rights Commission by Mr. LaRouche and five associates.

NPR breaks story of Bush coverup, violation of LaRouche's human rights

The following coverage of the Feb. 18 press conference in Washington, D.C. by Debra Hanania-Freeman was reported on National Public Radio.

A spokesman for Lyndon LaRouche, who is running his campaign for the U.S. presidency from a prison cell in Rochester, Minnesota, said that an official of the United Nations Human Rights Commission in Geneva has asked the Bush

administration to respond to charges that it has violated LaRouche's human rights.

LaRouche's national spokesman, Debra Hanana [sic] Freeman charged that the administration's refusal to issue a response to the inquiry is "part of a consistent pattern by the Bush administration to cover up critical exculpatory evidence in the LaRouche case." According to Freeman, the administration has acknowledged the existence of a 40,000-page document on LaRouche.

Freeman said the LaRouche campaign expected a delegation of Latin American congressional representatives to arrive in Washington, D.C. this week to investigate the U.N. charges.

Ibero-American congressmen visit Capitol Hill, denounce human rights violations in LaRouche case

A delegation of seven congressmen from three nations of Ibero-America met with U.S. congressional representatives of various human rights and judicial committees in Washington, D.C. on Feb. 21, to protest blatant violations of the human rights of U.S. presidential candidate Lyndon H. LaRouche. The visiting congressmen—several of whom are members of human rights committees of their respective congresses—demanded:

- that the Bush administration formally respond to a request for "comments and observations" on the LaRouche case by a Special Rapporteur of the United Nations Human Rights Commission, something which it has so far refused to do;

- that the Bush administration release 40,000 pages of potentially exculpatory material on LaRouche currently in the government's possession, but which it is withholding on "national security" grounds; and

- that the U.S. Congress join their Ibero-American colleagues in looking into the issue of human rights violations in the LaRouche case. As Cong. Francisco Palomino of Peru told one stunned congressional aide: as a congressman from Peru, I want to tell you that I personally will not tolerate that the U.S. investigate human rights violations in my country, so long as similar charges of human rights violations against LaRouche are not investigated here in the United States. All we are asking for is reciprocity.

In a meeting with Alejandra Arriaga, director of the Congressional Human Rights Caucus, which is composed of 200 congressmen and senators, Cong. Miguel Bush Ríos of Panama demanded that the U.S. government answer the charges of human rights violations which have been filed by the U.N. Human Rights Commission Special Rapporteur. The fact that they have not, he said, leads us to suspect that they have something to hide. We also call on the U.S. government to release the secret documents in the LaRouche case, he said. Are they also hiding something here? I intend to report back to the Panamanian people, he stated, and I will tell them that LaRouche is in jail because of the usurers of the World Bank and the IMF; that he is in jail because he has defended the cause of the Third World.

Interview: Amelia Boynton Robinson

Civil rights leader speaks out on LaRouche

Mrs. Robinson is a 60-year veteran of the civil rights movement, an associate of the late Dr. Martin Luther King, and a board member of the Schiller Institute. She was interviewed on Feb. 26 by Marianna Wertz.

EIR: You just completed an extensive trip to the West Coast, including a week's stay in the Seattle area, during which you were to be honored by the state of Washington. Gov. Booth Gardner had already signed a proclamation declaring Feb. 7 as Amelia Boynton Robinson Day. The same thing was in preparation in Seattle, by Mayor Norm Rice. Then, once you arrived, the honors were revoked and instead you were subjected to a barrage of hysterical publicity from these same politicians who claimed they were "unaware" of your association with Lyndon LaRouche. Can you tell us what happened and your view of the matter?

Robinson: When I got to the Schiller Institute's office in Seattle, I was told that I would be given honors by the governor of the state and by King County. Of course I thought that was very nice. I appreciated that. The next day, after I had spoken at Garfield High School, I was told that they had rescinded the citation, because of my association with Lyndon LaRouche and the Schiller Institute. That didn't make me feel badly at all, personally, but the way I looked at the situation is that they closed their eyes to everything that I had done in my life and while I was there.

I went to Garfield High School [which has a large African-American population] and I talked with the children. I could see by their actions that I had said something that had touched them, that would give them hope, help them to realize that they could be somebody, that they had something to hold onto, though many of them might not have had a good family background. I could see also that it was not just something they were listening to passively, but it was like planting a seed in them, so that they could try to reach for dignity and for self-esteem.

How did I know? After the program was over, almost all of the kids gathered around me. This was the first time that I had ever become emotional because of the reaction to what I had said. How they cried and how they pledged that they would follow up and do some of things that I had suggested!

I'm mentioning this because this was a high school with 500 students whom I addressed.

Later on, we went to the University of Washington, and there, I also tried to give the folks some hope. I mentioned that Dr. King's program and his dream had been broken because of his death, and that the Schiller Institute, organized by Helga Zepp-LaRouche and Lyndon LaRouche, had picked up that dream and put the broken pieces back together. I told them that my involvement with the Schiller Institute was what I would have done if Dr. King had been living. The principles for which we, the Schiller Institute, are fighting are the principles that Dr. King would have been fighting for were he alive today.

That caused a lot of questions to be asked about Lyndon LaRouche and I answered them. It was because of this that they decided to revoke the proclamations. But there's no way to talk about what's going on today and what is going to happen unless I speak of LaRouche and of the Schiller Institute. I understand that the principal [of Garfield High School] was told to stop me from talking. They didn't do it, but when I came out, they said they didn't know I was going to speak about anything political.

EIR: In your meetings over the last several months, in which you have been promoting your recently released autobiography, *Bridge Across Jordan*, how did you find the response of the people to your message? Do you think the American people are ready to cross that bridge across Jordan?

Robinson: No. The reason is because the system is not interested. The system has a program of destroying anybody who doesn't think like the system wants them to, and uses fear to destroy the very inner thoughts of an individual. So the people are not yet ready.

EIR: What will it take to make them ready?

Robinson: Destroy the corruption of the system, and implement the Constitution of the United States. That means, first of all, letting LaRouche out of prison.

EIR: We are just about finished with Black History Month, which is, as you point out in *Bridge Across Jordan*, the shortest month of the year. In St. Louis, a group is planning to put on your play, *Through the Years*, which portrays the rise of black Americans from slavery to full citizenship in the United States. Do you have any thoughts about the situation facing African-Americans today, as compared to the 1960s? Where could you point to progress having been made toward real equality? What still needs to be done?

Robinson: Individually there has been some progress made, but only to a certain point. When they reach the height—we can compare it to the boiling point—they are targeted and cut down, regardless whether in athletics or in politics or other areas. The establishment's objective is to get African-Americans particularly, and of course Hispanics and other

minorities, not to aspire to get too high.

They use the same old custom they have used through the years. During slavery, they took the black woman out of the fields, the plantation owner had a baby by her, then put her back in the fields and made the child feel superior, dividing and conquering. They're still doing the same thing, but on a bigger scale now, internationally as well as domestically.

The main objective is to destroy by genocide. There's genocide of the mind as well as the body.

EIR: Two so-called black role models have been in the news recently: Mike Tyson and Magic Johnson. In both cases, their personal morality has been, shall we say, questionable, and has certainly led them to their tragic situations. How do you think this affects young black Americans, and why do you think this kind of thing is occurring?

Robinson: The object is to destroy the young black people who try to attain greater heights. They have targeted political blacks in the same way, in order that the black youth will have no role model.

EIR: But neither Tyson nor Johnson is exactly what I would call a good role model in any case. In fact, *you* are a much better role model, and now the press has tried to smear you, as they did in Seattle. Why is that?

Robinson: When it comes to evil and corruption they will do anything to destroy the virtues of a person who is a role model or who is being groomed for a role model. And they will do it intentionally. We have to destroy the evil of the news media as much as possible and demand that they tell the truth.

In my case, you can be sure that with all the investigating that has been done about me, if I had done anything that brought a dark spot in my life, they would have found it. In fact, what pleased me more than anything, was when my granddaughter told me I was her role model. That was about six weeks ago. Usually your own don't see it. I realized then that whatever sacrifice I had to make was worth it. She's a senior and has done a beautiful job; she's an "A" student.

EIR: You've endorsed Lyndon LaRouche for President. Do you think he has a chance of winning and, if so, how do you envision that happening?

Robinson: I have hopes that he will win, because nothing is impossible. I think when we put forth all efforts that we possibly can and let the people know the condition of this country, when we are able to change the minds of the people, he can win, it's not impossible at all. The more corruption that the citizens see, the more they will turn to somebody. And we've got nobody else. If we can get his name on the ballot and get him out of jail, which is the most important thing now, he can win. When we let them know why he's in jail and point out the corruption of the President and why he put LaRouche in jail, it will make people think.

The Anglo-American Versailles order has wrought its own self-destruction

Lyndon LaRouche gave the following address by audiotape from prison to the Feb. 22-23 Schiller Institute Food for Peace conference in Chicago.

With sadness I must register the fact, that on the eve of this conference, we lost a friend of long standing—the former foreign minister of Guyana, Mr. Fred Wills.

The memory of Fred Wills at this point jibes closely with the purpose of this conference, the historic setting in which it occurs, and also, the reason I have been imprisoned.

I first knew of Mr. Fred Wills back in the period 1974-75, during which time we were engaged, in alliance with various forces, including prominent members of the Non-Aligned nations group, in working to define a reorganization of the international monetary and economic order, which would be equitable for the nations of what we call today the developing sector, and also beneficial for intelligent nations such as the United States, or the so-called industrialized nations. Mr. Fred Wills, as a foreign minister of Guyana, and much more, played a key role in presenting this policy, in speaking for it at the 1976 meeting in Colombo, Sri Lanka of the Non-Aligned nations group, where the policy was adopted as a part of the resolution, and in speaking on behalf of the agreement reached among those nations at Colombo, a few weeks later at the United Nations General Assembly meeting in New York City.

Later, in 1978, at about the time I returned, after a bout of threats from the Baader Meinhof gang in Germany, to the United States, I met Mr. Fred Wills, personally, again. This was after we had assisted in pulling him out of London, where, for various reasons, his life was in jeopardy, and so to speak, providing a nesting place for him among us, until such time as he might wish to make other arrangements, as he did, and continue to work with us, while pursuing his heritage of diplomatic and related work as he might choose.

Fred was one of the founders, in that sense, of the struggle for an equitable form of international economic order, particularly as benefits the developing nations.

It was for this and for things related to it, that I was sent to prison. For those who are not familiar with it, that's a matter of conceded official record by the United States government, that I was sent to prison, actually, as a result of a

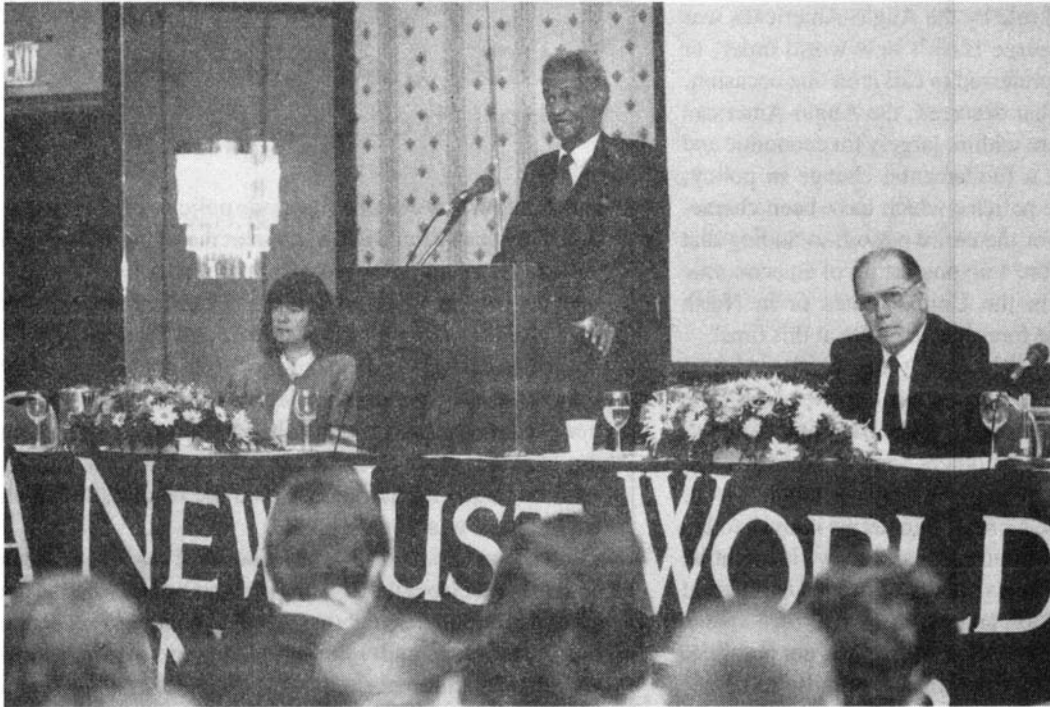
motion in the form of letters and other remonstrances by Henry A. Kissinger, the Chatham House agent, that is, the British foreign intelligence agent, or agent of influence, and one-time secretary of state of the United States. (Henry Kissinger was an enemy of Fred Wills, by the way.) In the summer through fall of 1982, and then on Jan. 12, 1983, according to U.S. government records, the operations against me and my friends, leading to my incarceration, were adopted by the President's Foreign Intelligence Advisory Board, in the manner prescribed under Executive Order 12333 for running otherwise illegal and very dirty operations against U.S. citizens and foreign nationals and so forth.

The issue was primarily the struggle for equity for the poor nations of the world, the poorer peoples of the world, and for a policy at the same time which was in the true right interest of the United States and other industrialized nations. And so we assemble today, in the context of those same issues.

The end of an era

What is different today than 1974 through 1976, the early days of my association with our friend, the late Fred Wills, is that an entire era of history is grinding bloodily, raucously, cacophonously, and dangerously to an end. Over the period 1862 to the present, the world has been dominated by a determination first by Britain, of the British Empire, and then by Britain and its accomplices of this imperial design in the United States, to one-world domination by a new Roman Empire, the Anglo-American empire, or as has been said since World War II, by dumb Yankee brawn wielded by British imperial brains—as Mr. Fred Wills would detail, were he here to do so.

This began when the Czar of Russia, Alexander II, intervened, emulating the practice of his predecessor, Catherine the Great, in decreeing a policy of armed neutrality, to prevent the British and French of Napoleon III from acting in concert to force the Union of President Lincoln to accept the independence of the British puppet state, the Confederacy. That doomed the Confederacy, and saved the United States from becoming a balkanized puppet of British imperial rule. And for that, of course, Russia was heavily targeted, especially Alexander II. In fact, Alexander II and others were



Fred Wills, one of the founders of the struggle for a just international economic order, addresses a conference of the Schiller Institute in January 1988. With him at the dais are Lyndon LaRouche and Helga Zepp-LaRouche.

later killed by the Russian Czarist Interior Ministry, which was largely at that time, as was well known, an agent of British influence inside Russia.

What brought on this age in this present form, the form we're now ending, and World War II, was the fact that the Russian Czar, together with the small circle of nobles who were patriotic (as opposed to the more bestial type of typical Russian aristocrat), had worked out a design consistent with the policies of Friedrich List, to engage France and Germany in collaboration with Russia, for not only building of railroads from Paris to Vladivostok, but a general continental Eurasian sphere of economic cooperation, to challenge Britain's imperial design. For that, Russia paid dearly with the Bolshevik Revolution and World Wars I and, of course, II.

As Germany rose in power and scientific knowledge and skill, to far exceed the level of technology and so forth of Britain, Britain conceived Germany a menace, because Germany's power—its economic power and associated military power—made it, as a prospective partner of Sergei Witte's Russia, the credible threat to realize this continental economic cooperation, which, if spread from the northern part of Eurasia to the southern part of the planet, would have meant an end to imperialism in all forms, and equity for all nations on the surface of this planet.

Therefore, the British worked to two ends. First of all, to establish and secure British hegemony over this entire planet, immediately through domination of the group of nations called the "Rim," the parts of the world surrounding the Eurasian land mass; through the British Empire itself; through bringing in Teddy Roosevelt's North America and

Japan into an alliance with the British against continental Eurasia; and at the same time to resort to Castlereagh's old balance of power tricks, to pit a credulous France engaged with Russia against Germany and Austro-Hungary; and then the British lit fire to the Balkans in the manner that some British agents and Eagleburger have lit fire to the Balkans again today, for the purpose of engaging all continental Europe in a bloody, continuing mess leading directly into World War I.

The Versailles 'new world order'

So, there was established at the end of World War I, a Versailles System, a tangle of agreements and understandings which realized the war aims of the British in launching World War I. The Versailles System didn't work; it crumbled, leading to World War II by help of George Bush's father Prescott Bush, in moving the funds which enabled Hitler to come to power in Germany. These fellows were sympathizers of Nazism, or at least its philosophy, which is why they moved the funds into Hitler's account, among other reasons.

Toward the end of World War II, particularly from 1943 on, with Yalta, Bretton Woods, and the U.N.O. San Francisco meeting, a revised form of the Versailles System was created which has existed until the present time, with the same general aim: Anglo-American domination of the world, which, for a long time (especially the postwar period) was managed by an understanding amid conflict with Moscow. That is, differences in agreements among Moscow, London, Washington, and New York, dominated the world. The collapse of Soviet power in '89 and '90, and so forth, seemed

to portend that one-world rule by the Anglo-Americans was now secure. This was George Bush's new world order, or his *pax universalis* as he preferred to call it on one occasion.

But at the very time that occurred, the Anglo-American system was collapsing from within, largely for economic and related reasons. Without a fundamental change in policy, eliminating the economic policies which have been characteristic of British policy for the entire period, including that of 1862 to the present, there's no possibility of an economic recovery in Britain, or in the United States or in North America generally, for the foreseeable future at this time.

We are headed into what is already the worst economic depression which the United States has experienced in the 20th century; and if the policies of George Bush or Democratic candidate Clinton and some others were to be allowed to continue, prevail, we would go much deeper—much, much, deeper; in point of fact, the United States as we know it today *might not even exist* by the end of this century. It might be torn apart and fragmented and virtually destroyed by internal dissension, riots, and so forth and so on.

So, we have come to the end of an era. It is not possible, despite George Bush's sometimes insane impulse to do so, to project the policies on which George Bush rode into the presidency, into the future. The economic policies, the foreign policies, and so forth; these policies lead to their own destruction, to their self-destruction. And thus, we assemble at a time at which either the United States and other relevant nations change their policies to conform to the alternatives we have projected, or the United States will be self-destroyed.

Now these policies are to be recommended, not because we have advocated them—they are not necessarily our policies, even though we have offered them (myself and friends have offered them); but rather because what we have done is more in the nature of a discovery, a recognition of those policies which are the required alternative to the catastrophe which is now about us.

However, even though all I have done and my associates have done, is to adopt what is the obvious alternative to George Bush's inherent failure, we have a certain authority. We have projected these kinds of difficulties, this kind of process, which has now engulfed the United States, for a period of more than twenty years—and especially, the past dozen or so. We have spoken, sometimes, it seemed, prophetically; our prophecies have been consistently correct on the economy and on other related matters. We represent the only force, however small, which enters the arena at this stage of crisis with a *vindicated* record of understanding this crisis, understanding its emergence, and devising policies which address that understanding.

My policies must prevail

Therefore, we have a mission to perform. A mission to bring the majority of this and other nations rapidly, rapidly, into agreement around the kind of policy package which we

Schiller Institute vows to halt 'free trade'

A resolution to defeat the free trade policies of the International Monetary Fund and to reassert the right of sovereign national economic development, capped a two-day conference held in Chicago on Feb. 22-23 by the Schiller Institute and its agricultural arm, Food for Peace. "We recognize that the propaganda for 'free trade' is a cover for total control of the world's resources by a few multinational corporations as part of the new world order, which use food and other resources as a weapon against nations such as Iraq, Liberia, Haiti," read the resolution, which was adopted unanimously.

A second resolution gave unanimous support to seven congressmen from Ibero-America who had traveled to the United States to demand that the U.S. Congress act on the LaRouche case, and who had also come to Chicago to address the conference.

The courage shown by these seven congressmen—some frankly acknowledged that they may go to jail soon for the stand they are taking—made a deep impression on the listeners, many of whom had long been in contact with the Schiller Institute, but had only just decided to become politically active, in view of the moral collapse of virtually every other institution around them. "Something inside just told me that this is the right place to be," commented one pro-life activist.

The chief obstacle to becoming politically active was taken head-on by the first speaker, civil rights leader Amelia Boynton Robinson. "The American people are fear

offer.

I am currently running a campaign to secure the Democratic Party presidential nomination for 1992. As to what my chances are by ordinary standards, I can say I have no idea, except they are better than George Bush's chances of reelection, which are zero at this point.

Unless a Democrat is elected who represents the kind of policy outlooks that I represent on foreign policy, on justice for developing nations, on cooperation with Europe, on fostering the Eurasian cooperation which Britain fought World War I to prevent; unless such a Democrat is elected, the United States is headed for catastrophe, Bush or no Bush in the White House, come 1993.

Therefore, we *must* prevail. *How* we shall prevail, I don't know. I can tell you this, however. In response to a recent broadcast, we have received over a 1,000 letters directly responding to that half-hour broadcast on the ABC network

ful," she said. "Where are the people who want the nation to be freed, who want the chance to succeed, who want prosperity? They are afraid. They have been mentally imprisoned." She described fear as a sinful state of mind, stunting mental growth, creating confusion and hate. "A person who fears can be easily used by others, because they have no faith in themselves. There is no peace within." She contrasted this to her experiences with Lyndon LaRouche, whose peace of mind shines through his writings, even those from prison.

Following an audiotaped address by Lyndon LaRouche his wife Helga Zepp-LaRouche addressed the conference via videotape. Standing before a world map, she gave a panoramic view of the immense world strategic crisis now confronting humanity. "The world on a global scale has plunged into a very deep depression, which is already now much worse than that of the 1930s," she said. "The world is in this type of crisis, not because it *has* to be like that; rather, it is the result of deliberate policies, and the wrong monetary policies imposed by the Anglo-American Establishment. . . . Either these policies are changed in the immediate weeks ahead," she warned, "or we will enter, very rapidly, a period of chaos and collapse into developments which easily can lead to major wars like the two world wars in this century."

In her review of the growing resistance against the genocidal policies of the International Monetary Fund, she focused on the potentials, but also the great dangers, in the republics of the former Soviet Union. "Is there a danger that this will lead in the weeks ahead to a military coup? Absolutely. Which way that coup will go . . . is very difficult to say. But one thing is very clear: between now and April, something big will happen."

In conclusion, she recommended that the best thing Americans can do to avert a political disaster, is to help "put the man in the White House who represents the hope of all nations on this planet."

Other speakers at the conference included:

Congressman Carlos Rivas Dávila from Peru, formerly Peru's economics minister, provided a wealth of detail on why the IMF's policies are insane, and expressed deep appreciation for LaRouche's ideas. "These ideas, no matter how they are persecuted, will not die," he said.

Webster Tarpley, president of the Schiller Institute in the United States, presented the history of British efforts since 1815 to destroy potential "American System" collaboration between the United States, Germany, and Russia.

Congressman Jorge León Díaz of Venezuela gave a first-hand report of the recent failed coup against the IMF's toady President Carlos Andrés Pérez, and emphasized that the even today Pérez is hanging by a thread.

Mustafa Sayam, national president of the Arab-American Congress, reported on the results of an Islamic conference held in January in Baghdad, Iraq, which called for lifting the genocidal embargo.

Srecko Felix Korpar, president of the Croatian Cultural Club in Olympia, Washington, denounced the malthusian oligarchy in New York and London which is backing the Serbian communists against the sovereign nation of Croatia.

Yue Wu, vice president of the Chinese Autonomous Workers' Union, reported on his undercover organizing mission to the Chinese mainland, and thanked the Schiller Institute for helping him to get back out of that country.

—*John Sigerson*

on Feb. 1. The letters are diverse. They express the viewpoint of the writer, spontaneously; and yet despite the great diversity in the contents of the letters, on two points, the overwhelming majority—I can say fairly probably, while all are favorable, 90% agree on these two points: that they are grateful and relieved, that someone at last, as a presidential candidate, on national television, has stated clearly and comprehensibly, and intelligibly, that the United States is in the worst state of depression—not a recession, but a depression—and has been for some time.

Secondly, they are relieved that someone, instead of mealy-mouthed proposals for a tax gimmick on this, or a health insurance gimmick on this, or some other gimmick, or pair of gimmicks, that someone has directly proposed a general economic recovery program based on the number of jobs which government direct intervention will cause to come into existence within a specified period of time, by the mobili-

zation of national credit to do so.

The response to that typifies—and 1,000 letters from such a broadcast is extraordinary—typifies the fact, that there is a potential majority immediately out there, willing to support such a proposal. If we can realize that result—and it's feasible, despite the tremendous opposition from the White House and similar quarters—then we can select a candidate of the Democratic Party who will act upon the policies which I have represented, defended, put forward; and in that case, what we here aspire to realize, can be realized, despite the tremendous adversity confronting it, and despite the many obstacles which seem to prevent its success.

I regret that Fred Wills is not here to continue the fight for this cause; but I am glad that we assembled here have the honor of honoring his struggle in this behalf by continuing it, so that, in a sense, one might see a smile pass across his lips, even as he lies in the grave.

Malthusian named to U.S. post in India

by Lydia Cherry

Indian and U.S. press outlets report that Thomas Pickering, one of the top architects of malthusian anti-technology policy, and now U.S. ambassador to the United Nations, will become the new U.S. ambassador to India. The *New York Times* acknowledged that Pickering is a heavy hitter for the post, but added that the appointment “would place him at the center of what may be the next focus of nuclear non-proliferation efforts by the United States.” In recent testimony, the chairman of the House Armed Services Committee, Rep. Les Aspin (D-Wisc.), used India to argue for a U.S. policy of using military strikes to stop Third World countries from developing nuclear weapons. He noted that India’s defense minister, when asked what lessons one should draw from the Gulf war, had responded: “Don’t fight the United States unless you have nuclear weapons.”

Pickering was educated at the Fletcher School of Law and Diplomacy, the oldest graduate school of diplomacy in the United States and a major source for recruiting U.S. intelligence operatives who work under diplomatic cover. He holds the rank of career ambassador, the highest in the Foreign Service. One of the more striking characteristics of the Bush administration is the extent to which top foreign policy posts are staffed either by career CIA or career State Department intelligence officials with long-standing ties to the CIA. Pickering is no exception.

In his various assignments since the 1970s, Pickering has been on the ground floor of the drafting and experimental phases of the policies that have come to be known as the hallmark of George Bush’s “new world order”—technological apartheid and depopulation. During 1973-74, he was executive secretary in the U.S. Department of State and a special assistant to Secretary of State Henry Kissinger. In 1974, while doubling as the President’s National Security Adviser, Kissinger supervised “National Security Study Memorandum 200: Implications of Worldwide Population Growth for U.S. Security and Overseas Interests.” The primary concern of this report, recently declassified, was that the continued population growth of the “less developed countries” would increase the political, economic, and military power of several of these states, at the expense of the power of the Anglo-American oligarchy. Thirteen countries were targeted as such

threats—India at the top of the list.

During the late 1970s, Pickering became assistant secretary for Oceans and International Environmental and Scientific Affairs, and oversaw the drafting of the notorious *Global 2000* report. One of the group working under Pickering, Thomas Ferguson, Latin American case officer for the State Department’s Office of Population Affairs, perhaps best summed up the thinking of the *Global 2000* report: “We will go into a country and say, here is your goddamn development plan. Throw it out the window. Start looking at the size of your population and figure out what must be done to reduce it.” Ferguson said in an interview in 1981, “If you don’t like that, if you don’t want to choose to do it through planning, then you’ll have an El Salvador or an Iran, or worse, a Cambodia.”

The Iran-Contra connection

In 1983, Pickering was named ambassador to El Salvador, a country which some researchers believe was picked for a conscious depopulation project of unending wars. In 1985, he was shifted to Israel where he remained until he was selected for the plum post of permanent representative of the United States to the United Nations in 1989. As has been documented in the context of hearings on the Iran-Contra scandal, El Salvador was a base of operations to illegally supply the Contras. Israel was the go-between for the U.S. government to get the hostages out of Iran. By virtue of Pickering’s position, he had to be privy to the various negotiations surrounding these actions. He kept his mouth shut during the entire Iran-Contra affair.

At the United Nations, Pickering oversaw the tightening of Anglo-American control over the world body. Speaking Nov. 11, 1989, the ambassador noted some of the directions in which the U.N. must move. He said he saw the environmental question, “aggravated by population growth,” as one of the key issues in which the U.N. must take the lead. In the Gulf war, Pickering played a key role in forging the “new world order” coalition against Iraq, putting tremendous pressure on dissenting nations to support the sanctions and military actions. In early Fall 1991, prior to the opening of the U.N. General Assembly, Pickering convened all the ambassadors from around the world to tell them what would please and what would displease the new head of the unipolar world. The list of priorities included the demand that the Zionism Is Racism resolution be repealed—which by mid-December was accomplished. Iraq was to remain isolated, the ambassadors were told.

In April 1991, Pickering proudly characterized as a “precedent,” the fact that the U.N., under his direction, demanded that Iraq destroy stocks, research facilities, and materials which could be used to build chemical, biological, or nuclear weapons. It was made clear that Iraq was to not only have no sovereignty, but also no fertilizer, pharmaceuticals, or advanced energy systems; that it was to continue to starve and die of disease.

One worldists gear up for Earth Summit

by Kathleen Klenetsky

Over a thousand proponents of an environmentalist world order descended on Washington, D.C., Feb. 6-9 to set strategy for the Earth Summit, known officially as UNCED (the United Nations Conference on Environment and Development), which opens June 1 in Brazil.

Sponsored by a host of environmentalist and one-worldist NGOs (non-governmental organizations accredited by the U.N.), including the World Federalist Association, the United Nations Association of the U.S.A., and the Alliance for Our Common Future, the Second Global Structures Convocation focused primarily on what kind of supranational arrangements would have to be put in place to achieve the "sustainable development" model expected to be approved at the Earth Summit.

The meeting's immediate tactical purpose was to lay out an NGO lobbying campaign for the fourth UNCED preparatory meeting in March, where the final decisions on the Rio agenda and its ultimate results are supposed to be made. Attendees were encouraged to step up pressure on participating governments to adopt measures that would force compliance with whatever environmental goals are set at the Rio meeting, with a view toward creating a global environmental enforcement apparatus.

Global green government

Conference speakers made no bones about their intentions. Hilary French of the Worldwatch Institute declared: "We must have a vastly strong environmental government. It is essential to enforce action on global warming." That view summed up the theme of the conference.

At a Feb. 7 press conference held to discuss the meeting's goals, John Anderson, president of the World Federalist Association and former Republican presidential candidate, asserted: "We need [environmental] enforcement machinery. This must be agreed to at the global meeting in Brazil." He was seconded by Vladimir Petrovsky, first deputy foreign minister of the Russian Federation, who stated, "A code of environmental conduct is particularly important. We must establish requirements for all nations."

Similar views were also voiced by U.S. State Department representatives, including Ambassador Bob Ryan, one of the chief U.S. UNCED negotiators. "We must have in place, after UNCED, the proper institutional structures to implement Agenda 21 and other Rio results," he asserted. "There is nothing more important than that

result—the institutional framework."

Keynote speaker Russell Peterson, the former head of the Council on Environmental Equality and the National Audubon Society, told conference participants that they must "focus on how we implement the findings of the Rio conference. . . . Strengthening international laws and institutions is essential" to reversing the "escalating threat to the world environment and build[ing] a sustainable way of life."

He warned Americans not to "let the U.S.'s current economic problems distract us" from completing the "environmental enlightenment." America's economic collapse "is a minor problem, when viewed from a long-range global perspective," he said. Peterson urged his audience to "work toward the World Constitutional Convention for 1995," which would finish the work on developing supranational ecological institutions begun at UNCED.

The 'environmental revolution'

Just what kind of environmental program these supranational institutions will administer was described by Lester Brown of the Worldwatch Institute, who predicted that the most important outcome of the Rio conference will be the "recognition that environmental problems today are global and can only be solved" on an international level.

Posing the question, how do we create a sustainable world, Brown replied that it will be necessary to phase out fossil fuels and do away with all nuclear power, and to stabilize world population, which means "dropping to replacement level fertility [of] two children per couple."

Brown said that tax policy will be a "key policy instrument" in achieving "sustainability." "We're calling for replacing the income tax with environmental taxes," including a tax on all carbon use, he said. "We would tax such things as carbon emissions, the generation of hazardous wastes, the use of pesticides, the use of virgin raw materials, as opposed to recyclable materials."

"When we talk of the changes needed" to move toward sustainable development, it seems to me we are talking about one of the biggest economic and social transformations in human history. The environmental revolution will be comparable in scope to the industrial and agricultural revolutions. The agricultural revolution set the stage for enormous human population growth. The environmental revolution . . . will set the stage for the stabilization of world population size."

The looniest presentation at the conference came from Jeremy Rifkin, the former student radical turned Wharton School economist and environmentalist guru. Strutting through the audience, microphone in hand, like a hippie version of Jimmy Swaggart, Rifkin urged a "leap of consciousness by an entire generation, where we think of ourselves as a species housed among many other travelers in the Earth kingdom." Rifkin announced that he will soon be launching a "beyond beef" campaign, to drastically curtail the number of cattle in the world.

Tsongas: the Vault's kooky candidate

by Kathleen Klenetsky

With backing from "the Vault," the financial institutions which form the power base of the elite Boston Brahminite, Democratic presidential candidate Paul Tsongas managed to mount a come-from-behind campaign to emerge victorious in the Feb. 18 New Hampshire primary.

According to exit polls, Tsongas's main attraction was his ability to offer specific ideas about the economy. Ironically, it is his economic proposals which reveal why a Tsongas presidency would mean a continuation of the same failed economics that brought the country to ruin during the Reagan-Bush years.

Since entering the race last April, the former U.S. senator from Massachusetts has campaigned as "pro-business" and "pro-growth," and has denounced the other Democratic candidates for their "Twinkie economics." In his 86-page presidential platform, "A Call to Economic Arms: Forging a New American Mandate," Tsongas asserts that the erosion of America's manufacturing base is "the issue" of the campaign. "An ever less competitive manufacturing base inevitably means cataclysmic erosion of our standard of living," he writes. "If we were reduced to just flipping hamburgers and exploiting our raw materials, we will have an economy, but it will be a diminished economy of decline and defeat."

That is true enough, but Tsongas's specific proposals for reversing the U.S. industrial collapse fall miserably short of being able to achieve his stated goal of a new industrial revolution. It is indicative that Tsongas talks incessantly about the need for "free trade," and staunchly supports the North American Free Trade Agreement (NAFTA), which will cost the United States millions of industrial jobs.

Tsongas's chief economic prescription calls for the government to extend a tax credit to those who invest in long-term securities, without specifying that these securities must be attached to productive activities. Without such a qualification, it would be impossible to ensure that those receiving his proposed tax credit would put their money into enterprises that contribute to increasing the productive powers of the U.S. economy. More significantly, nowhere does Tsongas discuss the crucial issue of credit-generation, nor the need to put the Federal Reserve System under the control of Congress, so that it could be made to function as a National Bank in the tradition of Alexander Hamilton.

Tsongas's silence on such issues may seem strange, until you consider a few salient facts, such as the years he spent

as a highly paid lobbyist for Drexel Burnham Lambert, the investment firm that pioneered "junk bonds" before it went bankrupt and one of its principals, Michael Milken, landed in jail for fraud. Tsongas worked for Drexel Burnham as part of his duties at the white-shoe Boston law firm Foley, Hoag, and Eliot, which handles business for various components of the Vault.

What makes Tsongas's pretense to being the candidate of economic growth even more ludicrous is his environmentalist zealotry. A paid lobbyist for the Sierra Club, Tsongas in his platform boasts that, while a congressman, he chaired the first hearings on global warming in June 1977. "Global warming and the depletion of the ozone layer . . . deserve the highest level of attention and concern," he maintains. The United States must take global leadership in establishing a "recycling ethic" and in imposing a tax on the use of all raw materials, while maximizing the use of "solar, wind, hydro," and other "renewable" energy sources.

Tsongas maintains that it is essential to strive for a "global equilibrium" between economic development and supposedly finite resources. He writes, "Nothing would serve the cause of environmental equilibrium as much as population control."

With this sort of pathological hatred for humanity, it hardly comes as a shock that Tsongas, who resembles an aging baby seal, recently hired out as a lobbyist for several "animal rights" organizations, including the Humane Society of the United States, which opposes the use of animals for food and in medical research—the same medical research which enabled Tsongas to beat cancer.

A 'new world order' advocate

Anyone who looks to Tsongas for a moral alternative to George Bush's "Pax Americana" will be disappointed. Tsongas pokes fun at Bush's new world order, but his main complaint seems to be that not enough other countries are joining with the United States to destroy the Third World.

The world requires "true collective security," says Tsongas, which means "true collective burden sharing." He cites the experience of the Gulf war as a "step in that direction," but one that fell short of the ideal because countries such as Germany only reluctantly participated in the U.S.-led coalition.

"The Germans say that they want to devote their resources to reincorporating East Germany. We should say enough! They have vital interests here. They cannot be allowed to obviate their clear responsibilities by hesitantly providing contributory funds under duress. They are doing only what they have to in order to quell American public outrage. There will not be a new world order until and unless other major countries are prepared to invest the blood of their sons and daughters and the wealth of their treasuries in the duties of the peacekeeper. Our actions must force this new world order."

Pentagon plans for more regional wars

by Leo F. Scanlon

The annual debate over Department of Defense spending plans has been given an unusual spin by the release of classified “war game” scenarios which are used to build the budgetary plans of the Pentagon. The seven scenarios, and the budget they support, have been widely criticized as a Pentagon attempt to continue Cold War funding levels in the “post-communist” era; in fact the scenarios are linear projections of George Bush’s “new world order” fantasies, and are as clear an indictment of those policies as one may find.

The scenarios, developed under the direction of Undersecretary of Defense for Policy Paul Wolfowitz, address potential conflicts in different regions. They are being used to shape the inter-service debate over alternative weapons systems, and are draft documents, normally attached to the Defense Planning Guidance.

These scenarios are the expression of a policy shift articulated by George Bush and British Prime Minister Margaret Thatcher at Aspen, Colorado in June 1990. As the following summary shows, this military policy leads only to chaos and wars that the United States will not win.

First is a **European** crisis, which involves a U.S./NATO military response to a Russian threat to Lithuania. The “out of area” NATO deployment proposes the use of the rapid reaction corps of 24 divisions, 70 fighter squadrons, and 6 carrier battle groups to confront 18 Russian and 6 Belorussian divisions which have seized portions of Poland and Lithuania. The scenario asserts that Russian forces will not use nuclear weapons, an assumption contradicted by recently released planning documents of the Red Army discovered in Germany. The crisis is precipitated by the collapse of current reform efforts and the consolidation of an authoritarian regime in Russia—precisely the likely outcome, if current Bush administration policies continue.

A scenario for the **Middle East** begins with the assumption that U.N. sanctions are still in place against Iraq in 1995, but have slackened enough to allow military rearmament with surplus Russian weapons. The explosive mix erupts in a conflict which involves a replay of the recent slaughter. It is noteworthy that this scenario presents the genocidal sanctions as a long-range policy, which does not affect the ability of Iraq to arm itself. This is quite in line with Bush

administration actions, which make a lot of noise about stopping “weapons of mass destruction,” even while they fuel a conventional arms race in the region. That such a scenario is even remotely plausible, serves to indict the Bush administration’s use of starvation and disease to force the Iraqi population to create a government acceptable to Washington.

A crisis in **Panama** is precipitated when “right-wing police” and “narco-terrorists” based in Panama and Colombia seize the Panama Canal and threaten American military personnel and civilians. Again, the leading feature of the theme is chaos, provoked in this case by the disintegration of a government which was created by the Bush administration.

The imperial arrogance extends to the **Philippines**, where a scenario predicts that another U.S. puppet government disintegrates in the face of a resurgent New People’s Army.

It is not hypothesized who might be funding the “anti-American” insurgencies in **Asia**, and except for the possibility that North Korea might invade South Korea, no real assessment of the prospects facing China or Japan is presented in those scenarios which have been leaked so far. Although George Bush’s friends in Beijing are not mentioned, the scenarios do include the possibility that a nameless superpower develops into a “resurgent/emergent global threat,” or “REGT,” and initiates a prolonged global war. Significantly, that scenario is the only one for which there is no outcome favorable to the United States.

‘The biggest killer on the block’

The planners using these scenarios will build a military which is not designed to defend the United States or its allies, but one which is intended to intervene into these crises as a primary aspect of foreign policy. Rep. Les Aspin (D-Wisc.), the chairman of the House Armed Services Committee and a leading saboteur of the original Strategic Defense Initiative military strategy, has emphasized that U.S. policy must be premised on a willingness to carry out “preemptive intervention” into Third World countries which achieve a technological sophistication sufficient to challenge U.S. conventional military technologies. Aspin is reported to have gloated to a group of NATO strategists in Munich recently that this threat will deter, because the U.S. is certified as “the biggest killer on the block.”

The policies which have brought the country and the military to this sorry state pre-date the Cold War, and actually are a continuation of the pattern established at Versailles in 1919: the creation of political alliances, backed by military might, to defend a world power system based on usury.

Chief of Staff of the Army Gen. Gordon Sullivan recently wrote in the *Washington Post* that military conflict could be caused by “unfair or governmentally restricted competition for resources and markets that threatens our economic well being.” The International Monetary Fund’s austerity conditionalities and the Bush free trade dogma will guarantee just those conditions.

Senate Dems demand Bush attend 'Earth Summit'

Democrats are putting increasing pressure on President Bush to attend the "Earth Summit" in Rio de Janeiro, Brazil in June. A resolution to that effect had been sponsored by Sen. Albert Gore (D-Tenn.), and it has received strong support from Senate Majority Leader George Mitchell (D-Me.).

Some Republicans also want Bush to highlight his environmentalist agenda. Sen. Larry Pressler (R-S.D.) introduced an amendment on Feb. 20 that stops just short of demanding that Bush attend the Earth Summit. In it, he calls on the Congress to declare June 5 "World Environment Day" and urges the President to issue a proclamation calling on the people of the United States to observe the day "with appropriate ceremonies and activities." The Pressler joint resolution also calls on President Bush to "take a strong leadership role" in the upcoming Rio summit.

Committee hears proposal of former Soviet scientist

In testimony before the Veterans Affairs, Housing, and Independent Agencies subcommittee of the Senate Appropriations Committee on Feb. 21, former Soviet space administrator Dr. Roald Sagdeev called for cooperation in space programs. The hearings were called by subcommittee chairman Barbara Mikulski (D-Md.) to explore the U.S. purchase of space assets from the Community of Independent States (CIS), and other means of cooperation with institutions in the former Soviet space program.

Sagdeev warned that "timidity and wasting time could lead to irreversible loss of Soviet space assets, disintegration of enterprises in space technology, [and a] 'brain drain' of world-class space engineers, scientists, and

technicians to different areas of industry and business, mostly within the former Soviet Union."

Congress has been encouraging NASA to speed up the purchase of Soviet space equipment to try to "save" money. Sagdeev, however, discouraged attempts to utilize the relatively cheaper Soviet technology.

Sagdeev supported developing joint U.S.-CIS space projects to keep the former Soviet program alive, but said that the backwardness of Soviet electronics makes their satellites "incapable to compete on international markets." Promising areas of cooperation, Sagdeev said, were to combine Soviet rocket mass-production techniques with superior U.S. electronics and other component designs for a superior and cheaper product.

New energy bill: compromise and hodgepodge

The Senate passed the National Energy Security Act by a vote of 94-4 on Feb. 19 after intense lobbying by environmentalist groups helped kill an earlier version of the bill that would have opened part of the Arctic National Wildlife Refuge in Alaska to oil drilling.

The bill is a hodgepodge of compromises between the powerful environmentalist lobby and pro-industry groups which have been hard hit by the depression and the demands of the Clean Air Act.

The bill facilitates the procedure for obtaining a federal license to build a nuclear power plant, and expedites federal approval of natural gas pipelines.

But in other respects, the bill favored environmentalist interests. It would require millions of cars and trucks in commercial and public fleets to run on fuels other than gasoline beginning in 1995, and contains numer-

ous amendments which call for more "energy efficiency" and the use of "renewable resources," with solar-power cells being added to the list of "alternative fuels" permitted in vehicle fleets.

The bill also sets tighter efficiency standards for commercial heating and air-conditioning equipment. Sen. Timothy Wirth (D-Colo.) said the bill "represents a sweeping commitment to energy efficiency"—and will impose further punitive costs on production.

Greenspan tries to 'talk up' economy

Federal Reserve chairman Alan Greenspan said that he was "more optimistic" about the economy than he had been only a few weeks ago, claiming that he was "beginning to see stirrings" in the bleak economic picture, in testimony on Feb. 19 before the House Subcommittee on Domestic Monetary Policy. His statements, however, seemed more designed as an attempt to re-elect George Bush.

Greenspan alleged that there has been a "modest improvement" in new orders for manufactured goods, faster expansion of the money supply, and better retail sales. Greenspan also pointed to the fact that "core inflation rates are falling," much of which has been due to the collapse of the economy—and of prices—rather than to the Fed's lowering of interest rates.

Adams tries to revive population control funding

Sen. Brock Adams (D-Wash.), the co-sponsor with Sen. Barbara Mikulski (D-Md.) of a stalled amendment to force the United States to fund international population assistance pro-

grams, is making a renewed attempt to breathe life into the legislation.

The original amendment was tagged on to last year's foreign aid bill, which has become bogged down in committee. Adams called on Feb. 20 for bipartisan support to review the proposal as a separate piece of legislation.

'Time running out' on Israeli loan guarantees

The Bush administration failed to achieve an agreement with Israel over its policy of establishing settlements in the Occupied Territories, the major impediment to U.S. attempts to broker peace talks in the region. At a meeting between Secretary of State James Baker III and Israeli Amb. Zalman Shoval on Feb. 21, both sides agreed to disagree.

Sen. Patrick Leahy (D-Vt.), head of the Appropriations subcommittee responsible for foreign aid, warned Baker that "time is running out" for Congress to act on the Israeli request for loan guarantees needed to settle the Soviet Jews immigrating to Israel. Baker was willing to allow Israel to finish the 6,000 housing units under construction in the territories, but called for a freeze on new construction. The Israelis countered by saying that they would not use the loan guarantees for settlements in the Occupied Territories, but would reserve the right to continue building settlements there.

Leahy told Baker on Feb. 21 that he would wait only a few days before acting on his own to introduce "a very tough, dollar-for-dollar accounting and deduction" for any Israeli construction activity in the territories since Jan. 1. The Leahy formula would forbid using U.S. funds "directly or indirectly" for settlements, and make all U.S. loan guarantees

subject to cancellation if Israel starts any new construction.

If he can't get majority backing on the subcommittee, Leahy said he would "forget the whole thing" and not propose a bill. This would leave foreign aid expenditures to be funded through a continuing resolution, which would effectively place the loan guarantees in a state of limbo for the coming year.

Aspin seeks to 'preempt' nuclear proliferation

In his fervor to whittle down U.S. military capabilities, House Armed Services Committee Chairman Les Aspin (D-Wisc.) is simultaneously gearing up to prepare U.S. military forces for future forays into Third World countries under the umbrella of preventing "nuclear proliferation." In a policy paper entitled "From Deterrence to Denuding" issued Feb. 18, Aspin pinpoints the proliferation of nuclear weapons to Third World countries as the number-one strategic danger to the United States.

Concurring with the Bush administration policy of technological apartheid toward Third World countries, Aspin targets four countries which he believes to have nuclear weapons or the ability to assemble them on short notice: India, Israel, Pakistan, and South Africa. He also refers to a number of other countries which, he claims, are either pursuing nuclear capabilities or have done so in the past: Iraq, North Korea, Libya, Iran, Argentina, Brazil, and possibly Algeria.

In the case that a country is not prepared to meet U.S. demands to eliminate a particular nuclear program, Aspin recommends the use of force to "preempt" them from becoming a nuclear power. "We must confront and work through together the

prospect that force may be the only way in some instances to stop proliferation of nuclear weapons," said Aspin. "If future leaders like Saddam Hussein are intent on developing nuclear weapons, and have a relatively advanced economy to support that effort, the choice that is presented to us may be stark: use force to put a halt to the nuclear program, or welcome a new member to the nuclear club."

It is clear that Aspin prefers the second alternative. "The United States will have sufficient non-nuclear military forces in the future to employ force unilaterally against Third World proliferators," he said.

Annunzio objects to Bush policy on Azerbaidzhan

Rep. Frank Annunzio (D-Ill.) warned on Feb. 20 that the Bush administration, despite clear statements from the administration regarding Azerbaidzhan's flagrant violation of human rights in its attempts to annex the Armenian enclave of Nagorno-Karabakh, was preparing to move for "unprincipled recognition" of the republic.

"Instead of requiring that Azerbaidzhan demonstrate a respect for human rights and the willingness to establish democratic institutions, the secretary of state visited Azerbaidzhan last week and indicated that the United States would soon establish full diplomatic relations."

Since then, Annunzio added, the Azerbaidzhanis had launched a major military offensive against Nagorno-Karabakh. "By abandoning any standards or expectations for United States recognition," Annunzio said, "the administration has given the green light to Azerbaidzhan to unleash this most recent, and most destructive, wave of aggression against the population of Karabakh."

National News

Bush tax dodge enters bankruptcy

The Houstonian Hotel, in Houston, Texas, which George Bush maintains as his official residence for voting and tax purposes, has filed for Chapter 11 bankruptcy reorganization.

According to press accounts, the Houstonian Hotel leases President Bush a suite at a discount price and charges him only for the days he is in town. The rest of the year, the suite is left vacant and the hotel takes the loss. This allows Bush to avoid Washington, D.C. and Maine income taxes. Texas has no state income tax.

Judge in LaRouche case cited for bias

Attorneys for Lyndon LaRouche, William Wertz, and Edward Spannaus filed a petition for a writ of mandamus with the Fourth Circuit Court of Appeals Feb. 19 asking that the court remove Judge Albert Bryan, Jr. from hearing a 2255 motion of LaRouche, Wertz, and Spannaus.

The 2255 motion, filed on Jan. 22, seeks to vacate LaRouche's 15-year sentence because his conviction and detention were unlawful. Based on new evidence, it charges that the prosecution acted "illegally and wrongfully" to convict LaRouche and his associates "by engaging in outrageous misconduct, including financial warfare."

The petition was filed because Bryan refused to remove himself when the 2255 was originally filed. Under federal law, 2255 motions are referred to the judge who originally presided over the trial.

The petition before the Fourth Circuit charges that Bryan has already pre-judged the issues presented in the 2255 motion. The petition states, "Judge Bryan's response to the Spannaus allocation revealed his immutable prejudice concerning this subject matter. Judge Bryan rejected 'this idea' that the prosecution was politically motivated as 'arrant nonsense.' Further, he declared 'the idea that this organization is a sufficient threat to anything, that would warrant the

government bringing a prosecution to silence them, just defies human experience.'

"The petitioners' motion for collateral relief contains an abundance of new evidence showing that the government did target the petitioners. Yet, the judge sitting on the motion has already expressed a biased and intractable opinion on the issue. The very idea of ascribing any improper motive to the prosecution is rejected at the threshold as 'arrant nonsense.'"

LaRouche scores Bush for ozone fraud

Democratic presidential candidate Lyndon LaRouche on Feb. 23 attacked George Bush's formal decision to speed up the phase-out of chlorofluorocarbons (CFCs) by 1995 as a "campaign stunt."

"It has been just recently leaked through European press that NASA officials were very discontent with the distorted picture presented by NASA alleging a sudden increased depletion of ozone in the atmosphere. This was faked," LaRouche said.

"The story is that Bush was trying to get close to the hard-core environmentalists by taking this kind of official position—a fraudulent one, but an official one—on the ozone situation.

"The fact is, the ozone hole in Antarctica has existed for at least hundreds of thousands of years, and probably billions of years, and has not significantly increased in size, during the winter months when it develops, over millions of years, that is, if you take 30-year Sun cycles. The same average level of ozone hole is there as, say, 100 million years ago, or less, perhaps.

"The ozone hole was discovered in 1956-57 as part of the Geophysical Year experiments by a scientist called Dobson from Oxford University in England. That was before CFCs were in general use. In 1986, a fellow from Cambridge University, just down the street from Oxford, pretended that *he* had discovered the ozone hole in Antarctica, 30 years later than the actual discovery. He measured the discovery—obviously—in Dobson units!

"So everyone says, 'Ah, the ozone hole developed in 1986, and it was caused by CFCs.' It was discovered in 1956, before

the use of CFCs, and has been in existence through the action of sunlight and lack of sunlight during the winter months for millions of years.

"So much for Dan Quayle and George Bush."

Businessman points to 'environmental dividend'

The hundreds of billions of dollars that industry will have to spend to meet environmental regulations should instead be used as an "environmental dividend" for the economy, Charles DiBona, head of the American Petroleum Institute, told the Economic Club of Detroit on Feb. 18.

DiBona stated that the nation could save 30% of these hundreds of billions, more than the projected so-called "peace dividend." The only action required, he said, would be to get rid of the regulations in the Clean Air Act amendments, which have been promulgated through the "misuse of science, particularly the use of distorted risk assessments; a cavalier attitude toward costs; the constant use of command-and-control regulation; and the legalistic complexity of the system."

DiBona attacked the Environmental Protection Agency's linear extrapolation from animals to humans of the effect of massive doses of chemicals, and the method of multiplying minuscule risks together until one gets a large, scary number. Taking these hundreds of billions of dollars out of the economy and industry while ignoring the economic impact "is an immoral course of action as well as an inefficient one," DiBona stated.

Hate crimes level holds steady in New York

Despite the best efforts of the Anti-Defamation League (ADL) and their allies in the media, the New York City police report that the number of "hate crimes" there has held steady over the last four years, at about 540 reported incidents per year.

William T. Wallace, head of the Bias Crimes Unit, told the Feb. 18 *New York Times* that the number of such incidents is actually falling. "People say 'I don't remember it this bad,' how could they remember? We didn't count these crimes years ago. Why were there all those civil rights marches if things were so hunky-dory in the good old days? In all probability, there were more bias crimes 30 or 40 years ago," Wallace said.

The *Times* pointed out that in most of the so-called bias incidents, there is so much ambiguity about motivations that the statistical information is virtually useless. An enraged father of a girl raped in an incident which was characterized as a bias crime told the *Times*, "In my days good guys were good guys and bad guys went to jail. This bias nonsense is clouding a lot of issues. You do the crime, you do the time."

Included in the statistical base of the bias crimes are anonymous letters and phone calls reported by the purported victims, and outright hoaxes, such as one typical case where school children reported being chased by gangs of different ethnic groups, then later admitted that they made the story up as an excuse for being late for school.

Teller: Be generous in helping Russia

Dr. Edward Teller called for the United States to be generous in helping Russia, in a commentary in the Feb. 23 *Washington Times*.

"If the cold war was indeed a war, it should be acknowledged that the Russians did incomparably less damage to the American people than the Nazis or Japanese," Teller said in arguing that aid is "urgent." "I cannot be accused of having favored the Russians in the past," he said, noting "some may even think of me as Dr. Strangelove." However, we are at a turning point, and there is an opportunity that cannot be missed, he said.

At the same time, the Feb. 17 edition of *Aviation Week and Space Technology* warned that President Bush is failing to address the crisis in the East, in an article headlined "President Bush's Abdication." *Aviation Week* wrote: "Bush's failure to lead the

West through the crisis spreading across the former U.S.S.R. is obvious to everyone, it seems, but the President himself. One need only recall his near-superhuman effort in assembling the coalition against Iraq to realize the magnitude of his abdication." The magazine blasted a "befuddled" administration that "has defaulted" in putting together serious aid and support for the republics of the former U.S.S.R.

The magazine foresees that "the U.S. may be torn apart over how democracy was doomed in the Commonwealth and eastern Europe despite trillions spent in winning the Cold War."

Deportation ending political refuge in U.S.

The U.S. government has handed Joseph Doherty, a member of the Irish Republican Army who has been fighting deportation for eight years while being held in U.S. prisons, over to the British. The case raises the issue of whether the Bush administration has abandoned defense of "political refugees" in favor of political expediency.

A federal judge ruled in 1985 that Doherty could not be extradited because the killing of a policeman of which he was accused, was a "political offense," and thus extradition was barred by treaty law. The Justice Department then sought to deport, rather than extradite, Doherty. When Doherty asked to be sent to Ireland rather than Britain, the Justice Department said this "would be injurious to our relations with the United Kingdom."

On Jan. 15, in an opinion written by Chief Justice William Rehnquist, the U.S. Supreme Court overturned a decision by a federal appeals court which had said that Doherty was entitled to a new immigration hearing to argue for political asylum. The Rehnquist ruling upheld an action by former Attorney General Richard Thornburgh which had denied the hearing.

A few weeks ago, John Cardinal O'Connor of New York asked the Bush administration to grant a political asylum hearing to Doherty, saying that "justice must take priority over politics," even though the U.S. government wanted to "accommodate an ally," i.e., Great Britain.

Briefly

● **THE BOY SCOUTS** of America has renewed the charter of a San Diego troop which announced that it would accept homosexuals as scouts and leaders in defiance of the organization's national policy. The national organization says its decision does not represent a change in policy since the troop has not yet inducted a homosexual.

● **JOHN FROHNMAYER** has resigned as head of the National Endowment for the Arts, in a move attributed to pressure brought by Pat Buchanan. Since George Bush appointed him in 1989, Frohnmayer has been attacked for funding sexually explicit "art."

● **DEPUTY SECRETARY** of State Lawrence Eagleburger praises the advance of market economy in Slovenia but rejects diplomatic recognition, was the message delivered to Slovenian Foreign Minister Dmitri Rupel, who began talks in Washington, D.C. in February. At the same time, the U.S. recognized Moldova, irrespective of any such criteria.

● **VIRGINIA**, with the new Health Care Decisions Act (sponsored by Del. Bernard Cohen of Alexandria), "may be on the verge of endorsing—with scarcely any debate—involuntary euthanasia," the *Richmond Times-Dispatch* warned in a Feb. 20 editorial.

● **MICHAEL BILLINGTON**, an associate of Lyndon LaRouche, petitioned the Virginia Supreme Court on Feb. 18 for the right to appeal his conviction for alleged "securities fraud" and his 77-year sentence, in a case involving \$76,000 in disputed funds.

● **SECRETARY** of State James Baker has said that there will be a July summit between Presidents George Bush and Boris Yeltsin, the Feb. 19 *New York Times* reported. Baker said he hoped the U.S.'s NATO allies would participate in an early-warning system that would house for NATO and CIS use intelligence from radar and satellite systems.

The sanctity of human labor

One of the most tragic elements of the present economic debacle—typical of all deep depressions—is the waste of human creativity. A ruthless ideology of cost-cutting comes to replace a civilized regard for the dignity and value of human life. This is seen in the increasing rationalization of moves to chisel from the elderly and rob the defenseless of life itself—whether by rendering them without adequate food and shelter or denying them adequate medical care, or even by outright murder (politely known as euthanasia or as “choice”).

More subtle but hardly less devastating in the long run, is the dismissal of men and women from their working lives. The obvious side of this is in the inability to put back together working teams with the same levels of efficiency—by simply rehiring new labor when there is an uptick in the economy. This is true even of teams of workers on the factory floor; it is especially so of the most highly skilled researchers working as scientists or engineers.

The point has been raised in a dramatic fashion about the potentially tragic loss—and not only to the peoples of the former Soviet Union—by former Soviet Space Administrator Roald Sagdeev, who testified about this before the U.S. Congress on Feb. 21. Sadly, it is equally true in the United States today, although probably still to a lesser degree. For example, it is expected that within the next four years approximately 100,000 jobs will be lost in the U.S. aerospace industry due to cutbacks in defense.

Surely no one would wish to keep the Cold War alive merely in order to provide jobs, especially when there is a crying need for the very same skills to be applied to building an advanced infrastructure on Earth and in space—from magnetically levitated transportation systems to hypersonic space vehicles. Shipbuilding, railroad construction, production of tractors—all of these are needed in a rational world. Indeed it is the case that there is a devastating shortage of just the kind of labor now being declared redundant by corporations such as General Motors.

But equally as important as the skills of these workers which are now being allowed to lie fallow, as they join the ranks of the unemployed or take jobs in service industries, is the concomitant destruction of a worth ethic. This is true most notably in the United States, but it is a problem of global proportions.

Creativity is not just the prerogative of the great artist or top scientist. Each and every one of us has the opportunity and the obligation to bring inventiveness and creativity to the tasks of life. It is this which establishes our special bond with the Creator.

A properly run factory fosters such a spirit of creativity by encouraging an interchange among workers and between them and the supervisory staff, about how to improve the process of production. In this way there is a continuity between the more mundane jobs and the research and development teams who develop the new advances in technology which they must apply. This is the basis for the kind of healthy identity with one's work which can produce a genuine sense of mission.

In the United States, such a sense of mission orientation was found most notably in the National Aeronautics and Space Administration. Symptomatic of a kind of rot in the fabric of national life in the United States today, is the fact that NASA Administrator Richard Truly has just been forced out of his job—not for pragmatic, economic reasons—but as a warning to the staff of NASA, that the Bush-Quayle administration will not allow mission orientation to stand in the way of practical politics.

NASA has been made a political football, in which rhetoric replaces serious purpose among Democrats and Republicans alike, and programs such as the Space Station are allowed to wither away, and the politicians will tolerate no opposition.

The de facto firing of Richard Truly is symptomatic of a country so sick that its President and vice president can still deny the seriousness of the present depression, while the lives of good men and women are destroyed in order to preserve the assets of banks.

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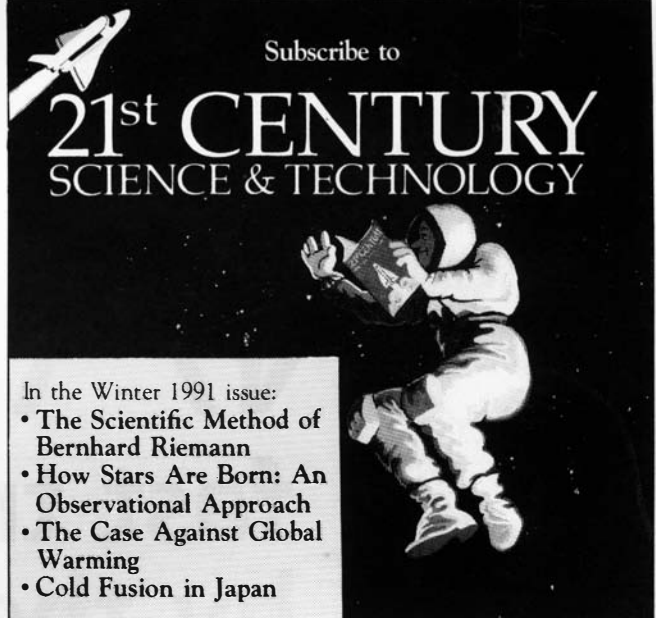
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Auschwitz below the border: Free trade and George 'Hitler' Bush's program for Mexican genocide

Right now, your congressman may be voting to authorize the Bush administration to negotiate a treaty with Mexico that will mean slave labor, the rampant spread of cholera, and throwing hundreds of thousands of workers onto the unemployment lines—on *both* sides of the border—all for the purpose of bailing out the Wall Street and City of London banks.

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