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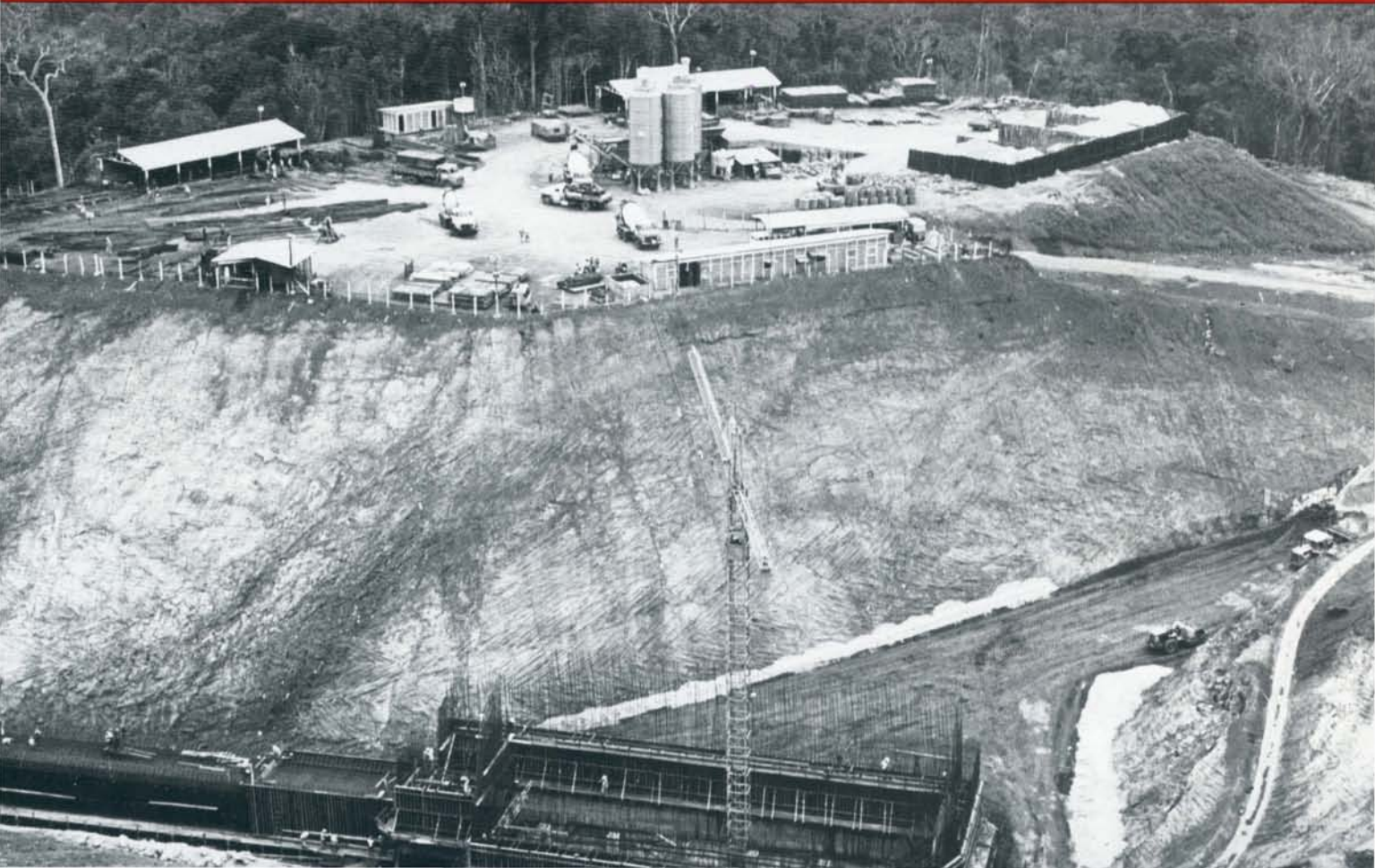
Executive Intelligence Review

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Is the spirit of the Malvinas reviving?
New Age invades biology textbook market

**An American statesman defends
Brazil's national sovereignty**



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From the Managing Editor

As we go to press, the explosion of racial violence which began in Los Angeles has spread to other cities, with the National Guard patrolling the streets and Army infantry troops on the ready for deployment to “riot control” at a moment’s notice. Lyndon LaRouche’s commentary on the situation will surprise you: The riots did *not* occur spontaneously, because the jury found police officers not guilty in the Rodney King case.

This week’s issue tells of quite a few disasters—natural and otherwise—that did not occur “spontaneously” either. From the gasoline explosion in a sewer line in Guadalajara, Mexico, to the flooding of downtown Chicago when the Chicago River broke through a tunnel built nearly 100 years ago, we are seeing the results of incompetent, criminal economic policies. The international bankers demanded that usurious debt repayments be put ahead of the requirements of the productive economy, including its infrastructure.

As LaRouche puts it in his interview with a Brazilian newspaper, “Honest debt should be treated honorably, and should be paid as possible. But you shouldn’t have to chop your children up into hamburger and sell them on the market to pay even honest debt.”

Yet we now see the republics of the former Soviet Union marching into membership in the International Monetary Fund, which is using Russia as the enforcer to squeeze more loot out of the other republics.

There are many people who have correctly identified some of the solutions that are needed. As we report, for example, the U.S. Conference of Mayors has assembled a list of the highest-priority infrastructure projects in this country, which are *ready to go now*, and would boost employment, but are stalled for lack of funding.

But where is the political will to implement such solutions? Where is the demand for an economic recovery program to heal the despair of those ghetto residents who are now striking out with fury and violence? Apart from the movement that LaRouche has built, it doesn’t exist. That is why LaRouche is such a threat to the establishment that they threw him into prison. As he says in his interview, “I have become, because I am the opponent of Kissinger and what he represents, one of the more controversial figures in the world today. I suppose that’s how I should be identified.”

Susan Welsh

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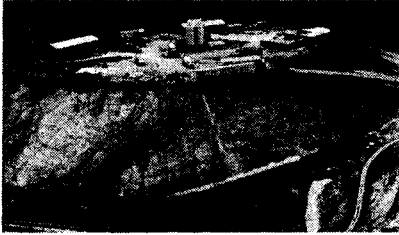
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Corrections: Our April 17 issue (p. 10) misidentified UNCED. It is the U.N. Conference for Environment and Development.

In our March 27 issue, "The World Needs More People" (p. 21) contained a miscalculation. If the world population were placed in Texas, the amount of land available for every family would be about one-fifth of an acre.

IMF, eyeing Russian loot, boasts of new imperial age

by Kathy Wolfe

The entry of Russia and 14 other republics of the Community of Independent States (CIS) into the International Monetary Fund and World Bank at the IMF Interim Committee meeting in Washington April 23-28 was heralded by IMF spokesmen as the beginning of a new IMF imperial order. Actually, it is the last gasp of the Versailles System, and the international bankers' vain hopes to loot the vast natural and human resources of eastern Europe to prop up for "just one more decade" the bankrupt world dollar debt structure.

The fall of the Soviet bloc has left the U.S.-led Group of Seven to rule the world via the IMF, proclaimed BBC economics correspondent James Morgan in the April 25 London *Financial Times*. "Quite unnoticed, imperialism is back in fashion," he writes, under a "new imperialism . . . orchestrated by the Group of Seven, the IMF, the World Bank," and GATT, the General Agreement on Tariffs and Trade. The "gospel" of the "New Imperialism" is "free trade," and the "vehicle by which the free-market gospel has been transmitted" is the IMF Structural Adjustment Program.

This IMF program involves the "total integration of the IMF and World Bank into the life of target countries. They have become involved in welfare programs to minimize the instability that could wreck the new order. A host of social instruments in these countries are organized by the new imperialists." The New Imperialists are promoting the World Bank's Global Environmental Facility, whose "purpose is to bribe developing countries into building non-polluting industrial projects: in other words, to prevent others doing what the industrial countries have done."

In fact, the IMF is in some trouble. IMF shock therapy policies have already led to enough economic and human disasters to have spurred revolt and near-revolt in Russia, Poland, Venezuela, Peru, and other countries.

Russia's monetarist Deputy Prime Minister Yegor Gaidar

flew to Washington just for the IMF event, and repeatedly pledged Russia to years of harsh austerity. Russian President Boris Yeltsin, however, told Interfax in Moscow April 28: "We do not want to work under the dictate of the IMF. We are not in total agreement with the IMF about everything, and we will defend our point of view."

"The methods of the IMF are never to dictate," IMF Managing Director Michel Camdessus was forced to respond at a crowded April 28 Washington press conference.

And, while the IMF Interim Committee press release April 26 announced that George Bush's \$24 billion IMF Russia "support plan" has been agreed upon by the industrial nations, Camdessus told the press that Russia would not actually be disbursed a cent, unless the Russian people were willing to tolerate far more austerity. He also said that the IMF has no money in any case, unless Japan, the United States, and others ante up over \$60 billion for the IMF's ninth round of quota increases.

British announce new empire

The IMF's Camdessus, British Chancellor of the Exchequer Norman Lamont, and their sidekick U.S. Treasury Secretary Nicholas Brady, in speeches to the Interim Committee April 27, were loud in proclaiming IMF world rule. "Today, we witness a far-reaching turning point in the history of the IMF and the World Bank," Brady told the meeting. "With the entry of the 15 new states of the former Soviet Union, the Bretton Woods institutions can, for the first time, be described as truly global. This major achievement can only strengthen the central role played by the Fund and Bank in the global economy.

"The battle of ideas has been won. Now we must make those ideas work in practice," he proclaimed.

IMF Managing Director Camdessus called the event "the

challenge of the day . . . the most important challenge for international cooperation since the end of the war. Indeed, what is at stake is much more than economics.”

British Chancellor Lamont made clear in his own Interim Committee speech, that the game is to prop up the existing bankrupt world debt structure with cheap loot from the former Soviet bloc. IMF programs in the former Soviet republics “will bring increased trading opportunities, with countries richly endowed with natural resources and with potentially vast markets,” he said.

Lamont proudly took credit for Britain for the IMF’s absorption (so far) of Russia and the CIS at a press conference April 28. “Today is a remarkable and historic day,” he intoned. “This was a process that began only nine months ago at the London Summit, and I would like to feel that the U.K. has played a very full part. We were the first G-7 country to propose full IMF membership. We have acted for them in these membership negotiations.”

Lamont bragged that he was personally responsible for flying Gaidar to the meeting from Moscow, making it clear that Gaidar and those who agree with his shock therapy plans are British agents. “I met Mr. Gaidar at breakfast yesterday and he has now asked me and Britain to continue to help Russia until the autumn. I am also looking forward very much to escorting him into the Interim Committee for the first time this afternoon.”

The *Washington Post*, meanwhile, reported April 28 that the first 20 of 1,000 Russian and other CIS economists have begun to arrive in London for training stints of at least six months in banking and industry at British financial institutions.

IMF doth protest too much

At every press conference, however, IMF Managing Director Camdessus was forced to deny the obvious: that IMF shock therapy programs are causing political chaos worldwide. At his opening news conference April 23, Camdessus was asked by *El Nacional*, Venezuela’s leading newspaper, about the fact that in “Latin America, recent events in Venezuela and Peru would indicate” that large masses of people are suffering from IMF austerity.

“Please, do not tell me the IMF has anything to do with recessionary policies,” Camdessus protested. “Inequalities existed in those countries before the IMF programs. Whatever the political difficulties and disturbances are, our strategies are correct.”

Venezuela, for example, “has taken very courageous measures and as a result the balance of payments has been reestablished, inflation was reduced,” he said. The Third World must realize that “no modern economy can exist without a modern tax system, without having the people paying,” Camdessus said.

At his April 28 closing press conference, the first question which hit Camdessus was about Russian President Yeltsin’s statements in Moscow hours before, rejecting “IMF dictates” (see article, page 8). No sooner had Camdessus protested

that charge, than he was asked about IMF responsibility for economic disasters in Poland and Peru. “Mr. Camdessus, you said that the IMF does not dictate to countries,” one reporter said, “but I’m wondering what lessons you’ve learned from the Polish shock therapy experience, which would lead to changes in that approach with Russia and the other republics?”

“In Poland, we have not dictated anything,” Camdessus protested. “I suggest putting the Polish experience into the right perspective. We had a standby arrangement with Poland, which was a great success in stabilizing the Polish economy, which allowed Polish exports to grow brilliantly.” Poland’s problems, he claimed, were entirely caused by the overall “collapse of CIS trade. Poland has lost a formidable part of its external trade. This is an external shock which has indeed required major adjustments, including in our program.” It was, Mr. Camdessus omitted to say, IMF-style shock therapy programs which enforced the shutdown of Russian and other CIS nations’ imports from Poland.

Next, Camdessus was asked whether the IMF could still do “business as usual with Peru,” where President Alberto Fujimori has conducted a government reform which threatens the IMF’s control over Peru’s economy. The IMF has just reviewed Peru’s IMF programs and so far, “things were in order,” Camdessus said, but the IMF is asking Peru to reverse the Fujimori reforms immediately. “It’s clear that the members of the IMF board,” he said, “were concerned about the consequences the recent events in Peru could have for the international support to Peru, which is a basic condition for the success and the continuation of the right IMF program. We have expressed this concern and a wish that a rapid return to a normal course of affairs in Peru would avoid the interruption of a program which so far has been implemented with determination.”

‘Weimar’ Russia?

The economics of what the IMF is demanding of Russia are horrific. Michael Mussa, director of the IMF Research Department, told the press April 25 that Russia needs an inflation-deflation shock plan like that imposed in Weimar Germany, which led to the rise of Hitler.

Under Gaidar’s shock therapy program, Mussa said, Russia now has 1,000% annual inflation, which will probably get worse. “We’ve had something like a 400% increase in the price level during the first quarter already,” Mussa said. “Now there’s going to be, as oil prices are liberalized and raised and so forth, there’s going to be some further inflation over the remainder of this year. But another 100% on top of 400% would produce 800% inflation; 100% would be a doubling of prices beyond what was seen in the first quarter.”

After this incredible inflation must come a sharp deflation, he said. “What we are really looking for in the Soviet Union [sic] is a reduction of the inflation rate on a monthly basis to the low single digits by the end of this year. That’s the program objective of the Russian authorities as well.”

Asked by a reporter if any country in history had ever gone from hyperinflation to "single-digit" inflation Mussa said, "Yes, a particularly dramatic instance would be the end of the great post-World War I German hyperinflation, where there was a currency reform in November of 1923 and the inflation rate was brought down really quite rapidly. . . . Yes, it is indeed possible to bring down the inflation rate quite rapidly."

All of this, Mussa said, has been decimating, and will further decimate the Russian physical economy. "Material product has been continuing to decline in Russia during the first quarter of this year at a quite rapid pace. And some further decline in output over the remainder of 1992, I would think, is more likely than not."

Third World hit the worst

The new IMF global dictatorship must also use its increased powers to completely crush national economies in the Third World, Camdessus, Lamont, and U.S. Treasury Secretary Brady said repeatedly. "You will not be able to do what you should do with the eastern European countries and the 15 CIS republics if you are allowing protectionist forces to be reinforced" in the Third World, Camdessus told the press April 25.

"Our task must be to create a global environment that supports the struggle to create market economies in the news states and in eastern Europe," Treasury Secretary Brady said in his April 27 Interim Committee speech. "We must not forget and we should continue to encourage the remarkable reforms taking place in much of the rest of the world: Latin America, Africa, and Asia. Countries which have adopted market-oriented growth strategies are now seeing better economic results," Brady lied.

The April 26 communiqué to the IMF Interim Committee by the "Group of 24" Third World nations headed by Ismaila Usman, Nigeria's finance minister, complained strongly about the IMF's new expansion. The G-24 are "angry and they are worried," one minister told reporters April 28, that the new expanded IMF empire in Russia and the CIS will mean that the Third World will be forced into last place and not be able to get a cent of credit. "They feel they have gone through a very difficult period, taken reform measures, and been pushed aside."

The G-24 communiqué "welcomed the forthcoming membership of the republics of the former Soviet Union. However . . . the transfer of resources and assistance to these countries should be additional, and not at the expense of financial and other assistance to other developing countries."

Camdessus made clear April 28 that the IMF is aware how badly the IMF-induced economic collapse in Russia and the CIS is already hurting Third World nations in Asia and Africa. "India is one of the countries in the world which has been more severely victimized by the dramatic fall of output in the former Soviet Union," he told the press.

IMF is behind the Guadalajara tragedy

by Hugo López Ochoa

All the propagandistic efforts of a decade to get Mexico to "modernize" and join the "First World" were overturned the morning of April 22, when a series of violent explosions caused by a massive gasoline leak from a facility of the state oil company *Petróleos Mexicanos* (Pemex) destroyed a 6-7-mile-long swath of Guadalajara, the capital city of Jalisco state. More than 200 people were killed, 1,800 injured, and an unknown number are missing. The explosions are the tragic result of 10 years of deterioration of Pemex's distribution infrastructure, due to lack of maintenance, a systematic disinvestment strategy, and the mass layoffs of qualified technical personnel because of the diversion of revenues into debt service.

The Anglo-American financial elite, which has been itching to get its hands on Mexico's oil for half a century, sees the Guadalajara disaster as an ideal opportunity to break through long-standing nationalist resistance on the question, and has already deployed its media mouthpieces, like vultures to a kill, to exploit Mexico's latest tragedy.

Physical and moral rot

Guadalajara not only reveals the deplorable state of collapse of Pemex's installations, but the moral rot and incredible corruption of the entire municipal, state, and federal apparatus which, with total contempt for the value of human life, refused to take proper measures for evacuation of the affected area despite warnings by the population at least five days prior to the explosions of strong gas odors. According to the report prepared by the federal attorney general's office, the gasoline spilled into the sewage system because the gasoline pipeline corroded after it had been mistakenly spliced with a water aqueduct installed by a private company five years earlier. The spilled gasoline reached depths of a meter which, for such an extensive area, had to have been leaking over several weeks. Indeed, Pemex technicians revealed to the weekly *Proceso* that they had detected the leak at least five weeks prior to the accident.

In the beginning, Pemex directors, municipal authorities, state Gov. Guillermo Cosío Vidaurri, and Urban Development and Ecology Secretary Luis Donaldo Colosio hurriedly tried to blame the accident on the cooking-oil company

La Central, for having supposedly dumped hexane waste products, which are highly explosive when combined with oxygen, into the sewer system. The authorities had gone so far as to shut down the company. Once the company's directors and several experts succeeded in proving that the fault was not theirs, and the population insisted that the problem was gasoline, the attorney general's office had no other choice but to lay the blame on the nearest culprits: four Pemex officials, Guadalajara's mayor, the local head of the Department of Urban Development and Ecology, the owner of the company which built the original aqueduct, and other minor functionaries.

Doubtless, all the indicted merit blame, but the attorney general covered up for the principal criminal: the International Monetary Fund.

Cheating on maintenance

The real story cannot be understood without referring to the fact that oil trade union leader Joaquín Hernández Galicia ("La Quina") was jailed in 1989 because he opposed the official policy of making Pemex more "efficient" through budget cutbacks and layoffs of qualified personnel. *EIR* has published the repeated warnings by that nationalist faction in the Pemex union to the effect that the economic policies being carried out, first by President Miguel de la Madrid and then by Carlos Salinas de Gortari, would lead to many tragedies like the Guadalajara disaster. "La Quina" intensified his warnings following a similar tragedy that hit Mexico City in 1984, causing more than 400 deaths.

Today, the national press is filled with reports of other, more minor accidents that have taken place in recent years across Mexico, and which point to new potential disaster areas today. The refrain is the same: lack of maintenance and personnel.

The most important figures to look at are these:

- Between 1981 and 1989, physical investment in Pemex fell 80% in real terms. As of 1990, Pemex initiated a five-year investment program of \$18 billion, according to financial director Ernesto Marcos Giacomán. But the 9.7 billion pesos planned for 1992 represent barely one-fourth of that invested in 1981!

- Since the jailing of "La Quina," Pemex has fired 130,000 union workers, leaving only 70,000 of the 200,000 that had existed. By the end of 1992, another 40-45,000 will be laid off as well, leaving a mere 25-35,000 work force. With such reduced labor power, and at significantly reduced wages and benefits, Pemex cannot possibly maintain the sophisticated levels of maintenance its distribution network demands.

- Official data indicates that between 1987 and 1991, Pemex paid 100 trillion pesos (more than \$33 billion) in taxes, against 113 trillion pesos in revenue obtained during that same period. According to analyst Arturo Bonilla from the National Autonomous University, "this proves that the

state company, rather than financing itself, is being brought to ruin in order to prop up the public treasury."

Without this tax burden, adds Bonilla, Pemex's internal and foreign debt—the latter reaching \$20 billion out of a total national foreign debt of \$104 billion—would not have grown so. This virtual absence of any investment has not only led to the serious deterioration of the fuel distribution network, but has also led to its substantial shrinkage over the past three years, today reaching a point of virtual saturation.

- The capacity of Pemex's transport fleet fell between 1990 and 1991 from 214,500 cubic meters to 185,700, its lowest level since 1981, and, according to the census of the Institutional Pipeline System, the size of the actual pipeline network fell 1,465 kilometers for the second year running.

Push for privatization

The same criminal bankers who imposed these conditions on Mexico are now deploying their mouthpieces to take advantage of the Guadalajara tragedy, and push for the privatization (i.e., capture) of Pemex, symbol since the 1938 oil nationalization of Mexican economic and political sovereignty.

On April 27, articles in both the *Wall Street Journal* and the *Washington Post* proposed that the immense political cost of the Guadalajara disaster for the corrupt political elite which has ruled Mexico since 1988 be exploited to force through the denationalization of the company and its delivery to Mexico's creditors under the pretext that Mexicans don't know how to manage it.

The tragedy of Guadalajara, wrote the *Journal*, is that it "may also have caused irreparable harm to the image of the last idol of economic nationalism in Mexico." Pemex's role in the disaster, according to the *Wall Street* mouthpiece, presents Salinas de Gortari with both a political channel as well as "a possible opportunity to further his program of market-oriented reform." Cynically, the *Journal* observed, "The catastrophe occurs at a time when lax Mexican industrial standards have become a major political obstacle in Mexico's efforts to negotiate a free-trade agreement with the United States and Canada. . . . The public anger at Pemex might give President Salinas the backing he needs to restructure the oil monopoly. . . . He won't have a chance like this again in a long, long time."

The *Washington Post* added that the accident "could weaken [Pemex's] defenses against U.S. attempts in the free-trade negotiations to open investment in oil to foreign companies." One of the main instruments of this privatization strategy is the ecologist movement, whose leaders in Mexico—Homero Aridjis, of the so-called "Group of 100," and Alfonso Cipres, of the Mexican Ecology Movement—are lending the movement to the campaign that argues, as does the *Wall Street Journal*, that "it's necessary to open [Pemex] to private capital to prevent these accidents."

IMF deal loots CIS and Baltic states

by Konstantin George

On April 28, Russian President Boris Yeltsin delivered a short speech declaring that "our country does not intend" to work according to "the direct dictates" of the International Monetary Fund (IMF). He said that Russia did not want to experience the "social cataclysm" that had devastated Third World countries after they had agreed to receive IMF loans under the strict terms it set, and that Russia would never submit to unacceptable conditions for loans. The speech was the strongest attack ever delivered on the IMF by an East European head of state. Coming directly after the IMF annual meeting in Washington, D. C. which agreed to admit Russia and the other 10 nations of the Community of Independent States (CIS) as members, it caused many ripples internationally.

The reason for these ripples had much more to do with Anglo-American fears over what could happen later this year, as the anti-IMF backlash inside Russia grows, than with what Yeltsin said. Reading his speech carefully, one sees it was not a break with the IMF. He actually positively cited the IMF Washington conference declarations praising the Russian "reform program," stressing that he was excluding only "unconditional cooperation" with the IMF. "We do not want to work under the diktat of the IMF. *Not all* our standpoints are in agreement, and we will keep our own position." Given the potential strength of the anti-IMF backlash in Russia, Yeltsin could have said no less.

A rotten deal

In reality, Russia has struck a deal with the IMF, under which, in return for a certain leeway granted Russia in implementing IMF conditionalities, Russia will in turn police for the IMF the implementation of these conditions in all the other republics of the former U.S.S.R. The \$24 billion IMF "aid" package, which in reality will be far less, was earmarked exclusively for Russia.

This reality of Russia robbing the other republics to pay the IMF and mitigate its own disaster was confirmed on April 28 from Washington by Russian First Deputy Prime Minister Yegor Gaidar, the hatchet man of "shock therapy," who announced an agreement with the IMF for a "ruble zone," to include "the territory of the former Soviet Union *including the Baltic countries.*"

The details of how this "ruble zone" would function, indeed as it already *is* functioning, were released April 22 by Konstantin Kagalovsky, Russia's chief negotiator with the IMF. His announcement followed talks in Moscow with an

IMF team on conditions for Russia receiving an IMF standby credit. Kagalovsky stated that Russia had accepted conditions which assigned the following powers to the Russian Central Bank:

1) The sole responsibility for issuing rubles for the entire CIS and the Baltic states. This has been the case to date, with disastrous consequences for the other 14 republics of the former U.S.S.R.

2) The right to define the conditions of access to additional rubles, either as cash or credit, and forbidding other republics from issuing their own currency without first having negotiated the "conditions" for this with the Russian Central Bank.

3) Continuing the practice of centralizing the foreign exchange transactions of the republics through the Russian Central Bank. On this crucial question, little has changed since the demise of the Soviet Union. Most of the hard currency earned by the republics still goes through, or better said, *to* the Moscow Central Bank, which has been holding these funds, refusing to repatriate them to the republics. The amounts are not small. Even Estonia, a republic with only 1.5 million people, has to suffer the indignity of having \$100 million of hard currency it earned *after independence* held indefinitely by Moscow.

These measures are not really new. The Russian Central Bank has been shipping to these 14 republics every month such small quantities of rubles, that these republics have less money than is required even to meet state payrolls. This, when most state and state enterprise employees in these republics receive their "paycheck" in cash only, on alternating months. Every second "check" is paid into a blocked savings account, from which, given the ruble shortage, withdrawals are impossible. Regional and city authorities have been issuing emergency local money, reminiscent of post-World War I Germany.

A new colonial policy

What is new, is that the IMF has thrown its full weight behind a post-Bolshevik Russian colonialist policy, in what Moscow imperialist circles see as their sphere of interest. The arrangement will be further refined in Russia's next round of talks with the IMF, which begin in Moscow May 10.

Alongside this, there is a revival of the old form of looting through one-sided commodity price fixing that went on under the Soviet-dominated Comecon trading bloc, this time vis-à-vis the 14 non-Russian republics. Expensive Russian oil, gas, and metals will again be exported in return for artificially low-priced finished goods. Even before the IMF Washington meeting, the Russian government announced its commitment to raise oil, gas, and other raw material prices up to "world market levels" by sometime in 1993. It adopted an immediate sixfold increase in the price of crude oil, and on April 24, the Russian cabinet established a two-tier price for natural gas, quadrupling the ruble price for natural gas exported to other republics, while maintaining a subsidized price for the Russian Federation.

South contests Bretton Woods institutions

by Lydia Cherry and Ramtanu Maitra

Developing sector countries "must bring the North to the table to overcome four decades of neglect [regarding] the growth and development of the South," Malaysian Prime Minister Mahathir Mohamad told leaders from 55 countries who met in Kuala Lumpur the last week in April to coordinate strategy for the "Earth Summit" scheduled for Rio de Janeiro, Brazil this June. "Fear by the North of environmental degradation provides the South the leverage that did not exist before. It is fully justified for us to approach it this way." He continued that "unless there is a sharing of the controls," a "more democratic control structure, and a more supportive international economic environment, the playing field will never be leveled; forever the South will be at the bottom of the heap."

Dr. Mahathir made the remarks April 27 in the keynote address that opened the Second Ministerial Conference of Developing Countries on Environment and Development. He called for South-South cooperation at a new, heightened level: "Let there be no break in our ranks!"

Perhaps as a subtle message to "new world order" architects committed to technological apartheid for the developing sector, the Malaysians announced that Malaysia and South Korea have decided to jointly become major Asian arms suppliers. The project will be undertaken by the private sectors from the two sides once the governments complete their plans. In discussions with Indian journalists at the same time, Mahathir noted that India and Malaysia will also firm up new levels of cooperation in the defense technology field. The announcements were made the same week that the U.N. Development Program (UNDP) demanded Asian countries freeze or cut back military spending.

Multi-pronged strategy

The meeting in Kuala Lumpur followed only days after leaders of Organization of Petroleum Exporting Countries (OPEC) debated the same subject in Vienna. OPEC president Jibril Aminu concluded at the end of that meeting that the scientific evidence for much of what is being proposed at the Earth Summit "is riddled with political overtones." Aminu, who is also Nigeria's petroleum minister, emphasized that developing nations that control much of the world's oil reserves would have to stick up for themselves against the indus-

trial nations, or be picked off one by one. There was much overlap between the participating countries at the two events.

The Malaysian prime minister had months earlier threatened that Malaysia might boycott Rio altogether, and Cuban leaders had made similar statements. Mahathir apparently now plans to go to Rio; he explained to Indian correspondents that he knows the non-governmental organizations (NGOs) are strongly lined up against him, and he must go to face them down. The fact that the Earth Summit is part and parcel of the new world order was not lost on those at the meeting. The policies which the designers of the Earth Summit extravagantly hope to engrave in stone are already at least partially in effect, as was reflected by Mahathir's remarks: "In campaigning against tropical timber and in boycotting it, they are denying us our freedom to make a living, to extract what little wealth we have, and to free ourselves from hunger, disease, and poverty. . . . When we achieved independence we thought we would be free. . . . The late Indonesian President Sukarno was right when he talked of neo-colonialism."

The Earth Summit could be derailed altogether if scientists from industrialized countries and the developing sector coordinate their findings to debunk various scientific hoaxes. This has not happened thus far, but an international group called Independent Scientists is known to be widely circulating a statement that, "despite continued claims of near-universal consensus on such issues as global warming, ozone depletion, human population size, [and] biodiversity . . . we contend that there is much disagreement. . . . We cannot condone recommending that nations undertake vast and costly programs to correct problems that may not even exist."

However, the signatories of the statement have not yet been made public. Moreover, scientists in developing countries are focusing on real, immediate environmental problems, not debunking such scientific hoaxes as global warming and ozone depletion. They are concerned with sufficient and clean drinking water, water management projects, land becoming barren, and air pollution.

Malaysia's permanent representative to the United Nations Tan Sri Razali Ismail made clear in an interview with Malaysia's *Business Times* April 27 that whatever strategy is hammered out at the meeting in Kuala Lumpur will not necessarily be made public: "If you are going to war you don't pull out all your cannons and make them visible to everybody." Razali, like Mahathir, references the "four decades" during which the Bretton Woods monetary system has been in effect. "Development has not been on top of the world's agenda for over 40 years."

The fight against the GEF

One of the major battles is over the South's insistence that decision-making and finances for environmental programs be democratically determined, and wrested away from the control of the Bretton Woods institutions. Third World ministers in Kuala Lumpur were in agreement that a new fund be set up to replace the World Bank's Global Environmental Facility

(GEF); the head of the U.S. observer delegation attending the meeting, Robert Ryan, immediately rejected the Third World call for a new control mechanism. "The United States is not in favor of a new fund; existing mechanisms, including the GEF, could instead be strengthened," Ryan said.

The GEF is a three-year pilot project which already has \$1.3 billion at its disposal. The three agencies responsible for implementing GEF are the UNDP, the World Bank, and the U.N. Environmental Program (UNEP). According to the GEF's own writings, the implementing agencies are committed to working with NGOs, who act as "implementing agents." The fight around the GEF has been raging for months. Describing the last U.N. Conference on Environment and Development (UNCED) preparatory meeting in New York, Martin Khor, a representative of a Malaysian NGO, told the *Sunday Star* that it was "this call for reform of the Bretton Woods institutions (which many South countries perceive to be serving northern financial interests) that did not go down well with the northern delegations" and nearly broke up the meeting.

Minimally, developing sector leaders want to control the environmentalist agenda in their own countries. However, under GEF guidelines, a project that would be of value to a given developing sector countries, is automatically excluded. According to GEF literature, "Projects that are deemed to benefit the *global environment, as distinct from the local environment*, qualify for funding." Thus, the large funds, under GEF control, which UNCED is demanding be funded at least 80% by developing sector countries, will not go toward solving environmental problems that these countries have.

Thus, Third World nations are calling for a new, independent fund. The criteria for this fund is explained in the final communiqué entitled "The Kuala Lumpur Declaration on Environment and Development," a document reported to have been drafted primarily by India, Malaysia, and China. The new fund "should be democratic in nature, with an equal voice for all parties in setting project eligibility criteria, project selection, the authority to release funds. . . . It should provide access and disbursement to all developing countries without any conditionality; it should provide for funding of activities according to the priorities and needs of the developing countries," the communiqué read.

Although "sustainable development"—the catch-word which Club of Rome leaders devised when "zero growth" wouldn't sell—is referred to throughout the Kuala Lumpur Declaration as a desired end, it is clear that developing sector countries have redefined the term. One formulation in the document read, "For the developing countries, sustainable development implies the right to development." As could be expected, the declaration focuses on development a great deal and the environment very little. "Development is a fundamental right of all peoples and countries. An environmentally sound planet should correspond to a socially and economically just world."

U.S. mayors issue 'ready to go' public

by Anthony Wikrent

By releasing a voluminous report listing 7,252 public works projects in 506 cities that would create 418,415 jobs this year, the U.S. Conference of Mayors has not only dramatized the extent to which infrastructure has collapsed in the United States, but has also directly challenged the "free market" shibboleths of the Bush administration.

Following a request by members of the U.S. Senate in January, the Conference of Mayors set about to survey U.S. cities and compile a list of public works projects that could be initiated immediately, but which lack funding. Cities were asked to provide the total amount of funding required for each project, the amount of funding required to begin construction in 1992, and the number of jobs that would be generated in 1992.

Though a dozen or so large cities did not respond,* the survey elicited an impressive response, with 506 municipalities, including some port authorities, participating. The responses were compiled into two large volumes, which were released by the Conference of Mayors at the end of February. Entitled "Ready to Go—A Survey of U.S.A. Public Works Projects to Fight the Recession Now," the survey results cited all backlog projects for essential services—sewer treatment, flood control, streets, roads, sidewalks, bridges, public transit systems, police and fire facilities, public housing, etc.—that the cities wished to undertake immediately, but lacked the funding for. Almost all the projects had advanced to some stage of final planning, but had been put on hold as local and state budgets withered under the "recession."

Repair infrastructure

Looking at the 300-plus pages of listings, it appears that at least one-quarter to one-third of them are for various water, sewer, flood control, or storm-water runoff projects. A similar proportion is for repaving, widening, improvement, or redesign of streets, roads, highways, and bridges. Most cities

* Among the large cities which did not respond were San Francisco, Calif.; Washington, D.C.; St. Louis, Mo.; Cincinnati, Ohio; Columbus, Ohio; Norfolk, Va.; San Antonio, Tex.; Indianapolis, Ind.; Rochester, N. Y.; Nashville, Tenn.; Memphis, Tenn.; and St. Petersburg, Fla.

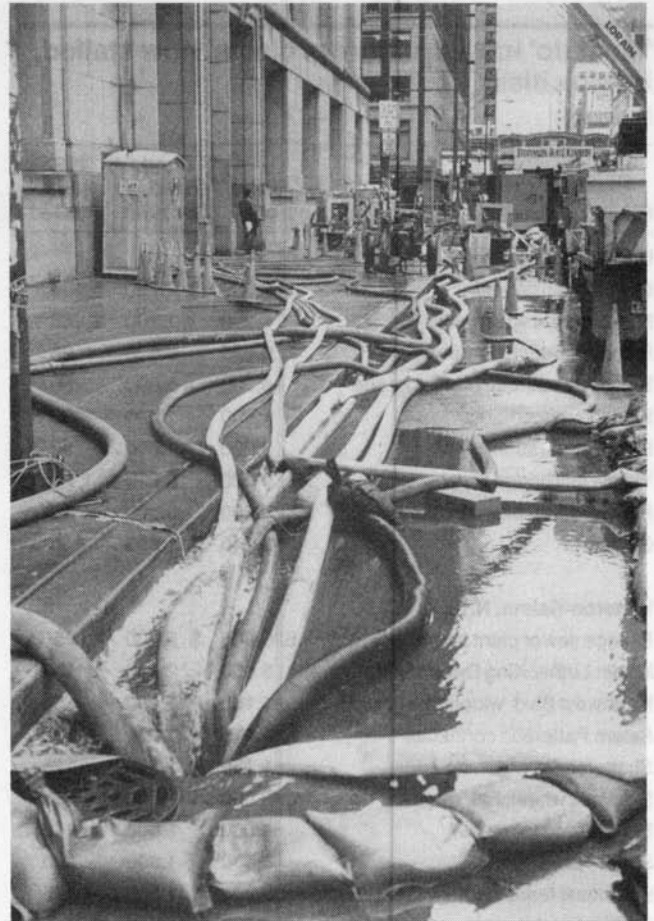
list of works jobs

provided quite detailed breakdowns of their desired projects, but a few cities appear to have consolidated their responses into general categories.

For example, Boston, Massachusetts provided a list of seven general public works categories, with a total cost of \$277.5 million. Boston estimated that it would need \$98.8 million to start these projects this year, immediately generating 3,060 jobs. The largest category was for water and sewage treatment, with a total cost of \$167.1 million, immediate funding needs of \$67.2 million, and creating 1,950 jobs. "Total Housing" was the second largest category listed by Boston, with a total cost of \$47.3 million and immediate funding need of \$7.5 million; followed by "Economic Development," total cost of \$25.6 million and immediate need of \$1.5 million; "Total Infrastructure," total cost of \$24.2 million and immediate need of \$12.3 million; "Road and Bridge Improvements," total cost of \$11.8 million and immediate need of \$9.5 million.

Topeka, Kansas listed only five specific projects, totaling \$40.4 million, with 1992 funding tagged at \$35.3 million, and immediately creating 720 jobs. By far the largest project was a sewage treatment plant, with a total cost of \$30.0 million, \$25.9 million of which is required this year; the project would create 400 jobs. San Diego, California listed only one project: a drainage pipeline costing \$20 million; \$18 million this year would allow the project to break ground, creating 500 jobs. The two largest projects listed by Atlanta, Georgia are a combined sewer overflow system, and the rehabilitation of Freddie Mac apartments. Atlanta needs \$42.1 million to start rehabilitation of the apartments, and \$41.0 million to start construction of the sewer overflow system. Approximately the same amount again is required to complete each project. The two projects would create 525 jobs.

Altogether, the 7,252 projects require \$12.919 billion to get started this year. That is less than one-third what the Bush administration wants to give to the International Monetary Fund this year. The total, multi-year cost of all these projects is \$26.730 billion—about one-tenth the amount of money the Reagan and Bush administrations have spent taking over bankrupt savings and loan institutions.



Cleaning up after the April 13 Chicago flood, which was caused when the Chicago River surged into an abandoned tunnel built in 1904-06. How many such infrastructure disasters are just waiting to happen?

'Free market' a failure

The Conference of Mayors' report provides a stark contrast to the cultish belief in a "business cycle" that typifies the "free market" ideologues in the Bush administration and in the fourth branch of the U.S. federal government—the news media. According to these "free market" ideologues, such as chairman of the Council of Economic Advisers Michael Boskin, or Office of Management and Budget director Richard Darman, any intervention into the business cycle would be unnatural; the U.S. economy will "recover" on its own. Thus, the U.S. government has done very little to steer the nation out of its economic travails, other than to have the Federal Reserve lower interest rates, have the IRS withhold slightly less of everybody's weekly paycheck, and to make sure that the CIA's colony, Saudi Arabia, keeps OPEC oil production high enough to maintain the present artificially low pricing structure of petroleum and natural gas.

These measures are aimed at maximizing the amount of disposable income available to consumers; the theory being, that since consumer spending accounts for two-thirds or more

'Must do' infrastructure projects, now stalled, in two cities

(millions \$)

Project	Total cost	Funds needed in 1992	1992 jobs created
Bridgeport, Conn.			
Chlorination project	\$ 3.500	\$ 2.750	138
Municipal garage repairs	1.200	1.200	60
Pleasure Beach bridge repairs	0.525	0.525	26
Sewage treatment plant upgrade	44.000	5.000	250
Sewer replacements	1.000	1.000	50
Sewer separation	2.000	1.000	50
Yellow Mill bridge repairs	0.020	0.020	1
Park Avenue reconstruction	0.500	0.500	25
Citytotals	\$52.745	\$11.995	600
Winston-Salem, N.C.			
Elledge sewer plant upgrade	\$25.000	\$ 5.000	250
Martin Luther King Drive const.	3.500	2.000	100
Northwest Blvd. widening	1.100	1.100	50
Salem Patterson connector	1.415	1.000	100
Shattalon Dr. widening	1.350	1.350	125
Sidewalk wheelchair ramps	2.000	1.000	50
Sidewalk construction	4.000	1.000	100
South Fork sewer	1.900	1.900	200
Southeast feeder water main	3.000	1.500	75
Traffic signal system	3.500	1.500	50
Union Cross elevated water tank	0.600	0.600	30
Water System upgrade	1.900	1.900	200
W. Clemmons Rd. widening	0.845	0.845	75
Yadkin River water intake	4.600	2.000	100
Citytotals	\$54.710	\$22.695	1,505

of U.S. gross domestic product, the sooner consumers have some money to throw around, the sooner the recovery will be under way.

But it is just such thinking that wrecked the economy in the first place, and has mislabeled as "recession," a new, much deeper phase of the depression that began with Paul Volcker's double digit interest rates in 1979. The Bush regime may be able to temporarily boost consumer spending before the November election, but the underlying cause of America's economic decay—the lack of investment in infrastructure and new, capital-intensive technology—is being completely ignored.

The Rebuild America Coalition, for example, has reported that during a recent two-year period, there were 229 water main ruptures for every 1,000 miles of line, in 34 large U.S. cities. In most older cities, some water and sewer lines date

back as far as 150 years, and are even sometimes made only of wood. That this older infrastructure has served as long as it has is due to the tremendous redundancy and resiliency with which it was designed and built. But the fact remains that the nation's infrastructure is old, much of it now being used well past its intended service life, and it needs to be replaced.

To some extent, the Conference of Mayors hits at this point, though not nearly hard enough. In a news release accompanying the list, Raymond Flynn, mayor of Boston and president of the Conference of Mayors, said: "This report is aimed at those in Washington, who need to know what could be accomplished if an anti-recession jobs stimulus were provided to our cities. It is also aimed at those who say that an economic stimulus program would take too long to implement, too long to have an effect on the recession. The report covers just a few hundred cities, but here are hundreds of thousands of jobs on the shelf, waiting to be done; and here are hundreds of thousands of workers on the shelf, waiting for an opportunity to produce something—for themselves, their families, their cities, their country." Flynn stated that the projects listed "are not 'make work' projects, they are 'must work' projects. These projects must go forward if we are to pull our country out of recession and prepare ourselves for the economic competition of the 21st century."

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U.S. arm-twists Russia against technology transfer to India

by Susan B. Maitra and Ramtanu Maitra

Notwithstanding its decaying economy, the *Pax Americana* mob in the United States has struck again, this time against India, to keep the western bloc's superiority in rocket technology intact, at least for the near future. It has now been confirmed that Washington had indeed threatened Moscow with trade sanctions à la Saddam Hussein, if Russia continued to honor the agreement signed last year to provide India with cryogenic rocket engines and related technology. Subsequently, Russia called for a pause in fulfilling the contract. The cryogenic rocket engine, which India plans to use for its next generation launch vehicle, the geostationary launch vehicle (GSLV), would help to boost the INSAT-II series of satellites (2,500 kilogram class), the next generation satellites now being developed indigenously, into geostationary orbit.

In August 1990, the Indian Space Commission approved a plan developed by the Indian Space Research Organization (ISRO) to opt for the acquisition of cryogenic engines and related technology. As scientists had explained then, acquisition of the cryo engine, which is in an advanced stage of development at India's Vikran Sarabhai Space Center, would speed up the GSLV launch capability considerably and mitigate the possibilities of failure and delays inherently associated with any research and development program.

Negotiations were held with three foreign manufacturers—General Dynamics of the United States, Arianespace of France, and Glavkosmos of the former U.S.S.R.—to acquire the cryo engine and related technology. Since it was found that General Dynamics could not meet the requirements, the latter two manufacturers became the front-runners. Eventually, it was Glavkosmos that won the \$200 million contract in October 1996, and the Indian cabinet approved the deal within a month. The official signing of the agreement took place in January 1991, when the U.S.S.R. was still in one piece.

The story of the U.S. arm-twisting of Russia broke first in the Russian youth daily *Komsomolskaya Pravda* on April 18. The daily stated that the American objection to the deal was delivered by Secretary of State James Baker III during his visit to Moscow in February. He had told Russian Foreign Minister Andrei Kozyrev that the deal with India "created serious problems" in U.S.-Russian cooperation in space, and warned that the United States might impose trade sanctions against Russia if the contract were not scrapped. Baker re-

issued the threat on March 6 when he met Foreign Minister Kozyrev in Brussels, and, on March 26, called in Russian Ambassador to Washington Vladimir Lukin demanding that the contract be scrapped by April 3.

In New Delhi, although there was no formal comment by the External Affairs Ministry, the English-language daily *The Hindu* reported on its front page that Russian Ambassador to India Anatoly Drukov had met with Indian Foreign Secretary J.N. Dixit the same day the *Komsomolskaya Pravda* story came out, to inform him of the Russian government's decision on a "pause" in the contract with India on space cooperation.

The Indian government, not eager to acknowledge the episode, side-stepped the issue with a statement that the pause had been decided on because certain technical matters need to be clarified by Indian space scientists with Glavkosmos. However, the statement also mentioned, albeit obliquely, that Russia had suggested technical discussions between the space agencies of the two sides "to sort out problems which have become a matter of concern in the changed circumstances." The government, however, did not clarify what these "changed circumstances" were.

If Narasimha Rao's government had chosen to use diplomatic language to soften the impact of the U.S. action, U.S. State Department spokesman Margaret Tutwiler resorted to aggressive stonewalling. "We cannot provide details about contacts which take place in diplomatic channels," said Tutwiler. "The United States maintains contact with a large number of countries on the subject of missile technology transfers, including both members and non-members of the Missile Technology Control Regime [MTCR], including Russia and India."

Washington's objections

However, a U.S.-based correspondent for the India Abroad News Service found out that the Americans had turned the screws on Moscow's soft leadership and told them the transfer of cryo engine and related technology "would be a clear violation of the MTCR." IANS was also told that when Indian Defense Minister Sharad Pawar visited Washington recently, Undersecretary of State for International Security Affairs Reginald Bartholomew, Undersecretary of State for Political Affairs Arnold Kanter, and Arms Control and Disar-

mament Agency Director Ronald Lehman had urged India to join the MTCR and also sign the nuclear non-proliferation treaty. Vice President Dan Quayle also told Minister Pawar that South Asia remains a major concern of the Bush administration because of nuclear and missile proliferation. Later, Bartholomew, talking to an Indian correspondent, said that there is no question of putting pressure on India on the nuclear non-proliferation issue. He chose not to say anything about the missile proliferation issue.

Washington's professed concern is that if it acquires the cryo engines and related technologies, India will have much-advanced missile technologies, most likely of the intercontinental type. But this is just the cover story for "technological apartheid." India has already developed indigenously the Prithvi, a short-range missile, and the Agni, an intermediate-range missile, the latter in five years. Both of these use liquid propellant, and any long-range missile can use that too—there is no need for a cryogenic engine. What you do need a cryogenic engine for is to get a satellite into geostationary orbit. In fact, Washington is more interested in stymying India's efforts to develop satellite launchers which would make India a major player in the highly lucrative satellite launch market.

Indigenous effort

As one scribe in the *Economic Times*, the Bombay-based financial daily, pointed out, by curbing India's launch capabilities, the United States will be forcing India to either develop its own indigenous capabilities, go to western launchers with a potful of money, or depend on hiring transponders from foreign satellites. India could approach China and Russia, who offer launches at nearly one-third the current market rates, for the job. While the INSAT-I satellites were prohibited by the U.S. manufacturer, Ford Aerospace, from being launched aboard non-western launch vehicles, with the advent of the indigenously developed INSAT-II series, this hurdle can be overcome.

It is also likely that India will push ahead with the cryogenic rocket engines on its own. According to a document released by ISRO, India is making serious efforts to develop the cryogenic engine and the government had prioritized the project in 1990. However, the recent budget failed to allocate any funds for the project, although it had been earmarked as a priority two years earlier. Nonetheless, development tests on a version of sub-scale cryogenic engines have been completed successfully. Space scientists have reportedly completed designs for various elements of the cryo-liquid oxygen. An ISRO document indicates that an engineering model of a certain type of thrust chamber for the engine has also been fabricated.

According to Prof. M.G. Chandrashekhar, ISRO's scientific secretary, a full scale mock-up of a cryogenic engine has already been built, and the technology transfer ban imposed by the Americans will delay the process of development by

only a few years at the most. Taking a swipe at Washington's muscling, Chandrashekhar said: "The Americans are wrong in trying to block the Russian engine technology sale, particularly because General Dynamics had bid for the contract"—at twice the price the Russians are charging. Calling the Americans hypocrites, Chandrashekhar wondered why Washington did not stop it at that point, when the French and the Americans were vying with each other for the contract. "Where was the threat of missile proliferation then?" he asked.

Political backlash

Prime Minister Rao's government is already facing a political backlash from parliamentarians. The April 27 *Times of India* reported speculation within aerospace circles that it is American pressure which prevented the government from allocating money for the cryogenic engine development project this year. As yet, the accusation is unsubstantiated, and the administration has not responded.

However, in both houses of the Indian Parliament, both the opposition and the ruling party spoke with one voice against the reported U.S. arm-twisting. Members urged the government to break its "stony silence," and criticized the United States for acting as the "world policeman." In the upper house, Rajya Sabha, veteran congressman and leading industrialist K.K. Birla pointed out that the U.S. action was unjustified, as the rocket technology did not have any military implication. There are also proposals for passing a resolution in the lower house, Lok Sabha, condemning the United States. The move is led by Bharatiya Janata Party leader A.B. Vajpayee.

The Russians were not ignored either by the Indian media. In a commentary in the *Economic Times*, M.K. Kothari pointed out that by cooperating with India, the Russians can retain some areas of their fine technological capabilities. But for the Russians to assist in the technological ban is to commit hara-kiri, said Kothari.

The lesson that India must learn is that in the short time the United States has been establishing the new world order, it has twice intervened directly to prevent the Indian government from acting independently. First, India was categorically told—and India obeyed—not to proceed with the sale of a nuclear research reactor to Iran. The Rao government, before making any further gesture toward a strategic consensus with Washington, must take note that the 1992 list of "critical technologies" prepared by the United States consisted of 22 items. The document also listed countries other than Japan, the former U.S.S.R., and NATO which had significant R&D capabilities in these areas. In fact, India was listed in each and every one of the areas. Even China was not listed in more than 10 areas. No matter what the wishful thinking may be in New Delhi, Washington has little interest to see India develop its own capabilities in critical technological areas. The cryogenic engine episode is a reminder of that.

Japanese cold fusion scientist reports neutrons and 70% energy gain

by Laurence Hecht

Japanese nuclear physicist Dr. Akito Takahashi presented the results of his three-year-long cold fusion research effort to an audience of physicists and other specialists at the Massachusetts Institute of Technology on April 15. Since October 1991, Takahashi's cells, based on a modification of the original Martin Fleischmann-Stanley Pons design unveiled in March 1989, have been steadily producing 30-70 watts of excess power (an energy gain of 70%) and a detectable amount of neutrons in the energy range of 2.45 and 3-7 megavolts (MeV).

Speaking softly and confidently, the 52-year-old senior physicist, who heads the nuclear engineering department at Japan's Osaka University, described in precise detail each aspect of his apparatus and experimental protocol which it was possible to present in the 90 minutes allotted. At the end of his talk, Takahashi released 50 pages of view graphs containing the blueprints for his cell, graphs of his experimental runs including neutron and heat measurements, and an outline of his theoretical views.

Questions from the audience, which numbered over 100, ranged from enthusiastic to skeptical of the calorimetry. Professor Emeritus Louis Smullin of the MIT Electrical Engineering Department, who chaired the event, tried to give each questioner a fair hearing, and the skeptics were clearly in a minority. The "lion's den," which an article in that day's *Wall Street Journal* had forecast Takahashi would encounter upon entering MIT's "bastion of skeptics," was not roaring very loudly. The following day, coverage in the *Boston Globe*, on Monitor radio, and assorted outlets was reasonably objective.

The Osaka device

The Osaka table top-sized device is a cell for electrolysis of "heavy water" (D_2O)—that is, water in which the deuterium isotope of hydrogen is united with oxygen—using a palladium cathode and a platinum anode. By passing a small electric current through an electrolyte of D_2O and lithium deuterioxide ($LiOD$), the deuterium gas is separated from the oxygen, and coaxed to take up a place in the regular crystalline lattice of the palladium metal cathode (negative electrode).

Palladium is one of many metals that will absorb hydrogen or deuterium gas, under a variety of conditions studied

over many years. However, Fleischmann and Pons were the first to seriously investigate the possibility that the deuterium ions absorbed into the metal lattice could be made to fuse, that is, to unite their nuclei into a heavier element, releasing the enormous energy usually associated with a hydrogen bomb or the production of heat on the Sun. In the case of cold fusion, the nuclear reaction is taking place at a small and controllable rate that might some day be suitable for heating water in a home, powering an electric car, or providing power in remote locations.

The Osaka cell design is remarkably simple. Apart from the measuring and recording devices, Takahashi's whole cell fits in a lucite box about $4\frac{1}{2}'' \times 4\frac{3}{4}'' \times 2\frac{1}{2}''$. In the cell are the palladium cathode, about 7-8 inches of platinum wire anode, a thermocouple to measure the temperature, and the cooling coil. Another tank about the same size is used as a ballast and heat exchanger to help maintain a constant temperature. Here, or in a separate tank, a sheet of platinum black catalyst is used to recombine the deuterium gas not absorbed into the cathode with atmospheric oxygen. In addition to that, a chiller and a good-quality power supply are almost the only components needed to make the experiment run. The measuring devices for careful calorimetry, and especially for neutron detection, are a bit more complex, and a great number of variables, some perhaps unknown, might affect success. But it seemed clear from Takahashi's description and his view graphs that experienced scientists, even in Third World countries, could attempt his experiment with the calorimetry, and some could attempt the neutron detection as well.

In fact, the essential design is so simple that Takahashi reported to me in private discussion that he had to think it through carefully when enthusiastic Japanese high school students, and some teachers as well, wrote him asking for advice in duplicating the experiment. His final decision was to advise them not to attempt to do so, because of the danger of a hydrogen explosion, or of a fire from an overheated cathode should the experiment succeed in producing excess heat. He himself encountered two potentially dangerous moments in his experimental program. One was a small hydrogen explosion which was easily contained under the hood of his well-equipped laboratory, but could prove dangerous to an inexperienced experimenter. The other was the moment when large amounts of excess heat began to be produced.

After first turning off the current, and finding the heat increasing, Takahashi evolved a protocol for controlling the cell to avoid runaway heat production.

Takahashi's design differs from that of Fleischmann and Pons primarily in the configuration of the electrode. Fleischmann and Pons typically work with a needle-thin palladium cathode, on the order of 1 millimeter in diameter and a few centimeters in length. Takahashi, in his latest series of experiments, is using a thin, square-shaped plate of palladium 25 millimeters on a side, and 1 millimeter thick.

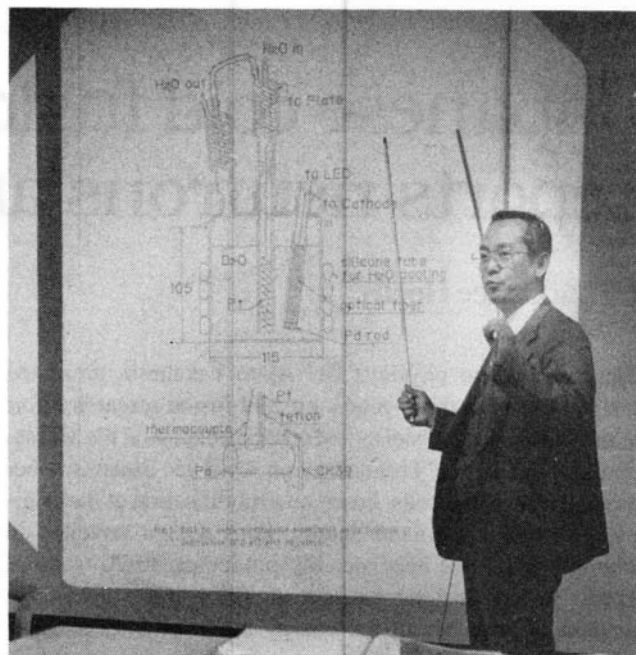
Takahashi's method of "loading" (driving the deuterium into the palladium lattice) is also different. While loading, he attempts to maintain the electrolyte at a constant temperature of 20° Celsius (about room temperature). He also varies the voltage and current in what he calls a "sawtooth" pattern, starting at about 0.25 amps and low voltage, and ramping up to about 5 amps and 25 volts maximum over the course of a 20-minute cycle, after which he drops abruptly to the starting level and repeats the cycle.

The theoretical challenge

Like most scientists who have taken the phenomenon of cold fusion seriously, Takahashi has attempted to come up with a theoretical explanation for it. Although he detects a certain number of neutrons at an energy level corresponding to that seen in ordinary hot fusion, there are two big anomalies in his experiment. First, the relatively large amount of excess heat and small amount of neutrons he has measured does not correspond to any of the presently known reactions for deuterium fusion. Second, he is finding neutrons with energy levels that do not correspond to any of the known paths for fusion. Yet his calculations show that his device generates 1,000 times more heat than any type of chemical reaction could account for. Takahashi thus describes the process as some form of "unknown nuclear fusion."

In all forms of fusion, the theoretical problem is to describe how two positively charged nuclei, which normally repel each other, are able to overcome the repulsion known as the "Coulomb barrier" (after the 18th-century French scientist who first measured the force acting between static electric charges), and unite to form a single, heavier nucleus. In the case of "hot" fusion, it is thought that the high temperature produces very large collisional energies, which allow a certain proportion of randomly colliding nuclei to crash together hard enough to fuse. Some hot fusion researchers have always questioned the randomness of the process, but the need for very high heat was never at issue.

Takahashi believes that the geometry of the palladium lattice guides the deuterons (deuterium nuclei) so that they come together, not as random pairs, but in larger groups of three, four, or more. Some call this "multi-body fusion." Through a combination of extrapolation from existing knowledge of the nuclear interaction, empirical data, and new theory, Takahashi has calculated that three deuterons can come



Akito Takahashi speaking at MIT on April 15 about his cold fusion experiment.

together into an excited intermediate phase (a compound nucleus) as lithium-6, and then relax into a more stable form as helium-4 and a deuteron; or by a second, less probable branch, they may go to helium-3 plus tritium. The energy of the particles in the more probable branch (23.8 MeV per three-body fusion reaction) comes off as heat, which is what he believes is warming the water in his cell. In addition, some of the excited deuterons and tritons (tritium nuclei) produced in the less probable branch may interact with each other to produce the more conventional deuterium and tritium reactions and explain the small amounts of neutrons and tritium observed.

Though quite adept at nuclear physics, Takahashi is modest about his theory, and does not claim he has spoken the last word on the subject. He came to cold fusion by an unusual historical accident. In 1989, he was participating in a three-way joint effort between the U.S.A., China, and Japan respecting hot fusion. He was using his expertise in neutron detection to carry out exacting measurements of the neutron absorption capabilities ("capture cross-sections") of most of the elements in the periodic table. The events of April to June 1989 in China led to the recall of the team of Chinese scientists with whom he was working at Osaka. Finding himself with a reduced program just as the news of Fleischmann and Pons's experiment was reverberating around the world, Takahashi turned some of his efforts to this new field.

Following his April 15 appearance at MIT, Dr. Takahashi also presented his results to a seminar at the University of Texas, before returning to Japan. For more details on his theoretical views see *EIR*, March 20, p. 26.

Looted Colonial Savings & Loan key to Virginia State Police corruption

by Anton Chaitkin

Disgraced Secretary of Public Safety Robert L. Suthard resigned in a bribery scandal last December, ending his supervision of Virginia's state police, prisons, and parole boards. It has now been learned that Suthard had previously been forced from his post in a more serious financial scandal. A Richmond savings bank under Suthard's chairmanship collapsed in frenzied speculation and was sold to the New York mob.

Depositors' savings were looted. Financier Michael Milken, a kingpin of the New Yorkers who took control of Colonial Savings and Loan, was subsequently jailed. But the takeover was an instrument in the widespread corruption of Virginia law enforcement. Suthard, uneasily allied in a web of extortion with Attorney General Mary Sue Terry, targeted and prosecuted political associates of Lyndon LaRouche—the leading critics of the New York looters and their Washington and London sponsors.

When trouble began for Richmond's Colonial Savings and Loan Association in the early 1980s, its chairman, Robert L. Suthard, was simultaneously a Virginia State Police executive, and the commandant of the northern Virginia district which included Fairfax and Loudoun counties and the City of Alexandria.

Suthard steered Colonial, squeezed by deregulation and soaring interest rates, into the purchase of speculative "interest futures" contracts. Between April 1982 and the fall of 1983, the S&L, with \$100 million in deposits, increased its holdings of "investment securities" from \$4.4 million to around \$60 million!

Colonial's president, Jack Carroll, resigned in June 1983, as losses increased and net worth plunged. But to keep up an appearance of profitability, the books were "cooked." Around October 1983, federal regulators, who were routinely pushing failed S&Ls into the hands of junk bond mobsters, discovered Suthard's debacle and forced him to resign.

A March 18, 1985, directors' letter to stockholders explained: "In the fall of 1983, the Board of Directors learned [from the federal inspectors] that profits and losses on certain financial futures transactions had not been properly recorded. . . . The Board of Directors ordered a special review of the Association's books, which revealed an overstatement in [assets] and the incorrect deferral of . . . losses of approximately \$3.1 million associated with financial futures transac-

tions. State and federal regulatory authorities questioned whether the Association's investment and financial futures activities during fiscal 1984 were within regulatory requirements."

The federal discoveries implied that Colonial was insolvent, with a negative net worth of minus \$3 million. Under a new board chairman, the "cooked" books from the Suthard era were reorganized, and the speculation halted; but the savings bank was still sinking.

The 13,562 Colonial stock shares owned by Suthard and his wife were now worthless. And if the Suthard crisis ended in Colonial's liquidation, with depositors' and stockholders' losses, Suthard could face legal problems—possibly criminal prosecution.

To the Predators' Ball

In a climate of fear and recriminations, a deal was struck in April 1984 to sell Colonial to New York speculator Arthur G. Cohen. Mr. Cohen's real estate empire had collapsed in 1979. He had been thrown off the board of Citibank with \$100 million in unpaid loans, he was universally snubbed, and no one on Wall Street would lend him more money.

The law firm of Parker, Chapin, Flattau and Klimpl, U.S. general counsel to the Bank Leumi of Israel, stepped in and arranged that well over \$100 million in new money would restore Cohen's operations. But the new Cohen would be a creature of the interests long represented by these lawyer-fixers: the Anti-Defamation League and related political agencies; and the brokerage house Drexel Burnham Lambert, whose junk bond king Michael Milken was now reportedly Arthur Cohen's only friend on Wall Street.

The new Arthur Cohen paid \$4.2 million in November 1984 to buy newly issued Colonial stocks giving him 84% control of the S&L (perhaps with enough tax writeoff to make the "purchase" of \$100 million in savings deposits free to Cohen's organization). Just as this payment, which would pull Robert L. Suthard out of boiling water, was being arranged, Gov. Charles S. Robb appointed Suthard superintendent of the Virginia State Police, with a rank of colonel.

Then, in 1985, instead of being prosecuted, or having to pay restitution, Superintendent Suthard accepted some \$23,000 from Arthur G. Cohen for Suthard's suddenly valuable Colonial shares. After buying all the outstanding stock,

Cohen dutifully put Richard Hollander, Drexel Burnham vice president from Michael Milken's Beverly Hills, California office, on the board of Colonial Savings & Loan. (A Colonial oldtimer recently described Hollander as "late 20s, very well dressed, very articulate—a high-flyer.")

Virginia's State Corporation Commission, in approving the takeover on April 3, 1985, said that "each proposed director . . . seems to possess the moral fitness, financial responsibility, and business ability as required."

The Richmond savings bank was now a segment of the Michael Milken criminal empire. A former Colonial executive told this reporter of being invited to the infamous Predators' Ball: Milken's annual Beverly Hills brokering session matching businessmen with financiers willing to give them piles of high-interest money. There the Richmond banker met Carl Lindner, Ivan Boesky, and others of Milken's cohorts who funneled narcotics and gambling profits into the junk bond money laundry. This was the heyday of Iran-Contra, in which U.S., British, and Israeli covert intelligence operations were being run through U.S. savings and loan institutions.

Over the next few years, the deposits from Colonial, and from a Roanoke savings bank that Cohen had bought soon after he bought Colonial, were looted into New York real estate deals run by the Cohen-Milken circle. A Bank Leumi executive told *Forbes* magazine in 1986 that Arthur Cohen-related operations had "made us a major real estate player."

The raiders . . . and the raided

In October 1985, less than a month before the Virginia election, the law offices of Mary Sue Terry, the Democratic candidate for state Attorney General, were raided by Colonel Suthard's State Police. Terry's law partner Richard Rogers was named an unindicted co-conspirator in the southern Virginia bribery case of financier Didier Primat, a George Bush-

affiliated employer and political sponsor of Miss Terry. Though Terry's records were seized, the official state police investigation was abruptly halted just short of Terry herself.

Mary Sue Terry was elected Attorney General a few weeks after the raid, with a potential blackmail cloud hanging over her.

Associates of Lyndon LaRouche won 1986 Democratic Party primary elections for Illinois state offices, after promising to expose and shut down drug-money-laundering financiers. These financiers' political lobby, the Anti-Defamation League of B'nai B'rith (ADL), meanwhile, was mobilized to stop the LaRouche political movement. The Michael Milken Foundation and Drexel Burnham Lambert contributed millions of dollars to the ADL, paying among other things for ADL political training programs for law enforcement agencies.

Mira Lansky Boland and other ADL operatives stalked Virginia throughout the 1980s, contacting every element of the justice system. Mrs. Boland has admitted to dozens of meetings with law enforcement officials who were being brought into the prosecution of the LaRouche political movement.

In September 1986, Robert Suthard's State Police agent Larry Burchett opened a bank account under a phony name in Cohen-Milken-ADL's Colonial Savings & Loan, for the purpose of running a legal sting against the LaRouche political movement. Suthard's agent wrote a check on Colonial for \$5,000 to a LaRouche-affiliated, non-profit, literature distribution company—whose most famous publication that year was the book *Dope, Inc.*, exposing the drug-money launderers and their corruption of law enforcement.

(Burchett later testified at trials of LaRouche associates that the money was loaned as an "investment," and the note he received was thus a "security"; the anti-dope political organizers were convicted of unlawfully selling securities.)

State Police Superintendent Robert Suthard and Attorney General Mary Sue Terry teamed up to lead 400 state, federal, and Loudoun County law enforcement agents in the Oct. 6, 1986 raid on the Leesburg offices of LaRouche movement publishing companies.

Dope, Inc.'s pawprints

Upon taking office in January 1990, Gov. Douglas Wilder appointed Robert L. Suthard to his cabinet as Secretary of Public Safety, to have charge of all state law enforcement and military affairs. Wilder appointed O. Randolph ("Randy") Rollins as Suthard's deputy secretary. A Richmond corporate attorney and Democratic Party bigwig with no apparent background in law enforcement, Rollins had represented Colonial S&L and coordinated all legal aspects of the Cohen-Milken-ADL buyout.

A month after these appointments, in February 1990, federal authorities seized all banking assets of Arthur G. Cohen in the state of Virginia. Colonial S&L and First Feder-

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al Savings of Roanoke, which the Cohen organization had merged to form the federally chartered Coreast Bank, had been sucked dry. The Feds said that 90% of the New York loans out of Coreast were "non-performing." All records of the twice-looted Colonial Savings & Loan Association are now under seal by the Resolution Trust Corp., in contemplation of prosecution.

In November 1990, financier Michael Milken—whose pumped-up creation Arthur Cohen had saved Robert Suthard from destruction—was sentenced to 10 years in prison. Milken had scammed tens of billions of dollars, and had looted savings banks and pension funds throughout the nation, often with the eager cooperation of state government authorities.

In December 1991, Robert Suthard once again resigned in disgrace.

The *Richmond Times-Dispatch* had revealed that Secretary Suthard and his wife had been given a \$7,200 trip to Japan, where he received a cash gift of \$3,000. It seems that three years earlier, Suthard as State Police Superintendent was on a small committee which guided the state to purchase a \$12 million automated fingerprint system from the NEC computer company of Japan. Suthard's subsequent Japanese gifts came officially from a Buddhist foundation, whose chief executive, William Wells, was a former FBI agent, a pal of Suthard's, and vice president of NEC at the fingerprint division!

On his return home from Japan, Suthard had tried to cover his tracks by writing a \$3,600 check to the Buddhist foundation. But this check was never cashed—and Suthard made sure it couldn't be cashed, by emptying his bank account.

After Governor Wilder accepted Suthard's resignation in December, Attorney General Mary Sue Terry was assigned to decide whether Suthard should be prosecuted.

On Jan. 16, 1992, while Terry was deciding Suthard's fate, the latest Virginia state financial self-disclosures were published, showing that Mary Sue Terry had accepted a \$3,975 trip to Israel from the Jewish Community Federation of Richmond.

Three weeks later, the office of Attorney General Terry announced that while Robert Suthard "may have shown poor judgment" in accepting an apparent bribe that the public found out about, his actions did not violate state conflict of interest laws. Terry, a candidate for governor in 1993, advised that Suthard not be prosecuted.

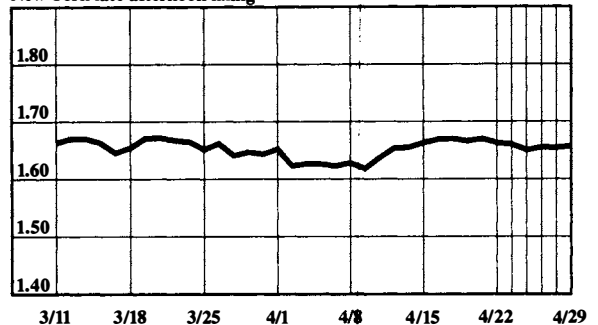
Suthard was saved once again. A few weeks ago, he incorporated Suthard Services, Inc., for private security consulting.

Late last month, Governor Wilder appointed Randy Rollins as the secretary of public safety to replace Suthard. Rollins knows where the bodies are buried: He is the lawyer who crafted the Cohen-Milken-ADL takeover of Colonial S&L. Rollins is now in charge of Virginia's law enforcement apparatus.

Currency Rates

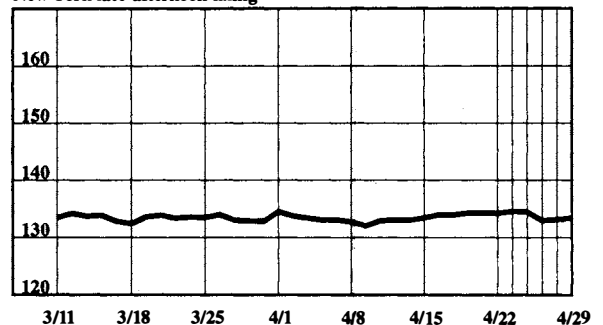
The dollar in deutschemarks

New York late afternoon fixing



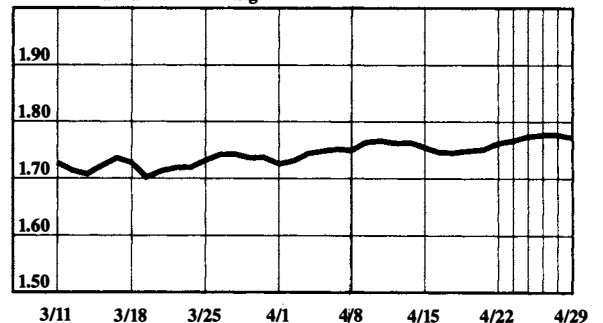
The dollar in yen

New York late afternoon fixing



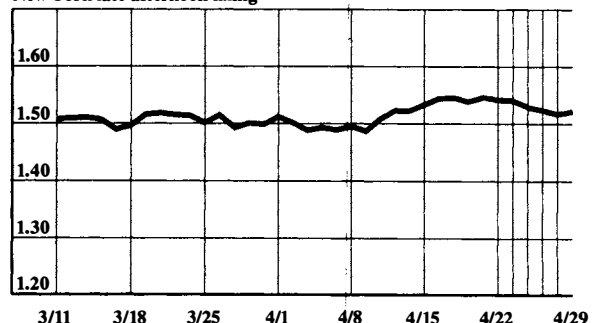
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



Farm Credit System swindles exposed

The FCS has been ordered to make reparations for its loan scam, but thousands of farmers are still high and dry.

The Farm Credit System (FCS) in Omaha, Nebraska has reached a settlement with the federal government, according to which the FCS has to repay \$4.2 million for guarantees it fraudulently collected on 20 loans to farmers in the eastern Iowa counties of Cedar, Jackson, Clinton, and Jones in 1985. According to the *Des Moines Register* of April 25, another \$3 million of guaranteed loans is still under investigation.

What the *Register* hypes as the "largest single recovery ever collected by the Northern District of Iowa," vastly understates the real sums involved and the magnitude of the crime. According to the newspaper, the repayments were ordered following a probe by the U.S. Attorney's office in eastern Iowa, "because the credit association collected government guarantees on the loans, based on improperly valuing loan collateral and cash-flow projections."

According to most accounts, the FCS falsified information to obtain the guarantees on the loan and put the loan into default, in order to cash in on the guarantee.

Loans to farmers meeting certain criteria can be guaranteed by the government up to 90% of the amount borrowed. If the borrower defaults on the loan, the lender will receive cash from the government. The so-called guaranteed loan program became widespread in the mid-1980s, and was institutionalized in the 1985 Farm Bill.

The Farm Credit System was established to be a cooperative farm lender controlled by farmers. Howev-

er, it became deregulated in the early 1970s and became the vehicle for infusing billions of dollars into a speculative agricultural "bubble." As such it was the usurious instrument of its Wall Street bondholders. A decision was made by "insiders" to burst the bubble in the mid-1980s. This bankrupted hundreds of thousands of family farmers. Wall Street investors who held the system's securities were saved, as well as many of the banks which made the loans. In the process, however, much of the nation's food-producing capability was wiped out.

Farm Credit System spokesmen like to brag that their banks were not bailed out during the collapse by taxpayers, unlike the savings and loans or the commercial banks today. But what happened was far worse. Farmers were squeezed until they had to stop farming or were swallowed up by larger farms, and many banks, both inside and outside of the FCS, were paid off by government guarantees on their loans, as the farmers were manipulated into foreclosure.

Not only did the FCS banks and bondholders benefit from these farmer liquidations, but farm activists discovered that multinational private banks, such as the Dutch giant Rabobank, were buying government-guaranteed farm loans from U.S. agricultural banks, only to turn around and liquidate the borrower to cash in on the guarantee.

The loan guarantee program was vastly expanded in the 1985 Farm Bill, just prior to the "deflation" which insiders knew was about to occur—

and did, when the FCS suddenly announced that it was insolvent. Overnight changes were made in its book-keeping procedures and loan evaluation methods, which called into question large numbers of farm loans. The system accounts appeared to turn in one year from operating in the black to operating in the red. FCS and other lending institutions scrambled for the loan guarantees.

Three brothers who farmed in Iowa suspected that their loans were being manipulated by their farm credit bank to get guarantee money. They complained to Congress and a federal grand jury probe was initiated. Other farmer activists accessed their loan files, which contained documented evidence of fraud, and gave them to the grand jury. Evidence of loan guarantee abuse was turned up by farmers all over North Dakota. *EIR* obtained one memo between a farm credit district bank officer and the loan officer which documented just such a scheme.

After an initial spurt of publicity around the grand jury investigation, all evidence in the probe was sealed. This settlement, which involves restitution to the government for a mere 20 loans, represents a tiny fraction of the loans involved in the program.

The Omaha Farm Credit bank was accused of falsifying appraisals of property or real estate and of providing false cash-flow projections in order to obtain the guarantees and then liquidate the loans. For such fraud to have occurred, the wrongdoing would have had to have been done with the knowledge of FCS officers, and would have been far more widespread than the 30 cited incidents. The Omaha bank was only one of dozens of farm credit institutions, private banks, and insurance companies that were involved in the guaranteed loan program and in whose interest it was to cash in on the guarantees.

The malthusian face of Eco-92

The world genocide lobby wants to make population reduction schemes the centerpiece of the Earth Summit.

The closer to the beginning of the U.N. Conference on Environment and Development (UNCED), otherwise known as the Earth Summit or Eco-92, the more the international malthusian lobby which forced UNCED into being, has escalated its pressure campaign to make the reduction of Third World populations the point of consensus of its green agenda. The Anglo-American oligarchy, which prepared Eco-92 with such loving care, does not want to run the risk of basing the success of the conference on such highly polemical issues as climate control or protection of the forests.

On April 22, Britain's Prince Charles indulged in one of his most virulent racist diatribes during a speech to the World Commission on Environment and Development, otherwise known as the Brundtland Commission. He called on Third World leaders to save Eco-92 from disaster by including the issue of "population explosion" on the official agenda, as the Bush administration has been urging.

According to Charles, no nation of the South can ever hope for prosperity as long as its population growth is not contained.

Weeks earlier, in Rio de Janeiro, a select group of the Anglo-American oligarchy met for a series of conferences on the content of their "new order." The conferences were specifically intended to pressure for the inclusion of population reduction schemes in the Eco-92 deliberations. During his intervention at one of these

forums, former German Chancellor Helmut Schmidt gloried in his own racism, insisting that Eco-92 would be but a "propaganda event" unless it undertook "real issues" such as family planning. "Without family planning," he said, "there is no solid basis for development. It is necessary for pills and contraceptives to be made available to the populations of the Third World."

Schmidt openly advocated the diversion of resources from military budgets to birth control programs.

Former U.S. Defense Secretary Robert McNamara, the author of the so-called McNamara Doctrine which proposes dismantling Ibero-America's Armed Forces, also "criticized" Eco-92 on the same grounds, arguing that if there is not drastic reduction of births, "we will face chaos" in the immediate future.

The presence of such "new world order" representatives in Brazil provided the Collor government with its first opportunity to come out publicly for including these colonialist themes in Eco-92, thus breaking with Brazil's earlier pro-growth foreign policy and definitively aligning itself with the most genocidal aspects of Bush's new order.

In fact, it was President Fernando Collor himself who, in a meeting with Schmidt April 15, raised the issue. "The President expressed his viewpoint that matters of that nature [population explosion and poverty] should be included on the conference agenda," reported a presidential spokesman.

And to leave no doubt of the genocidal intentions of such an alignment, Brazilian delegate to the Brundtland Commission Paulo Nogueira Neto formally endorsed Prince Charles's philippic, asserting that the two problems that must be addressed at Eco-92 were "poverty and the population explosion: there will only be environmental stability with a stable population," he said. Nogueira Neto is the only Brazilian member of the Brundtland Commission. He is also an adviser to Education Minister José Goldemberg, and guru of the current ruling team that controls environmental policy. He is also a member of the elite of the World Resources Institute, one of the "mothers" of the international green lobby.

It is clear that, just as *EIR* has warned, Eco-92 is intended to be the forum for launching the Anglo-American elites' population reduction plans on a mass scale against Brazil and other countries of the Third World. These genocidal plans were made official U.S. foreign policy back in 1974, with the National Security Council study known as NSSM-200 and ordered by then Secretary of State Henry Kissinger.

For Brazil, this has already meant the sterilization of more than 20 million women of child-bearing age. On April 12, the daily *Jornal de Brasilia* published an extensive report warning, "The U.S. demands sterilization of the poor; American government to bring population control proposal to Eco-92."

The article reports on the pressures being brought to bear by Undersecretary for Population Affairs of the U.S. State Department Nancy Carter, who was successful in including population control on the Eco-92 agenda. *Jornal de Brasilia* notes that the information first appeared in *Executive Intelligence Review*.

Business Briefs

Usury

U.N. admits that Third World has been looted

The latest report produced by the U.N. Development Program admits that the international financial establishment has been looting the Third World with loan-shark practices for over a decade.

The "Human Development Report for 1992" issued in April by the agency, admits that debt repayment efforts have destroyed the economies of the Third World in the same way the depression of the 1930s wrecked the industrial nations.

"For the developing countries, the relevant real interest rate on their foreign debt is the nominal interest rate adjusted by the rate of change in their dollar export prices. As a result primarily of the fall in their export prices, developing countries effectively paid an average real interest rate of 17% during the 1980s compared with 4% paid by the industrial nations.

"The attempted liquidation of their debts could not keep up with the fall in the prices of their exports that it caused. This phenomenon—first identified during the depression of the 1930s—has a paradoxical and disturbing outcome: *The more debtors pay, the more they owe*" (emphasis in the original).

The International Monetary Fund and World Bank "amplified" this process, according to the report, which noted that between "1983 and 1987, when developing countries faced a sudden exodus of commercial bank lending, net IMF transfers turned from plus \$7.6 billion to minus \$7.9 billion. Net World Bank transfers also turned negative—to minus \$500 million in 1991."

Health

No money to vaccinate against hepatitis B in Va.

Although three national health organizations—the Centers for Disease Control in Atlanta, Georgia, the American Medical Associ-

ation, and the American Academy of Pediatricians—have all made an about-face in the last 18 months and recommended that every infant be vaccinated against the highly contagious hepatitis B virus, Virginia's Health Department has no money allocated to buy the three doses per infant required, *Roanoke Times and World-News* medical writer Charles Hite reported on April 20.

A letter urging Gov. Douglas Wilder and state health officials to "take immediate steps" to make the hepatitis B vaccine available to all children regardless of ability to pay was sent by the chiefs of pediatrics in the three Roanoke area hospitals, after a meeting of 35 pediatricians who practice in the area. Roanoke is one of the poorest areas in the state, where 65% of the families of those in first grade in the public schools get food stamps. About \$1.4 million is needed for the vaccine.

All three medical associations admitted that the strategy of vaccinating only those in high-risk groups has failed to stop the spread of hepatitis B.

Some 300,000 people, mostly young adults, become infected each year, of whom 6-10% will become chronic carriers and spread the disease to others. The earlier in life the infection occurs, the more likely it is that a person will become a chronically infected carrier.

According to the paper, state health officials say it is unlikely that state funds can be used for the vaccinations until July 1, 1993.

World Trade

Iran, Saudi Arabia deal with Turkmenistan

Trade deals between the newly independent republic of Turkmenistan and Iran and Saudi Arabia are increasing.

Iran has said it will build a motor oil refinery in Turkmenistan, Reuters reported April 16. Iranian Oil Minister Gholamreza Aqazadeh, back from a visit to Ashkhabad, also said Teheran would explore for oil in Turkmenistan and import up to 150,000 tons of diesel fuel a year, Teheran Radio reported. The construction of the motor oil plant, he said, would begin

within six months.

"Iran has agreed in principle to Turkmenistan's request to export its natural gas to Europe via Iran. In that case, the section of the pipeline going through Iran would be built by Iranian experts," Aqazadeh said. He said bankers accompanying his delegation worked out details of a \$50 million credit to be used by Turkmenistan to import Iranian goods.

A Turkmen government delegation headed by Turkmen President S. Niyazov arrived at Jeddah, Saudi Arabia on April 6, during the holy month of Ramadan. The visit was unusual because, as a rule, Muslim countries do not invite any guests during this period.

In his comments on the results of the visit by President Niyazov to Saudi Arabia, Ata Charyev, a member of the Presidential Council and deputy Turkmen head of government, told Interfax news service that a group of Saudi businessmen would visit shortly to discuss concrete proposals, including cooperation in the development of oil, natural gas, and petrochemical complexes, processing of cotton, and the construction of a gas line through Turkmenistan, Iran, and Turkey.

East Asia

Malaysia, S. Korea to build joint arms industry

South Korea and Malaysia plan to become major Asian arms suppliers by jointly producing a wide range of defense equipment, Malaysia's new Armed Forces chief Gen. Yaacob Mohamad Zain has said, Reuters reported April 27.

"We are looking at producing naval vessels, infantry fighting vehicles, ammunition, and night vision equipment . . . it could be the start of Malaysia's defense industry," said Yaacob, who was Army chief until he replaced outgoing Armed Forces chief Gen. Hashim Ali in April, "The two Asian nations could become major manufacturers and global exporters of military hardware."

The two countries have set up a joint committee to identify types of arms to be produced, Yaacob said. "We first want to build equipment needed by the armed forces of both coun-

tries . . . the infantry fighting vehicles, for instance, are needed by our mechanized battalion.”

Yaacob said the project, to be based in Malaysia, would be undertaken by the private sector when both governments complete plans. He did not give a date.

Malaysia has forecast that its defense spending in the 1991-95 five-year plan will quadruple to \$2.37 billion from \$592 million in 1986-90. Defense Minister Najib has said the increase was necessary because Malaysia had not spent enough on defense in the past 20 years.

“We need more funds to better equip our forces . . . it [the allocation] might spill over to the next plan” (1996-2000), Yaacob said.

Agriculture

Farm parity policy advances in Louisiana

Hearings are scheduled in May in the Louisiana legislature on Senate Bill 206, introduced by Sen. James David Cain, calling for establishing a parity price for Louisiana's agriculture products.

In a press release issued April 22, Schiller Institute member Fred Huenefeld of Monroe, Louisiana, who is supporting the initiative, stated, “The purpose and intent of this legislation can only be realized in the context of national policy. Significantly, there has never been a depression when parity pricing was the law of the land. Therefore, this legislation is proposed as a model economic bill which will become effective only when approximately 30 states pass comparable legislation.”

The proposed law requires the state commissioner of agriculture and forestry to establish a minimum price for dozens of food crops, livestock, and other agriculture products, with prices based on standard grade type and quality.

The minimum price will be 90%, and the maximum price 115%, of parity. Huenefeld commented, “The minimum price is based on the cost of production and a reasonable return. This is arithmetic. No foreign country or state

could sell into any state below the cost of production and reasonable return of these products.”

The bill states that in the unlikely event that world carryover stocks exceed 40% of the desired world use of that commodity, which is defined in the bill, then orderly marketing procedures would be implemented by the state agriculture commissioner within 24 months.

Population

Malthus attacked in leading European press

Two attacks on Parson Malthus and his proponent Prince Charles of the House of Windsor have appeared in the leading European press.

In a commentary in the April 23 London *Times*, Nigel Hawkes wrote that, after two centuries, the catastrophes predicted by Malthus have not come to pass, and there is no indication they ever will. Fertility is falling everywhere, including in Bangladesh and Brazil, and the growth rate of population, rather than the growth itself, has already peaked.

Hawkes cited U.N. Assistant Secretary General Goeran Ohlin, who recently said that larger populations have generally found it easier to support themselves in the past, and cited the fallacies in neo-malthusian reasoning as to why large populations mean catastrophe. In the 19th century, U.S. population grew faster than the Third World's population is growing now, he said.

An editorial in the April 24 *Wall Street Journal-Europe* called the Earth Summit in Brazil a “phantasmagorical carnival,” and stated that what Prince Charles “and other malthusians think they know about population growth has been shown to be false.” Growth is the key to “lower fertility rates—if that is what one wants,” the *Journal* wrote, and growth is also key to environmental improvement. Western Europe is cleaner than eastern Europe because it is richer, not more environmentally sensitive. Scaremongers like Paul Ehrlich have always underestimated human ingenuity, the editorial concluded. “The prince is not in good company, but he has plenty of it.”

● **THE SWISS** government wants to extend arable lands by 438,560 hectares to secure its national food supply, a policy that goes directly against the “set-aside” policy of GATT. Jean-Claude Piot, director of the federal office of agriculture, said that the set-aside policy is leading to a “new Chernobyl” by forcing so much land out of production.

● **THE GEORGE** Marshall Institute will shortly issue an “eye-popping” study debunking the apocalyptic warnings about global warming, columnist Paul Gigot wrote in the April 24 *Wall Street Journal*. The study, based on satellite temperature measurements, will suggest that warming of no more than 0.5° Celsius will occur in the next century.

● **MORE THAN 10%** of Zimbabwe's population is HIV-infected, IPS news service reported April 21. Zimbabwe, owned mainly by Lonrho's Tiny Rowland, has more than 1 million carriers of the virus out of a population of 10.8 million. Children under five account for 15.7% of known cases. Only 25-30% of the total cases are believed to be reported.

● **McGEORGE BUNDY** was instrumental in promoting the buyout binge of the 1960s, which set the stage for the even worse buyout binge of the 1980s. Roy C. Smith, in his book *The Money Wars: The Rise and Fall of the Great Buyout Boom of the 1980s*, says that Bundy warned universities that they would lose Ford Foundation support if they did not invest in the financial manipulations of such funny money pioneers as James Ling.

● **IRAN** is accelerating privatization, following parliamentary elections on April 11 in which followers of President Rafsanjani made major advances. The state will sell its 10 largest car manufacturers, and four other metal and shipbuilding firms. The government's National Industries Organization intends to sell half of its 300 firms by March 1993, and the rest by March 1994.

What Brazil must do to defend its sovereignty

An interview with Lyndon LaRouche

Lyndon LaRouche and his ideas were forcefully brought to the attention of Brazil's political elite, by the publication of a three-part series of articles in the Jornal Congresso Nacional, a privately owned newspaper that circulates primarily among Brazil's congressional circles in Brasilia, the federal capital. The articles were featured on the front page of the March 14-20, March 21-27, and March 28-April 3 issues of Jornal Congresso Nacional, which bills itself as a "non-partisan newspaper" and Brazil's "best political weekly." Authored by veteran political reporter and newspaper editor Rubem Azevedo Lima, the articles were based on an exclusive interview the U.S. Democratic presidential candidate and political prisoner LaRouche conducted at the Rochester, Minnesota Federal Medical Center by reporter Jonathan Tennenbaum on behalf of Azevedo, who was unable to travel from Brazil.

In the introduction, entitled "The U.S. Wants To Destroy Brazil," Azevedo commented, "LaRouche believes that President George Bush is a 'new Caligula' and that [Henry] Kissinger is 'very dangerous' and that he currently wields more power than even the U.S. secretary of state. LaRouche, at present in a special prison in the United States, also talks about Brazil's foreign debt, which he considers perverse, humiliating, and illegal."

LaRouche, according to Jornal Congresso Nacional, "levels some serious charges about the gamesmanship of the great powers—with Great Britain in the lead—regarding the Amazon, in hopes of calling attention to the rights of the Brazilian people." The paper expresses the hope that publication of LaRouche's views will influence "the debate of this serious matter in the Federal Chamber of Deputies and the Senate" of Brazil. The following is the complete interview.

Q: Please explain to Brazilians, who is Lyndon LaRouche?

LaRouche: It's a rather difficult question to answer when it's put in that form, but I can say that I am an internationally controversial figure, who is controversial



Helga Zepp-LaRouche (third from left), wife of Democratic presidential candidate and U.S. political prisoner Lyndon LaRouche, meeting with parliamentarians on her visit to Brazil in September 1989.

primarily because I have represented two policies which are against the stream of Anglo-American policy of the past quarter-century.

First of all, I'm an economist, and I opposed the policies which are identified with Henry Kissinger, the policies of a fascist world order, in which the world's population, particularly of developing nations, is reduced by economic means analogous to those used by the Nazis in eastern Europe. These are the policies, for example, which Kissinger and his friends intend to apply to Mexico, Brazil, Colombia, India, and so forth, to drastically reduce the population of these countries by denying them the right to have industry, by cutting back their agriculture, and by imposing upon them what we recognize today are called International Monetary Fund (IMF) austerity conditions. These methods would ensure—say, in the case of Brazil—a destruction of the population of Brazil by perhaps two-thirds, three-quarters, or more. And that's the policy of Kissinger. I've fought that kind of thing for the past 25 years, and significantly for the past 16-17 years, and, in 1982, Kissinger decided, along with his British owners (and the British do own him, as he said some years ago) I should go to prison, to get me out of the way. Since it was not legal for him to kill me, he wanted to put me in prison, and therefore I have become, because I am the opponent of Kissinger and what he represents, one of the more controversial figures in the world today. I suppose that's how I should be identified.

Q: Why are you in prison, in a country which claims to be a country standing for human rights?

LaRouche: If someone knows, as many people do, that the charges against me by the government are fraudulent, that the conviction was fraudulent, and so forth, that tells them something, but that's not really the issue.

If you look at the U.S. justice system today, and then you look at my case in that context, you see many injustices in the United States: the injustices against minorities, from the standpoint of the criminal justice system, all kinds of injustice. And people ask: Is the United States becoming barbarous? Doesn't the justice system need to be reformed? Aren't these abuses? Then they look at my case.

Remember, the chief justice of the U.S. Supreme Court was involved in what the U.N. standards would call "barbarity," in my case in particular; what was done in terms of fair trial standards, in my case, would be called barbarism by the U.N. What my case demonstrates, is that the *entire* U.S. justice system, as a system of law, has become more degenerate than that of the Nazis.

To understand my case, you have to understand that my case, in a sense, is *typical* of the fact that the entire United States justice system is like the Nazi system, and perhaps worse. We may not have killed as many people inside the United States so far, but nonetheless, we're on the road to doing so; and our justice system, from the standpoint of standards of law, is already more awful, more degenerate,

than that of the Nazis.

Q: What do you think of the so-called “new world order” of Bush?

LaRouche: There’s nothing new about it. The Roman emperor Caligula, who died at the age of 29, had already achieved everything that Bush aims to achieve.

Q: What are Bush’s plans for the countries of Ibero-America?

LaRouche: Simply: genocide.

To understand this, you have to understand Bush. First of all, Bush, in a sense, is two people. He may be schizophrenic, but that’s not what I’m talking about. He’s two people. First, there is George Bush, the son of Sen. Prescott Bush, and, more important than being a senator, his father Prescott was the chief executive of Harriman and Co. for many years. He was so important that he was a key figure in putting Adolf Hitler into power. That’s who Prescott Bush was.

Q: The investment banker.

LaRouche: As an investment banker, he helped move the funds which put Hitler into power.

George Bush, on the basis of Prescott Bush and the Harrimans’ banking house, had it fixed for him to become a congressman in the 1960s. The first time he ran for Congress in a prepared district, and won. The second time he ran for Congress, the opposition was eliminated before the election, and therefore he had no competition, and he was easily re-elected under those circumstances.

He ran for Senate in 1970, and lost the race. He was essentially out of politics. The person who saved him, and let him have a career in higher politics, was essentially Henry Kissinger. *George Bush’s administration is essentially the Kissinger administration.* To understand the *intent* of the Bush administration toward South America and Central America, you have to understand Kissinger’s intent. To understand Kissinger’s intent, read National Security Study Memorandum 200 (NSSM 200), written in 1974, signed by Kissinger. That memorandum says that Brazil, for example, is to be destroyed by the United States. That’s the intent.

Q: Why are the developing countries faced with technological apartheid from the United States—not only from the United States, but also from other developed industrial nations?

LaRouche: Essentially, it’s the Anglo-Americans. It is essential to understand that during Kissinger’s entire adult life in politics, from about 1949-50, he has been an agent of British intelligence, as he himself explained in a speech he gave in Chatham House in London, in May 1982. So, there’s no difficulty in understanding the Anglo-American policy, Kissinger’s policy, as being British as well as American.

The policy is the one exemplified by this National Security

Study Memorandum 200. The purpose is to destroy these nations, to institute a kind of colonialism, which is worse than anything we saw in the former, pre-1945 period, to prevent these countries from developing technology. Because if they develop technology, they not only will be strong countries, using up their own raw materials, not leaving them for foreigners, but they will be able to maintain large populations. And Kissinger and his friends are determined to reduce the population of countries like Mexico, Brazil, India, China, and so forth, by more than half in the foreseeable future. And he intends to do this by mass starvation and disease.

That’s the British and American policy; and by denying these nations technology, as Sen. Albert Gore [D-Tenn.], for example, now echoes this, they hope that they can achieve that level of genocide.

Q: It seems, particularly, the so-called issue of nuclear weapons seems to be used, in order to impose technological apartheid.

LaRouche: Take the case recently, of the so-called second threat against Iraq by President Bush. The following facts are now known about that.

First of all, the leader of the so-called inspection team, who has been sending in all these reports about being blocked from nuclear secrets of Iraq, Iraq protecting its nuclear secrets by force against his crew—the truth came out. The head of the team is David Kay. David Kay is a *sociologist* of the 1960s generation. A sociologist! Great scientist! Sociologist. David Kay is an old State Department operative, which means CIA. We haven’t seen his CIA membership card, his personal insurance card from the CIA, but we know he’s a CIA *type* from the State Department.






Now the truth comes out, that the issue in Iraq had nothing to do with nuclear materials, or nuclear facilities. It had to do with vital statistics on Iraqi personnel, Iraqi citizens.

What was Mr. David Kay looking for?

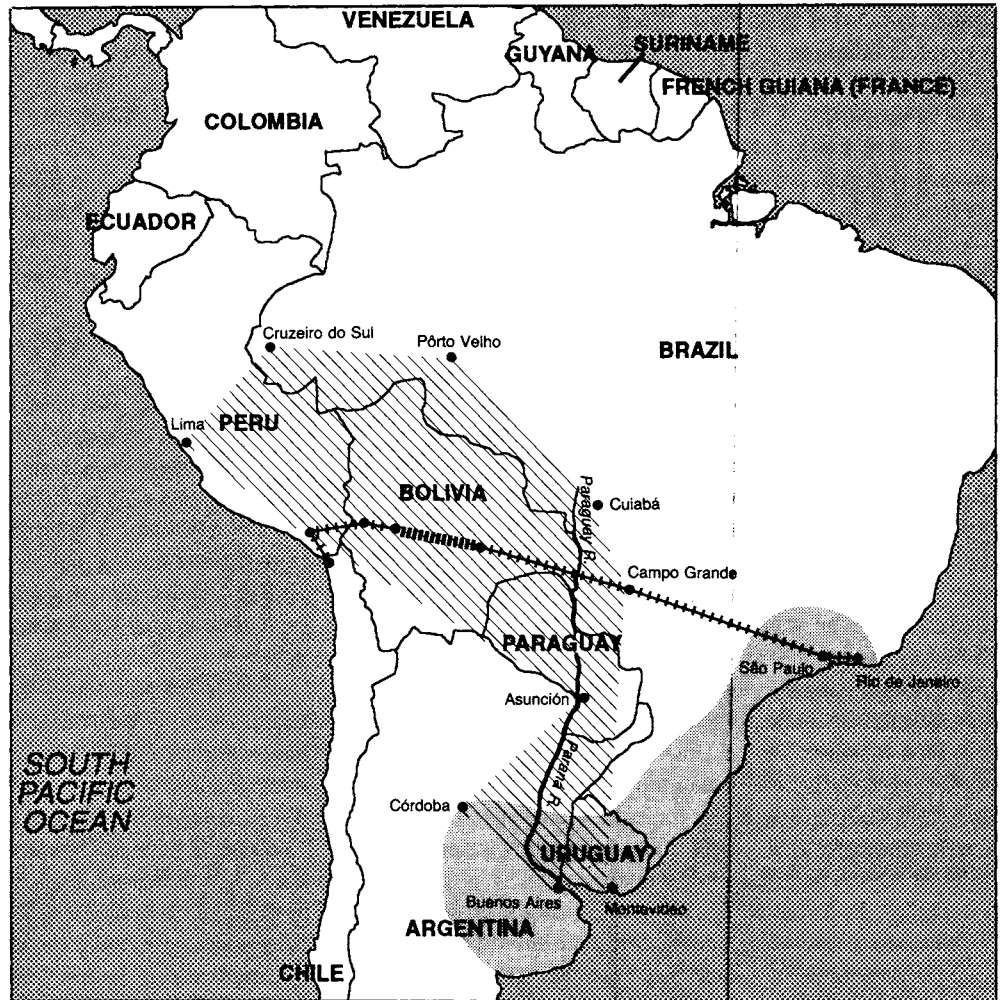
According to the Iraqi government, as implicitly admitted by the team (and I’ll say on what grounds I say “implicitly admitted” in a minute), what they had taken, were the birth and educational records of Iraqi citizens, to identify Iraqi citizens who had the technological *potential* to be capable of producing or working on weapons systems. And the Iraqi government said it would release these guys who were being detained, if they would surrender these vital statistics records. And the Iraqi government said that what David Kay was doing was trying to get these guys’ identities so the Israelis could kill them.

The response of the team was, “We have a right to keep these records”—which means that, from the beginning, when Bush talked about the blocking of U.N. directives by the Iraqis in this instance, President George Bush was again doing what he does best: lying. And what the U.N. team has been doing all along—the U.N. team which in fact is David Kay, the perpetrator of this particular nonsense—was lying.

Brazil's role in the South American integration polygon

-  Heavy industrialized zone
-  Integration polygon
-  Railroad
-  Railroad to be constructed
-  River

The Schiller Institute-proposed "integration polygon" is based on the axis between Brazil and Argentina. With a population of over 100 million people, this is one of the world's densest industrial areas. The polygon would integrate six countries, starting off with big infrastructural projects. One is to link the Amazon River basin with the Rio de la Plata River basin; another is to complete the transcontinental railroad, extending the line now existing between São Paulo in Brazil to Santa Cruz in Bolivia, taking it out to South America's west coast.



Which is what American sociologists are trained to do.

Q: Brazil owes more than \$140 billion to its international creditors. What should it do about this debt?

LaRouche: Brazil should support a proposal that I presented in 1982, in a document called *Operation Juárez*, a proposal which might be implemented in slightly modified form today, but essentially it's the same action.

Brazil must act with such nations of Central and South America and elsewhere as still have governments with the courage to act, to demand a reorganization of Third World debt. The demand for reorganization must be predicated upon the following included conditions:

The Anglo-American banking system, i.e., the IMF and World Bank, are bankrupt. They are not only bankrupt, but their policies over the past 25 years in particular have been catastrophic failures. The United States is about to collapse. Britain is the garbage-heap of industrial Europe. It is barely recognizable as a former industrial nation. Very soon, you will have paleontologists in there, looking for the remains of a primitive society, because that's where Britain is headed.

Why should countries accept a free trade policy of IMF conditionalities, a policy which has been such a catastrophic failure in Britain and the United States itself over the past 25 years, which has had no effect in any part of the world, except to bankrupt or to worsen the condition of whatever economy accepted it—why should that be accepted? In the meantime, the international monetary system as a whole is about to collapse. It is bankrupt.

So therefore, the authority and stability of this institution doesn't exist. The objective now has to be, to restore the world economy. Otherwise, monetary systems, payments, don't mean anything. The objective is that Brazil and other countries have to make a contribution to meet the needs of their domestic responsibilities to their own people primarily, and also to meet their obligations in the international market.

Well, there's no way that Brazil can do that at the present time, under present conditions. Therefore, we need a debt reorganization which is part of, or is part of the contribution toward, the reorganization of the international financial, monetary, and economic system.

What we require, is a new international monetary system

which does what the Bretton Woods system intended to do, or pretended to intend to do until 1967-68.

Just to review. Bretton Woods: The Versailles powers met again during World War II, and to understand Bretton Woods, one must understand that this was a *new Versailles agreement*. And we're operating under a Versailles system as modified by the institutions of World War II.

This Bretton Woods system set up a gold reserve system, which was used in the 1950s and early 1960s to provide stable prices of currencies with aid of a gold reserve system, and to provide relatively low borrowing costs for the long-term loans on international markets which were to be used for promoting international trade.

Now, it is absolutely essential, if one is going to promote trade and stability of currencies, to have fixed parities of currencies, and to have low borrowing costs. The minute you go to borrowing costs where the interest rates are effectively higher than the average rate of profit, you collapse the economy. The argument for the past 20 years, of course, as we know, has been that we must raise interest rates to fight inflation. But to raise interest rates as a way of fighting inflation, simply collapses the economy, and builds up inflationary speculation while collapsing the physical economy.

That insanity, which Brazil has suffered since the late 1960s, repeatedly, we've had too much of it. What we need is a gold reserve system, or the equivalent, of reorganized, stable currencies, and world trade and lending based on low interest rates, and I mean 1-2% interest rates.

Under those conditions, long-term credit at 1-2% and stable currencies, we can grow. So, what should be done, is that the present debts should be frozen and reorganized, and a plan of repayment of the legitimate portion of the debt should be planned, on the basis of the terms of a new world monetary system. And Brazil does not have the power by itself to bring that about, but Brazil in concert with other nations could play a leading part in bringing that about.

Q: What responsibility do the developed countries, especially the creditors, have regarding Brazil's debt?

LaRouche: Most of the debt was fake, in the sense that what happened is this:

During 1967-68, the Anglo-Americans collapsed the Bretton Woods agreements. They violated the Bretton Woods agreements. They broke them, essentially, at a series of conferences ending in early March 1968 in Washington, the emergency conference.

So, for the convenience of the Anglo-Americans, the Bretton Woods agreements were essentially broken then. They continued in a sort of baling wire form until 1971. In August 1971, through the 1972 Azores conference, the Anglo-Americans violated and destroyed the Bretton Woods agreements, and set up what is called a floating exchange rate system.

Then they came in with the floating exchange rate system,

and they went to developing countries and said, you will now accept floating exchange rate conditions. This was made effective, as Brazilians will recall, in 1973-75 with the world oil price hoax. Not a petroleum crisis; not an Organization of Petroleum Exporting Countries [OPEC] boycott—because there was plenty of petroleum on the seas; all the petroleum you wanted. There never was a petroleum boycott. Tankers were sitting out there, glutted with oil, with no place to take them. It was the Seven Sisters, the London cartel, Kissinger's bosses from London, who deadlocked the market, raised the prices, bankrupted nations, and put countries like Brazil in a bind.

For example, Brazil was told, "You cannot have nuclear energy." The last banker in the developed sector who insisted on Brazil's right to have nuclear energy was killed by a group of British assassins called the German Baader-Meinhof gang in 1977. His name was Jürgen Ponto. He was behind Brazil's right to have nuclear power plants. And he was killed by the British—called the left-wing Baader-Meinhof gang. But we know that it was British intelligence that created it and ran it.

So Brazil was denied the right to have nuclear energy. Brazil, with its known limited petroleum resources, cannot have national independence against higher oil prices unless it has nuclear energy, as well as the hydroelectric resources it has. And what happened is, the developed countries said, "You can't have nuclear energy; no independence. You've got to accept our oil dictatorship. No, we don't want you to have so much hydroelectric, we don't want you to have the big projects, we don't like them."

So, Brazil is denied the right to have atomic energy.

Then, like other developing countries, it was blackmailed into incurring debt to cover these higher oil prices which were created, not by the Arabs, except those Arabs who were nothing but tools for the London petroleum-marketing cartel. As a matter of fact, Sheikh Yamani, who was the head of the Saudi petroleum unit at that time, wrote a letter to Ambassador Sullivan commenting upon Kissinger's policies in connection with the petroleum cartel, and Sheikh Yamani said in his letter, Frankly, gentlemen, forgive us, but we think your government is insane.

It was the London-American crowd, the Kissinger faction of Anglo-Americans, who rigged this oil-price hoax, then turned around, with his artificially high prices, turned to Brazil as to other countries, and said, "No, you go into debt to buy your oil. No, you can't have nuclear energy. You buy our oil at our prices—not Arab oil. That's not Arab oil, that's London oil." And that's how the debt was created.

And then on top of that, then they came in and they said, "No, you're going to drop the value of your currency. But you're going to pay us in terms of our prices, while we drop the price of your currency." And on that basis, they created a paper debt, a debt not caused by the lending of valuable purchasing power to countries, or supplying of goods to your

I happen to know it's the objective of Kissinger and company to eliminate the Brazilian Armed Forces, knowing that once they eliminate the Armed Forces of Brazil, they will eliminate Brazil. . . . If you destroy Brazil, the other nations will give up in fear and abject terror.

country. But debt which is created on the basis of this book-keeping trick. And now the bankers say, "Pay this debt." You say, "But you didn't give us anything." "Oh yes, we did. We put it on the books." "Well, where's the money? We never touched it." "Of course you never touched it. And you never will."

And you're asked to pay this debt, which is purely artificial. It's a swindle. It is usury. It is against natural law. It is as unnatural as some other things I won't mention. And it should be repudiated. Honest debt should be treated honorably, and should be paid as possible. But you shouldn't have to chop your children up into hamburger and sell them on the market to pay even honest debt. In this case, honorable nations can agree to reorganize the debt, to eliminate the part of the debt which was imposed upon developing nations unlawfully or immorally, and the developed nations which have the power, have it in their own vital interests to create a world order in which their grandchildren can live peacefully, safely, and securely. To do so, they have to respect the rights of the majority of the human race, which is in what we call developing nations. And they have to lay the foundations now. The way to do that, is through a plan of cooperation to create a just, new world economic order, which is in the interests of the developing nations, as it is the developed nations.

Q: Why do the hegemonic countries intend to destroy the armed forces of developing countries, in particular, Brazil?

LaRouche: The reason for destroying the armed forces is to destroy utterly the sovereignty of all these countries.

It is now being said more and more openly, by Kissinger's circle, which includes the British Club of Rome types, such as Alexander King and others who are simply the spearhead for this, that the concept of sovereignty has to be eliminated. The armed services are the pinnacle of sovereignty.

Today, if, in developing countries, you close down the armed services, or weaken them to the point they effectively don't exist, then you have liquidated the nation. And in the case of Brazil, I happen to know it's the objective of Kissinger and company to eliminate the Brazilian Armed Forces, knowing that once they eliminate the Armed Forces of Brazil, they will eliminate Brazil.

Q: Why do the hegemonic countries seem to be so obsessed

with the environment, in particular with the Amazon?

LaRouche: If you want to understand this, go back to the decrees of the Emperor Diocletian toward the end of the third century A.D. And there were some other people who did similar things, but the Diocletian decrees—which were, by the way, called socialist by many people—actually imposed a system of serfdom on all the population of the Roman Empire. And from that, the development of new industries, new villages, new towns, new technologies, new trades, were banned. The reason they wish to do this, is to destroy Brazil.

Remember, Brazil is a large country with tremendous potential. And if it has its own territory and developments, which the large projects tended to contribute toward, it would become a powerful nation.

If Brazil is a powerful nation, that's good for its neighbors, because that gives them added strength in being powerful nations themselves. If you can't destroy the sovereignty of Brazil, every other nation will fight to maintain its sovereignty, too. If you destroy Brazil, the other nations will give up in fear and abject terror.

Let's take a couple of examples. Let's take the so-called global warming. The global warming is a total unscientific hoax, although it's accepted by the governments of these nations. Take the story of the ozone hole. It is a complete, scientific fraud. There is no ozone crisis. And there is no ozone crisis caused by chlorofluorocarbons, man-made in particular. But if you eliminate chlorofluorocarbons, what are you going to do in Brazil to people who depend upon refrigeration for safe food? You eliminate refrigeration, make it beyond the possibility of developing nations to have modern refrigeration. What happens to food? What happens to the economies if you shut down industry because you say it's causing global warming—which is not occurring, but you agree by law that it is occurring? You say it's not occurring, it's the emperor's new suit of clothes. Everybody must admire it, but it doesn't exist. Environmentalism is a weapon to break and suppress the economies of developing nations and other nations, to halt technology. It comes right out of people who are spiritually in the tradition of the pagan Emperor Diocletian.

Q: In Brazil, sometimes people say, well, the reason why there's all this talk of the Amazon, is because the industrial

nations want to grab the raw materials in the Amazon, that they're greedy for the raw materials.

LaRouche: Well, that's what Kissinger says in his National Security Study Memorandum 200 of 1974. In a sense, that is part of the policy.

See, when Kissinger and company try to explain their policies to dumb American businessmen and people like that—those who still exist—they have to explain it to them in simple terms that these dumb Americans will understand. When they say, "Why are we doing that to Brazil?" the Kissinger types will say, "Well, we want to get their raw materials cheap." "Oooohhhhhh," says the dumb businessman. "You mean we're going to steal their raw materials?" Kissinger says, "Yeesss." And the dumb businessman says, "I understand. I like stealing. Can I have some?"

Q: Which countries contribute the most to pollution on the planet: the industrialized nations or the developing nations?

LaRouche: I should say that my first response to that remark is, whatever nation in which Henry Kissinger's mouth is emitting gas at that time.

But actually, nature itself produces most of the pollution on this planet.

For example, let's take chlorofluorocarbons. Let's assume that the halogens—let's say they cause environmental problems. The greatest amount of production of halogens is by volcanoes. And the production of halogens in the atmosphere by man is infinitesimal compared with the output of volcanoes.

The logical thing we ought to do, then, would be, let's go out, and send our cement manufacturers, and we'll make giant plugs for all the volcanoes, and we'll plug them up so they cannot emit halogens any more. So, they're orifices.

The only problem is, if you look back in the history of vulcanology, you will find that there are a couple of incidents—one in the nineteenth century called Krakatoa, and the other in the eleventh century B.C. which is called the island of Thera—and though the volcanoes were not plugged up by man, they were plugged up, and they blew up with a force which destroyed all life in that vicinity. So, maybe plugging up volcanoes isn't a good idea. But there are many examples, that if you take most of the pollution on this planet, most of what is rightly called pollution is caused, not by man, but by other aspects of nature itself.

Q: Speaking about the preservation of the Amazon, it is said in Brazil that President Bush is opposed to building Highway 364, which would link East Amazonia with the Pacific Ocean through Peru. Is that correct?

LaRouche: I would say, that without looking at Bush, Bush is very unpredictable. He's not mentally stable, and therefore one should not speculate too much on Bush's intent. But I would say the Bush administration, the policy behind Bush, the group behind Bush's policymaking, yes, that is their

intent, to prevent such a thing, to prevent any large-scale infrastructure project, *particularly* any infrastructure project which would tend to promote the efficient integration and cooperation of the economies of Central and South America.

Frankly, I would prefer a high-speed railroad maglev system to a highway, myself.

Q: Democracy in developing nations: does it hinder their development? Can they be stable if, like Brazil, they face grave economic, financial, and social crises?

LaRouche: This word "democracy" is used in a way which is often counterproductive.

Remember, the next-to-final stage of destruction of the civilization of Athens was caused by a party which was called the Democratic Party of Athens, the party which condemned Socrates to death on false charges.

In the history of mankind, democracies such as that of Meletys of the Democratic Party of Athens, or of Robespierre of Paris, and similar phenomena, have been a disaster. We use the word democracy wrongly, perhaps, sometimes; but democratic is not good. The idea that the simple will or the simple opinion of a majority ought to rule a nation, is the most dangerous and evil idea ever conceived.

We ought to mean something else. What is at issue is the insurance of the true natural rights of every individual person. Now, even someone like Thomas Jefferson of the United States, who was morally superior to that degenerate Andrew Jackson later on, recognized that you cannot have a functioning nation—and the United States was not created as a democracy, it was created as a democratic republic—in which the citizens had the right to vote on the selection, but again, I'll get to the distinction there. And this is the important thing to recognize in this case here. Even Thomas Jefferson recognized that you had to have a high quality of education, to have a citizen who is qualified to vote. And that if you didn't do that, that by bad citizens, as Franklin said, coming out of the Constitutional Convention, we have given you a republic, it is now up to you to keep it. And you cannot keep a republic, if you allow the kind of democracy that Robespierre represented, or Meletys of the Democratic Party of Athens represented. If you allow that kind of democracy, you can't have a republic. It will be destroyed. Your majority vote will destroy it. The demagogues, and the rhetoricians, and the sophists will come in and get the majority, perhaps by way of television programs. And you'll have a mass outpouring of voting. And, as you see, we get worse and worse elected officials these days, in many countries, precisely because of this emphasis upon democracy, which is not democracy. Sometimes it's called demagoguery. Not democracy.

What is needed?

The rights of the individual have to be protected. What are the rights of the individual? They're the natural rights, human rights, of natural law. The individual has the right to be known as in the living image of God. The individual has

the right to be sovereign. The individual nuclear family has absolute sovereign rights as a nuclear family. Its right to exist; its right to function; its right to protection. The individual has natural rights to be treated as a human being in all ways. The individual has the right to an education—and to a *compulsory* education of a suitable quality. The individual has the right to the opportunities to participate in the technology, to opportunities which suit his particular disposition and abilities, his capabilities, and so forth. The individual has a right to have a voice in shaping society. And a voice as a vote—yes, that's important.

If we mean that, that means republic. But what gives the individual that right? Majority opinion? No. Majorities are not to be trusted, as history shows. You can't trust the majority of American citizens these days. Look at what they've put in public office. The most terrible creatures. We haven't had a sane President since, probably, Kennedy (if you consider the fact that the Nixon and Ford administrations were really Kissinger administrations).

What is meant is a republic. What do we mean by republic? You require two things in my opinion, which I think is also the opinion of the ancient Dante Alighieri for a stable, sound nation. 1) You require a literate form of spoken and written language. Because without a literate form of language, people cannot participate intelligently in the formulation and selection of national policy. 2) You require a submission of the nation's will to the rule of law, the rule of law being not positivist law, not legislative law, as such, but rather, natural law, law based on the principles of a constitutional republic.

So we should use the term—not democracy, which is a word which is used so loosely that we shouldn't use it today. We should use the word “democratic republic,” a republic which is based on commitment to maintaining and developing a literate form of language, which means literate in spoken and written language; literate in geometry (mathematical language); literate in music. If those qualities of literacy are maintained and developed in the population, then you have a mentally, morally healthy population, in terms of communication. If you have a nation which is committed to certain constitutional principles (not positive laws but constitutional principles), and the people combine the process of the democratic vote with submission of the will of the people to the law at the same time, as Solon of Athens prescribed 2,500 years ago, then you have the only form of society which we know of that works. For this same reason, we must have truly sovereign republics, and we must oppose all those who counterpose democracy, the way Bush does, to sovereignty. Without sovereignty of nations on the basis of language, there can be no freedom, there can be no effective form of democratic functioning whatsoever.

So, the first thing is sovereign nation-state (republic); and within the sovereign nation-state republic, democracy. Democracy in the form of the democratic republic. It were

better to have a king than to have a mob, if there is no law. But it's better to have democracy than a king, provided it's the democracy of a democratic republic.

Q: It is said sometimes that some forces have an interest in instability in our countries, because the hegemonic nations are looking for a pretext to intervene in the name of preserving democracy.

LaRouche: That's the way the game is played.

For example, in 1783, the United States had defeated Great Britain, which meant that they had also defeated what was called then the Venetian Party, which was centered in Britain, the Netherlands, the old Levant Company interests in and around Geneva and elsewhere, and France.

France in 1783 was the world's leading nation in military power, in economic power, and in science. And the defeat of Britain by the Americans and the League of Armed Neutrality in that period had weakened the Venetian Party, and had allowed France under Louis XVI to recover from the disaster which France became, particularly under Louis XV, who was a disaster, Pompadour and all; Deer Park and all, John Law.

Britain was determined to destroy France. How did it destroy France? These British are not as stupid as the typical U.S. American. The British elite actually do study a bit of history. They're not as ignorant as the average North American. And they're more dangerous for that reason, because they're not as stupid as most of my fellow countrymen in Washington are.

What they did, is they used the Jacobins, who were a product of Voltaire and what he represented—and Voltaire and the British are one and the same thing. Voltaire, Shelburne, Bentham, Pitt, were all one and the same thing. So the British and the British agents, particularly, included Danton and Marat. Robespierre was a British-Swiss agent of Voltaire's Geneva crew. Look what they did to France. In 1783, they got the dumb French to accept a free trade policy. And the dumb French not only accepted a free trade policy, but they got a Lausanne banker, Jacques Necker, the father of Madame de Staël, to become the finance minister of France.

From 1786 until 1789, the free trade agreement and Finance Minister Necker bankrupted France. And the most powerful nation on the planet, at that time, 1786-90, was induced to national humiliation within three years by this method.

Then, what happened is that in this process, the nice republicans around Lafayette and so forth, were too soft. They didn't recognize that Voltaire was probably one of the most evil men prior to the birth of Bertrand Russell on this planet. Certainly, both of them were much worse than Adolf Hitler, who is a mere minor figure in comparison.

The Jacobins destroyed France.

What were their targets? Their targets were *everyone*,

including Louis XVI, who had been involved in support of the American Revolution. It was the British specifically, when Lafayette was out of France, who had the Austrians put him into that Czech prison and try to kill him. It was the British who were behind Philippe Egalité and the beheading of Louis XVI. It was the British who were behind the systematic murder of every aristocrat and others who had been key in the American Revolution in support of the American colonists.

What did they also target?

The Jacobins targeted French scientists, exemplified by the case of Lavoisier. And what saved France?

Well, it wasn't saved completely. It's still suffering the damage. Just for an example of how they suffered the damage, what happened? On July 14, 1789, what happens? Philippe Egalité, the cousin of the king and the enemy of Benjamin Franklin and a British agent to his toes, organized and armed a mob of scum—and I mean scum. They marched to the Bastille, which is treated in the history books as a major prison. But at that time, it had ceased to be a significant prison. The only thing in there were some poor idiots who were waiting transfer to a mental institution, plus their custodians. The mob surrounded the Bastille, and Philippe Egalité threatened the captain, the warden of the prison, to surrender. The warden and his guards surrendered—they were promptly decapitated by the mob.

So much for the word of Philippe Egalité, the Duke of Orléans.

The gibbering idiots were put on the shoulders of the mob in triumph; the decapitated heads of the guards were stuck on the pikes, and the procession moved off the street toward the mental asylum where they were going to deliver the poor, gibbering idiots. And in front of the procession, some of the members were carrying a stone bust, an image of the head of Jacques Necker. The whole procession, the burning of the Bastille, was an election campaign to force the King of France, Louis XVI, to appoint as prime minister of France, Jacques Necker who had just, as finance minister, bankrupted the nation of France. And the French to this day celebrate Bastille Day as a national holiday, which shows the damage the British did in France as a result of the French Revolution. That damage—the brain damage—has not been fully undone to the present day.

The only thing that saved France from worse disaster, was that the Jacobin mob didn't get one of the key scientists: Lazare Carnot. And Lazare Carnot, who happened to have been a Jacobin himself, because he had been a victim in the Bastille at an earlier point, organized the defense of France, became the author of victory, saved France from virtual dismemberment, which the British had intended at the time by military means, and through this, there came about Thermidor, which cut off the Jacobins before they did much more damage at the time.

That is the lesson which guides the Anglo-Americans in

dealing with people.

I'll give just one example of this. Take the case of Zaire. Zaire is one of the nations which has been targeted for destruction by Henry Kissinger and others for a long time. Zaire's President Mobutu Sese Seko, in 1982, was prepared, at the same time that Mexico was prepared under López Portillo, to resist the United States on this question of monetary reform. But Mobutu was trusting. And he was influenced by the United States to capitulate. In 1985, he was praised by the United States for his capitulation to the IMF conditionalities. As a result of the capitulation, the economy of Zaire was ruined. It's in ruins now.

Now, in this circumstance, what happened?

The Anglo-Americans, through French and Belgian channels, are now moving to dismember Zaire, through destabilization. The killing of Rajiv Gandhi, like the killing of his mother in 1984; the killing of Bhutto under personal orders of Henry Kissinger—the coup and the killing were under Kissinger's orders—these methods of destabilization are characteristic.

What happened in Mexico, what happened in other countries, what has been done to Colombia, which is one of the countries targeted by Kissinger specifically in 1974; what is being attempted and intended in Brazil, is another destabilization, coming from the same sources.

This kind of destabilization is characteristic of the method they use. And if the Anglo-Americans can't do it themselves, they'll get the Israelis to do it.

Q: Is it legitimate to include the IMF and World Bank as among those international forces which are interested in preventing development in the Third World?

LaRouche: Absolutely. The World Bank and IMF are, in effect, creatures of the Anglo-American establishment. They are creatures of the people who own and use Henry Kissinger. When you are looking at the IMF you are looking at an errand boy who might as well be Henry Kissinger, except unlike Kissinger, he can probably add and subtract. He can't do it well, but he can do it.

Q: Sometimes the IMF is portrayed as a kind of democratic institution, of which the countries are members—

LaRouche: It's like being members of a suicide club. They have these arrangements. Some people in the United States in particular, but not just the United States—as an American I think I should concentrate on insulting my own fellow citizens, rather than citizens of other countries, of course, only appropriately—my fellow Americans are like sheep who, when lined up at the door of the slaughterhouse, will fight among themselves to be first in line. And that's the way some people “join” the IMF and World Bank.

Q: Faced with the short-term perspective of the possibility of exhaustion of its oil, what can Brazil do?

If Brazil were to be cut off by a blockade, and if I were a Brazilian, I would say, "We're going to develop despite these bastards." And we would do something and we would do it successfully. But it would be much, much harder than if we had a little cooperation from abroad.

LaRouche: There is a great deal of exaggeration about the danger of depletion of petroleum. There are many indications that petroleum is not truly a fossil fuel, but is actually something which is generated within the bowels of the Earth itself, in those of our Earth's lower parts which are still in a reducing mode because of higher temperature. That's one point. But there is a great deal of petroleum around. The Caribbean probably has more petroleum than the Arabian Peninsula—at least it is in the same ballpark. And many other parts of the world are petroleum rich.

There are several points about petroleum. One is getting it out and delivering it. There is a certain diminishing return on that, though I don't think we have in sight any possibility of running out of petroleum, not in this century and some decades to come. That's not the problem.

The second point is the pollution effects and the inefficiency of petroleum. By so-called conventional methods of burning, coal and petroleum are not very good fuels. There are some unconventional ways of using them which may be a bit better, but there has been some reluctance to invest in those.

But the future of humanity depends now immediately on fission, on the degree to which we can use fission fuel with its greater efficiency. It is less a strain on transportation. For example, a fission plant of a gigawatt will produce about a ton of waste per year, of which 95% can be recovered as fuel. That's not much transportation. Think of how many trains of coal, how many shiploads of oil, are required to produce at the rate of 1 gigawatt for a year. Also, think of the combustion rate. Look at the temperatures we can achieve with high-temperature reactors. Look at the advantages of high-temperature heat, particularly if we avoid going through the steam cycle, where we have tremendous loss, and go to direct methods of conversion of power.

So, from the standpoint of national security, independence of energy resources, environmental and other advantages, the proliferation today of fission is the best thing. To be concrete on this, I would propose we make high-temperature reactors predominantly for power use in units of approximately one-fourth of a gigawatt. We plan to put about four of them together to make a standard installation. With very simple safety controls and with four separate units, you have a management advantage as opposed to having it all in a 1 gigawatt unit. Also, we can get the small reactors into

places where we cannot get the 1 gigawatt plants. So, we proliferate these as much as possible. In some cases, as the Argentines proposed some years ago, before they were shut down by the Anglo-Americans, one can use a 60 megawatt unit for uphill and upriver locations, which is ideal for certain kinds of applications; I'm not excluding that.

But I would say generally what we are really looking for is the basic high-temperature reactor, perhaps one or two different types, fission reactors which can be used with impunity, with safety and simplicity, and which give a nation essentially national security independence and sovereignty in terms of power requirements.

Now there are other considerations which we should have as a power policy. One is, we must have fusion. We should plan to rely upon fusion more or less exclusively into the end of the coming century. That should be the general view of where we're going. And where we write "gigawatt" today, by the middle to end of next century we will be putting "terawatt," because our power needs per capita and per square-kilometer will be increasing by that rate over the coming century. We are thinking 50 years ahead now. We will have terawatts instead of gigawatts, and you won't get there using petroleum. You can't even get there with fission. You *can* get there with fusion, and we will have to get there by the middle of next century.

It's a national security imperative. It's not an environmental or "sensitivity" issue. If you want to survive, you have to do it. For those who don't want to do it, let them go somewhere else, to a nation which does not want to survive.

Now that will not be adequate for the long range. We know something about matter-antimatter reactions. We don't know by any means enough, but we know enough experimentally to know the orders of magnitude of the mass-energy relationships in matter-antimatter operations. So we know we have probably three orders of magnitude advantage in matter-antimatter reactions over simple fusion reactions. So let's call fusion reactions "nuclear reactions," let's call matter-antimatter reactions "subnuclear reactions." It's simply a matter of scale. We are going to have to develop them.

So what we should be saying is: We have the hydroelectric program, which we use now in a certain way, and we have so-called fossil fuel programs, which we use now. But you cannot base national security on that into the next century. We are going to talk about fission now as our emphasis,

that's the keystone of our energy policy, our power policy. We are going to go into fusion plants reaching the terawatt level, where we put gigawatts today, by the middle of next century. And by the end of the next century we should have cracked—because we committed ourselves to doing it—the matter-antimatter and similar types of reactions as the energy source beyond simple fusion, as the technology by the end of next century.

In the meantime we have to eliminate the general dependency upon gasoline and other petroleum products as fuels for vehicles, for example. We must go to what one gentleman in Germany has described as a “hydrogen economy,” based on protons and electrons. Neutrons also, one might add. We must use hydrogen or simple hydride types of fuels and electricity as inputs for vehicles. We should be developing now the techniques for doing that, and what we will do is to use our nuclear fission and later fusion plants as the source of production of hydrogen and hydrogen-based fuels.

So instead of using gasoline you would use an automobile which will have a propulsion unit based on a fuel cell or something of that sort which will use a hydrogen-based fuel. The fuel you use will be produced by your local nuclear plant as a byproduct of its operation. It will be much cheaper, much cleaner than anything we have now.

Q: Does Brazil have the means to develop, without foreign help?

LaRouche: Yes and no. If Brazil were to be cut off by a blockade, and if I were a Brazilian, I would say, “We’re going to develop despite these bastards.” And we would do something and we would do it successfully. But it would be very hard and would be much, much harder than if we had a little cooperation from abroad.

Q: Regarding population policy, birth control in Brazil was imposed from the outside, some time back during the 1960s. Today, we learn that even some national organizations were coopted by the international campaign against population growth and in favor of sterilization. What can we expect from this policy?

LaRouche: First of all, my temptation is to say, you don’t have to resort to mass birth control to prevent the birth of new Kissingers. That would be rather desperate, using buckshot methods.

What we can expect is the use of the cheapest methods of reducing population. If somebody can effect sterilization of a woman—which is what they are going to focus on, not the male—and if the sterilization of a woman were about \$10 in cost, then mass sterilization is to be expected. That’s because that is the type of people we are dealing with. That is what the Bushes and the Harrimans and so forth are like. That’s the way they think. That’s the way they thought in the past and that’s the way they think now.

That is how a certain British type thinks. Population con-

trol will be partly based on that, but, in general, what we’re looking at in the short term, is mass destruction of populations by the cheapest methods possible: famine and disease.

Q: It is also claimed that it is because of external pressure from the rich countries that Brazil is adopting the policy of opening its markets to the exterior and a policy of privatization of its strategic resources. What are the consequences of such a policy?

LaRouche: It is unpatriotic to permit it to happen. For example, to have within the ownership of the people of one’s own nation the essential means of national survival, is the first dictate of national security. It’s quite fine to have foreign investors participate in the development of the country, but never allow foreign control of the destiny and the capability for survival of the nation. What is essential is that food supplies, basic economic infrastructure, and certain essential machine tool and related capabilities have to be absolutely secured as a national security matter. Otherwise, the nation has no sovereignty.

On privatization: Look, it doesn’t work anyway. Look at Britain! Let some Brazilians go to Britain, and let them look at what that rubbish heap is. Let them see the riots at Oxford, the riots throughout Britain. Let them see whole communities in desperation. Over the past 20 years the poor Brit has been driven to a cultural level below that of the mythical Neanderthal.

A joke you could make is, some years ago a scoundrel by the name of Teilhard de Chardin, who was an anthropologist—and an anthropologist is, like a sociologist, generally a professional liar—created a hoax in Britain called Piltdown Man. They took some body parts, some animal bones and things, put them into a grave with some artifacts, and claimed to have discovered a missing link in evolution. It was exposed, I think, in the 1970s, as simply a hoax. I think that somebody like Teilhard, of a similar disposition, has taken the living Brit and is actually doing the same thing—producing a *living* Piltdown hoax! That is what they have done, with their economic policy, to the Brit. Poor people!

So you see these rioting children in Britain, the “no future” children. This is the logical consequence of what in its worst form is called Thatcherism. That’s what Margaret Thatcher did. She wasn’t the originator, that is always what has happened with the malthusian, Adam Smith sorts of forces. But you don’t want that, and if you permit that, allowing what I call flea market economy, you are committing suicide. It’s treasonous to have such stuff in your country. The Poles are discovering what a horrible thing it was, what a mistake they made. The Russians are saying, “No, we are not going to make that stupid mistake.”

And the United States is about to collapse. It may become moot, because in a short time, October or November or sometime next year, but maybe as early as October, the U.S. monetary system is going to collapse. The British system

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is also collapsing. I don't know why people, finding their neighbor is dying of a terrible disease, want to infect themselves with that disease.

Q: Brazil is being mentioned lately as a route for smuggling drugs to developed countries. Based on that allegation, can the hegemonic nations deploy the United Nations Organization to take steps against the traffic?

LaRouche: They might do it. Actually, most of drug traffic in that part of the world is coordinated by the Israelis, as we know from the Caribbean operation, we know from the case of the Medellín Cartel, which was Israeli-coordinated. And this has in part to do with the fact that the Israelis can get by with things that other countries don't dare do. The Israelis, for example, will commit assassinations for the British and the Americans; the Americans and British are just afraid being caught doing it. If the Israeli government is caught murdering somebody, they say, "We had to do it. Why did we have to do it? Because we *felt* like doing it. We have to follow our impulses in these cases. It was a potential threat to Israel."

The Israelis run drugs and weapons. Just to be realistic, look at the lesson of the arms traffic. We happen to know that the arms traffic involving Iran and Israel was being done by Carter. We exposed that. We happen to know that the Israelis have been involved in the arms and drug traffic in the Caribbean region. We happen to know that they were involved in the Medellín business, which is key. We happen to know that the route that they use is the old Meyer Lansky route, where Meyer Lansky use to take cocaine from Medellín and run it to his stooge called Batista in Havana, and then ship it to sell to his friends in Hollywood, actors and actresses, who needed to sniff cocaine in order to simulate living beings.

But, however, the Anglo-American/Israeli forces are perfectly capable of using drugs through Brazil, on the one side, and then doing as they did to set the precedent in Bolivia, and are doing in Peru, saying, "Okay, you have drugs in your country, so we are going to have to put an international force in there to stop the drug traffic"—even though they started it!

It's like a guy who comes in and wants to break into your house to steal and to rape your wife and children. So what does he do? He comes and sets fire to your house, and then comes

in wearing a firefighter's costume in order to commit rape.

Q: What do you think Brazil should do?

LaRouche: I think Brazil should put out the fire itself. Sovereign forces should clean up the mess themselves.

Q: Brazil owes about \$800 million to the Bank of Credit and Commerce International, which has been liquidated in England. Is this a bank of money laundering, of narco-trafficking? There is also the allegation that some rich Brazilians have transferred their resources via the BCCI to the Cayman Islands. What should the Brazilian government do, if these charges turn out to be correct?

LaRouche: First of all, the BCCI is based in the British Commonwealth, which means that it is the affair not of the United Kingdom, but the British Commonwealth and the British monarchy. Remember, the Queen of England is the Queen of what countries? Make a list: the Commonwealth, including the Cayman Islands—a point we noted some years ago. So, it is a British bank.

The fellow who set up the bank, the original founder, has a long family tradition of being a British agent, already before he went to Pakistan. The bank was run as an intelligence agency bank, in large part, under many covers. One has to look at the shipping company which was very closely involved, historically, with the setting up of this bank, which also is very important. So, we are dealing with a Commonwealth bank which is essentially a responsibility of the British Crown—not the British government but the British Crown, although the United Kingdom is involved. It was used for money laundering, for drug money, and so forth. All that has been generally admitted. It's a very unusual bank. It's not a Pakistani bank pride and joy, it's a British Commonwealth bank, and all kinds of things, including drug money deals and so forth, are run through there.

What should happen is that, in any case, the Brazilians should apply their law to the situation and determine if crimes were committed against Brazil through the agency of the bank, which means that the Brazilians, according to my recommendation, should audit and investigate this thing thoroughly, and seal and freeze everything in sight until they get this mess cleaned up. Look for dirt, expect the worst, and believe me, you will find it.

Germany enters worst crisis in 18 years

by Nora Hamerman

The Federal Republic of Germany entered its gravest political crisis in 18 years with the sudden resignation on April 27 of Hans-Dietrich Genscher, who has been deputy chancellor and foreign minister in every Bonn government since 1974. Genscher's abrupt departure leaves a vacuum in German foreign policy which can only be compared to the turmoil that followed the sudden death of Foreign Minister Gustav Stresemann in 1929, under the Weimar Republic.

Although Genscher's departure is still unexplained, the turbulence which has broken out inside his Free Democratic Party indicates that it was a hasty and not a long-prepared move on his part. On the other hand, the frenzied activities of FDP chairman Otto Count Lambsdorff, who recently became the official representative for Europe of David Rockefeller's Trilateral Commission, suggest that the Anglo-American elites knew what was afoot before it happened, and indeed may have been planning it to destabilize the government of Chancellor Helmut Kohl.

Foreign Minister Genscher has been associated since 1989 with the Bonn coalition government's effort to take leadership in an independent European policy which would not slavishly follow the orders issued by the Anglo-American elites, who have made no secret of their enmity to the prospect of a strong Germany at the heart of continental Europe. This began with Genscher's insistence on the rapid reunification of the two Germanys after the fall of the Berlin Wall, against the "prudence" of London and Washington, and in 1991, with the leading role of Bonn in recognizing Croatia and Slovenia as nations independent of Serbian domination in the breakup of communist-ruled Yugoslavia.

Now, Germany will go into a crucial series of summits in late spring and early summer, without the experienced diplomat in the government. These summits are likely to

decide on a merger of the functions of NATO, the Western European Union, and the Conference on Security and Cooperation in Europe (CSCE); a new task orientation for NATO toward a "rapid deployment force concept"; and the Group of Seven summit in Munich in July.

Germany will also face without Genscher the remaining two months before Britain, its fiercest opponent, takes over the chairmanship of the European Community for the next half-year. Indeed several leading German newspapers have expressed doubts that Helmut Kohl, who had expected to ride out the next 20 months without an election while implementing harsh austerity measures, can survive this latest in a series of visible losses in the cohesion and public confidence of the Bonn government.

The underlying economic crisis

The Genscher resignation was preceded by more than a month of cabinet shakeups, electoral upheaval, and accelerating scandals, starting with Defense Minister Gerhard Stoltenberg's departure under the shadow of scandal on March 30. But the real backdrop to the political crisis is an economic crisis which was merely made official by the release of statistics in the middle of March showing Germany to be in an economic recession.

The response of the Kohl government has been to turn its back on its labor and industry constituents, enter into rotten compromises which continue to destroy the economy of the former East Germany, and to pledge a total commitment to the austerity measures demanded by the British oligarchy's International Monetary Fund. Indeed, on the very same day that Genscher made his bombshell announcement, Germany was hit by the largest strike wave since the end of World War II.

On April 23, German Finance Minister Theo Waigel had

thrown down the gauntlet by announcing the government's refusal to grant the request by public sector, postal, and railway workers for a 5.4% wage increase. For political reasons of "principle," Waigel said, Germany will only grant a 4.8% increase. On April 25, the railway workers voted 96.6% to strike, police union members 90.1%, public service workers 88.9%, and white collar employees 74.8%. On April 27, some 75,000 transport workers were on strike in Berlin, Munich, Stuttgart, Mainz, and at some of the key sluices of the industrial canals in the west and north of Germany. Several million commuters in these cities arrived late to work.

The next day, 130,000 public sector workers and employees walked out, mainly in North Rhine-Westphalia, the state where Bonn is located, together with most of the federal administration. By April 29, close to 300,000 public sector and metal industry workers took part in labor walkouts, and 1.5 million construction workers entered the last mediation stage of talks which could also result in strikes by mid-May at the latest. While the metal workers were only carrying out warning strikes in support of their public sector brethren so far, this may well escalate.

The showdown had been building since March. Speaking in Orwellian code-language (in hopes of not unduly alarming voters headed for the polls on April 5 in two states), Labor Minister Norbert Blüm of Chancellor Kohl's Christian Democratic Union (CDU) called for "regaining the social balance." Finance Minister Waigel urged "fighting misuse of social funds." Lambsdorff of the FDP called for a "special law to secure the budget" which would work—if it can be called that—like the Gramm-Rudman act in the United States and facilitate deep cuts in federal subsidies to farming and heavy industry as well as in social programs and health. Even the budget experts of the opposition Social Democratic Party (SPD) got into the act, with calls for deep budget cuts primarily in such areas as defense, aerospace, and nuclear research.

Incompetent policies

Economics Minister Jürgen Moellemann came out on April 2 with a call for "concerted action" among government, industry, and trade unions to negotiate a major austerity pact. In content, the Moellemann proposal is corporatism, the prototype of a fascist austerity policy and the destruction of democratic institutions to rule it, as the Mussolini regime pioneered this in the 1920s, with well-known historical consequences. Not only should there be a drastic measures to counteract the galloping public debt, Moellemann stated, but jobs creation programs in the new German states (formerly under the East German communist dictatorship) must be abolished as "inefficient" and "too costly."

Moellemann's proposals, which dovetail with the legislative project of his Free Democratic Party's Trilateralist chairman Count Lambsdorff, would be so devastating to eastern Germany that the Christian Democratic-linked labor organization CDA called for his resignation, and the former CDU

general secretary termed him the "political ozone hole" in Bonn. Indeed, the lunacy of Moellemann's proposal is highlighted by the simple fact that eastern Germany's productive work force employed in mining and productive industries was reduced by one-half during the course of 1991 alone.

Nor was the Bonn coalition deterred by the results of the state elections on April 5 in Schleswig-Holstein and Baden-Wuerttemberg, where the respective ruling parties, Social Democrats and Christian Democrats, took heavy losses of votes in the range of 8-12%. The balloting was marked—as in the U.S. primaries and recent cantonal elections in France—by high abstention (30%) and a substantial protest vote going to right-wing populist parties.

The British elite and their American stooges did everything possible to fan the flames of social conflict in Germany. In his late-March trip to the United States, Chancellor Kohl was ordered to impose IMF conditionalities at home and even to pressure France to swallow the bitter pill of British free trade, in the form of the General Agreement on Tariffs and Trade (GATT). On April 16, U.S. Treasury Secretary Nicolas Brady met with his British counterpart, Chancellor of the Exchequer Norman Lamont. The *London Daily Telegraph* reported that Brady would demand a "tighter German fiscal policy" so as to bring down European interest rates, to stimulate world economic growth and, presumably, U.S. exports.

Stench of Trilateral Commission

Lambsdorff cut short his participation at the Trilateral Commission's conference in Lisbon, flying back to Bonn to chair a party leadership crisis meeting on the "Genscher question."

There are also other indications that Lambsdorff, who only recently became the Trilateral Commission's official representative for Europe, knew more about the Genscher affair than has come into public view. Since mid-February, Lambsdorff has been drawing parallels between the present government of Kohl and that of Helmut Schmidt, during its final days in 1982. Leaks of these views have followed the Count's visits with Trilateral Commissioners Henry Kissinger, David Rockefeller, and Paul Volcker in mid-February. Back in 1982, Lambsdorff was one of the most vocal advocates of a "changing of the guard," and was in large part responsible for the fact that for months, Chancellor Schmidt's social-liberal coalition was impotent to act.

It is also noteworthy that the same left-wing Social Democrat, the Saarland's Oskar Lafontaine, who during the 1982 period played an essential role in undermining Schmidt's position, is now wending his way to the United States, in order to meet with Henry Kissinger and others. During the 1990 elections, some among the Anglo-American establishment were quite open about their preference for a Lafontaine victory over Kohl. Count Lambsdorff ought to be put under careful scrutiny, for he is representing those who are destabilizing the heart of Europe.

Is the spirit of Malvinas reviving in Ibero-America?

by Cynthia R. Rush

As three International Monetary Fund (IMF)-sponsored “democracies” in Ibero-America have crumbled over the past eight months, with more certain to follow, spokesmen for the Anglo-American establishment are hysterically denying that there is any relationship among the three nations in question—Haiti, Venezuela, and Peru. Events in these nations have nothing to do with economics, they say; nor does opposition to Washington’s nation-wrecking policies extend across national borders.

This explains why a statement in support of Peruvian President Alberto Fujimori, issued April 18 by imprisoned Argentine Army nationalists Col. Mohamed Alí Seineldín and Capt. Gustavo Breide Obeid, was virtually blacked out of the Ibero-American press, as was a subsequent interview with Colonel Seineldín published in the April 27 issue of the Argentine magazine *Somos*. The colonel, a hero of the anti-colonialist 1982 Malvinas War against Great Britain, confirmed what Washington is desperately attempting to black out or distort—that its drive to destroy the institution of the armed forces in Ibero-America in order to impose its free market “democracies” is uniting military nationalists across the continent.

Somos reported that Colonel Seineldín was elated when he recently received a “fraternal greeting” from a representative of the Venezuelan “Bolivarian” officers who tried to oust President Carlos Andrés Pérez on Feb. 4. When asked whether his own movement of nationalist officers, known as “painted faces” or *carapintadas*, existed on a continent-wide basis, Colonel Seineldín responded, “Formally, no—but spiritually, yes. . . . The cultural, political, economic, and military crisis of the subcontinent means that honorable and dignified men like us understand each other ‘at a distance.’ . . .”

In the April 18 statement in defense of Peru, Seineldín and Breide elaborated further. The devastation of Peru is due to “the anti-Christian adjustment policy applied by International Financial Imperialism, combined with terrorism, drug trafficking, cholera, and corruption,” the two warned. If these policies are applied elsewhere, “they will irreversibly plunge the entire subcontinent into situations similar to those

in Peru or Venezuela.” Peru, they said, is a country “whose ties to us run so deep that they require no further comment. They are our brothers, because we have a Common Father: General Don José San Martín.”

Only Mexico’s *La Jornada* and Peru’s Radioprogramas del Perú covered the April 18 statement on Peru; a few wire services, *La Jornada* and Brazil’s *Folha de São Paulo* reported on the *Somos* interview. An Associated Press representative in Lima told *EIR* that his agency wouldn’t touch Seineldín’s statement, because AP “was only interested in violence.”

U.S. strategy repudiated

But this conspiracy of silence doesn’t alter reality. Venezuelan Army Capt. Luis Valderrama, a jailed member of the Bolivarian military movement in Caracas, told a reporter for the Buenos Aires daily *Clarín* that while he lacked full knowledge of the *carapintadas*’ political philosophy, he was certain that Argentine and Venezuelan military nationalists were united in one thing—their rejection “of the policy toward Latin America’s armed forces preached by the United States in alliance with our misnamed ‘democracies’ which support the White House’s strategy.”

Repudiation of this strategy, which seeks to transform the continent’s armed forces into local gendarmeries which can be deployed for whatever purpose the Anglo-American establishment deems appropriate, has come from other sources as well. In statements reported in Venezuelan, Argentine, and Mexican press, Chilean Sen. Sergio Onofre Jarpa, a right-wing nationalist closely allied to Gen. Augusto Pinochet, charged on April 21 that the Bush administration seeks to “suppress Latin America’s armed forces . . . the Pentagon doesn’t want Latin America’s armed forces to exist; they only want police forces specialized in fighting drugs and similar things, so that [the U.S.] will be the one to impose order in the region.”

Recently retired Venezuelan Gen. Carlos Santiago Ramírez echoed the same sentiment in remarks made to journalist José Vicente Rangel April 26. He warned that the United States seeks to eliminate Ibero-America’s armed forces and

replace them with local police forces. Those who are now shrieking about a return of "militarism" in Ibero-America, are merely using that as a pretext to advance their attack on the armed forces, General Santiago affirmed. Such individuals "are traitors and should be tried," he said. The Venezuelan general also blasted President Pérez for breaking off diplomatic relations with Peru, and violating the country's traditional respect for the principle of "self-determination of peoples."

Psychological warfare campaign

In a desperate effort to save their hides, the backers of the IMF's "democracies" in several countries are waging a campaign of lies and distortion to portray military nationalists as everything from leftist terrorists to totalitarian coup mongers.

In Venezuela, political cronies and press organs controlled by the corrupt President Pérez have charged repeatedly that the jailed Bolivarian officers are linked to leftist guerrilla groups, and most recently accused them of planning to assassinate prominent public figures such as former President Rafael Caldera and intellectual Uslar Pietri. Video cassettes and leaflets calling for strikes and violent political action have been circulated in the name of the Bolivarians, on university campuses and other locations. The jailed leaders of the Feb. 4 movement have emphatically denied issuing such material, and charge that this is the Pérez government's tactic to try to discredit them.

These tactics may not have more than a short-term effect, however. Things have changed in Ibero-America since April 5, when Peruvian President Alberto Fujimori disbanded Congress and the judiciary, and announced that he would run the country himself with the backing of the Armed Forces. The President's bold decision turned on its head the Anglo-American gameplan of eliminating the role of the Armed Forces.

The April 25 incident, in which a Peruvian Air Force jet shot at a U.S. Air Force C-130 transport which was flying in an unauthorized zone, best exemplifies the change on the continent. The U.S. plane was flying 60 miles off Peru's northern coast and refused to identify itself or respond to warning shots or orders to land. When the Peruvians finally shot at the plane, three American crew members were injured and a fourth died when he was sucked out of the plane. While U.S. officials said the C-130 was on a routine anti-narcotics mission, the Pentagon was unable to explain why it was so far from the region of the Upper Huallaga Valley where it had been used for surveillance.

Peruvian military sources quoted by Reuters April 25 had a different explanation. One source reported that U.S. anti-drug planes frequently ignore local air traffic regulations, and fly in areas not covered by U.S.-Peruvian anti-drug accords. Often they risk endangering commercial air traffic. "They fly wherever they please," this source said, adding that "we have

complained on repeated occasions about this to the [U.S.] embassy." Other reports circulating in Lima are that the plane was found to be carrying drugs, which both governments agreed to keep out of the official accounts of the incident.

Normally, Ibero-American militaries would be reluctant to challenge any U.S. plane, even if it were violating a nation's laws and sovereignty, for fear of provoking an international incident. Not this time. Moreover, the incident occurred one day after the Peruvian Air Force took over the large Santa Lucía air base in the Upper Huallaga Valley, the center of the U.S. Drug Enforcement Administration's (DEA) operations in Peru. Fujimori has expressed regret over the incident, but has offered no public apology and clearly doesn't intend to.

Economic policy is key

The Anglo-Americans are terrified at the implications of what Fujimori has done. Forced to tread carefully on the military issue, they are responding by manipulating the Peruvian President in the area in which he is most vulnerable, economic policy.

The Armed Forces cannot defeat the Shining Path terrorists or put the drug traffickers out of business as long as International Monetary Fund austerity policy remains intact. Knowing Fujimori's desire to hold together his shaky political coalition of disparate elements, Washington pressured him into keeping free market ideologue Carlos Bologña as his finance minister after he threatened to resign in mid-April. Local and international proponents of free market austerity threatened that Peru's "reinsertion" into the international financial community—allegedly Fujimori's grand achievement—would disappear if someone as "prestigious" as Bologña were to leave the cabinet.

As a condition for staying on, Bologña demanded that other members of the cabinet who disagreed with his austerity policy resign, and that the timetable for returning to "democracy," which Fujimori said would take one year, be considerably sped up. For the moment, the Peruvian President has agreed to at least some of Bologña's demands, and is sending him off to Washington soon to meet with representatives of the IMF and World Bank. A longtime associate of the Institute for Liberty and Democracy (ILD), run by George Bush's favorite Ibero-American economist, Hernando de Soto, Bologña also wants Fujimori to agree to bring back De Soto, who resigned some months ago, as a chief adviser to the President.

President Fujimori has promised that there will be "not one step back" to the *status quo ante*. It's unclear how far he's willing to go, however, to maintain a political coalition that is untenable for achieving the goals he has set for the country. Even with Bologña in the cabinet, Washington is extremely nervous about Peru. After Central Bank president Jorge Chávez refused to resign, stating that he had to maintain the "autonomy" of that institution, Fujimori unceremo-

niously sacked him, and named career bureaucrat Germán Suárez as his replacement.

The U.S.-educated Suárez has long been associated with local and foreign financial agencies, but is said to be politically close to Fujimori and willing to work with him on economic policy. Chávez, who openly consulted with Hernando de Soto during the period his resignation was being demanded, had been attacked from several quarters for maintaining a policy of tight monetary restrictions, despite pleas for more credit from national industrial and agricultural producers.

Documentation

'Carapintadas' emerge throughout the continent

The following are excerpts of an interview with Col. Mohamed Alí Seineldín, the jailed leader of Argentina's nationalist forces, the so-called carapintadas ("painted faces," in reference to the camouflage paint worn by combat soldiers). The interview appeared in the April 27 issue of Argentina's Somos magazine:

He renamed the military jail where he spends his days "Maria Magdalena Prison Camp," and from there he dreams of spreading his ideas throughout Latin America. The 80 *carapintadas* jailed with him follow him in everything: in long exercise sessions in the mornings, in prayer . . . and in lengthy discussions of the problems of the country, and of the world.

Mohamed Alí Seineldín devours newspapers and could not tear himself away from the radio when Col. Hugo Chávez attempted a coup d'état in Venezuela. . . . One of the most recent joys the colonel has received was the "fraternal Bolivarian greeting" sent him through an interview in the daily *Clarín* by one of the Venezuelan military rebels. Last Tuesday, the daily passed from hand to hand among the Argentine *carapintadas*, who received the "greeting" with great joy: They took it as proof that *carapintadismo* is an international phenomenon. That they are not alone.

Q: Nearly two years after the Dec. 3, 1990 uprising, what self-criticism would you make? What mistakes were made?

Seineldín: From my viewpoint, the reality that exists today is proof that I made no mistake in my reasons. The error I

made was in not having gotten out our ideals and objectives to the public first; had I done so, we would have been able to avoid the misrepresentations made by the government in presenting us as coup-makers, renegades, and assassins. The other error was in not having anticipated the disproportionate reaction of [President Carlos] Menem who, in the face of a bloodless resistance, ordered a slaughter, producing a useless and unnecessary bloodbath and so many innocent victims.

Q: Do you think there is a basis for a military uprising in the country now?

Seineldín: I am not an advocate of military coups, but it would appear—as the saying goes—that "necessity has an ugly face." In this sense, I would not limit the possibility exclusively to the military, since when a democracy prostitutes itself, betrays the popular mandate and fails to protect the common good, it is the people who "open a space," which is in fact what is naturally occurring right now in Latin America.

Q: Did you back the coup attempt in Venezuela?

Seineldín: We identified with the causes and motivations of Lt. Col. Chávez Frías, Arias Cárdenas, and so many others, who were and are backed—as is well known—by the majority of the Venezuelan people.

Q: According to trustworthy sources, just before that coup attempt, you received a visit from emissaries of the Venezuelan *carapintadas*. Can you tell us of what you spoke?

Seineldín: No, I never received anyone, but I am permanently on top of what is going on there. In any case, I would like to note that the four years I spent in Panama enabled me to understand the situation in the countries of the region, to analyze the future, and to cultivate friendships which I maintain to this day.

Q: Is there then a Carapintada International?

Seineldín: Formally no, but in spirit, yes. The serious cultural, political, economic, and military crisis on the subcontinent means that honorable and dignified men like we agree with each other "at a distance," in the same way that San Martín, Bolívar, O'Higgins, Sucre, Artigas, etc. did. . . .

Q: You say you are not pro-coup, and you say that all uprisings respond to institutional goals, but nonetheless your speeches are all political. How do you explain this?

Seineldín: It is one thing to be a coup-maker, and another very different thing to have concerns for the political situation of our Fatherland. As a military man and also as a citizen, I feel great concern over the great crisis afflicting the nation, and I say what I feel. The current situation in the Armed Forces cannot be viewed in isolation from the general context of the country. . . .

Conditional support for Peru's Fujimori

The following statement was issued by Colonel Seineldín and his associate Capt. Gustavo Breide Obeid on April 18, and was made available to EIR.

It is inconceivable that, Peru having been the center of the Spanish vice royalties, where General San Martín conceived of establishing the heart of the *Great Fatherland*: the United States of South America;

That Peru, having been the brother nation which without vacillation and speculation supported us during the campaign to recover the Malvinas Islands;

That, even though the world is aware of the critical situation Peru is experiencing, the result of the anti-Christian adjustment policy applied by International Financial Imperialism, combined with terrorism, drug trafficking, cholera, and corruption;

Yet it is not understood that these circumstances will irreversibly plunge the entire subcontinent into situations similar to those in Peru or Venezuela.

We deem legitimate the measures taken by President Fujimori, backed by over 80% of the Peruvian population and by their security and Armed Forces, as long as they are a *brake* to the policies of genocide and misery imposed by the usurious plans of the international banks and the International Monetary Fund, and hysterically supported by the sinister figures behind the so-called new world order, and by the bombs of Shining Path.

Most painful in this situation is the incomprehensible attitude of the Argentine government, which continues to destroy our historical tradition of "respect for the self-determination of peoples," and trample on the concept of "sovereign nations." This takes on particular importance given that Peru is a nation whose ties to us run so deep that they require no further comment. They are our brothers because we have a Common Father: Gen. Don José de San Martín.

Can there be, after God, anything as sacred as the Fatherland? This is something which the lackeys and traitors to the "Ibero-American cause" can only understand with great difficulty.

The overwhelming popular support enjoyed by the Peruvian President shows us a different reality: the end of partyocracy. Liberal democracy has made this a cult, taking what was only a tool, and making it an end in itself, and thus losing the Republic. No longer does it represent anyone, no longer does it protect the Common Good—only corruption, complicity, and mediocrity.

We pray to God and his Holy Mother that the ominous inventions of Savage Capitalism, and the interference of the Left and the Right, may cease their assault on free and sovereign peoples.

Capt. Gustavo Breide Obeid

Col. Mohamed Alí Seineldín

Santa María Magdalena Prison, April 18, 1992.

Chile: Reject the Bush plan

The following report of statements made by Chilean Sen. Sergio Onofre Jarpa, is from the Mexican daily La Jornada of April 23.

Former dictator Augusto Pinochet maintains that the government of George Bush seeks to eliminate the Latin American armed forces, and one of his spokesmen, Sen. Sergio Onofre Jarpa—who was his interior minister in 1983 and his ambassador to Colombia and Argentina—suggested the need to convoke the National Security Council to deal with this matter. . . .

Onofre Jarpa said that what really concerns him is Washington's intention of eliminating the militaries of Latin America and the Caribbean, turning them into a police force specialized in fighting the drug trade, or "something like that." He said that this would mean renouncing sovereignty, and added that "the Pentagon seeks the elimination of the armed forces of our countries, so that the Pentagon itself would be the only force with the power to impose order in Latin America."

Venezuela: Don't destroy the armed forces

The following is a paraphrased report of a television interview conducted April 24 in Caracas with recently retired Venezuelan Gen. Carlos Santiago Ramírez.

Gen. Carlos Santiago said that there exists an erroneous conception inside the United States—even before the coup attempt of Feb. 4—that the Latin American armed forces are anti-democratic, and charged that there existed a plan to eliminate them and substitute them with political forces, or a "gendarmierie." He further charged that there exists a contingency plan on the part of the Pentagon and the U.S. government, going back many years, for the eventual invasion of Venezuela for its oil.

On the first issue, General Santiago said that the most serious aspect is not that the United States wants to eliminate national armed forces, but that there exist many politicians who are backing these plans. He offered, as an example, last year's meeting of the Organization of American States in Santiago de Chile, where a plan was discussed for creating a continental military force; also at other meetings of regional leaders. He said that those who discuss a return to militarism in the region as a pretext to eliminate the armed forces, are "traitors to the Fatherland," and should be tried accordingly.

The other issue General Santiago raised was that of Peru, and he said that President Carlos Andrés Pérez's decision to cut off Venezuelan relations with Peru was stupid, and totally contrary to the Venezuelan tradition of respect for the self-determination of peoples. He said that President Fujimori has had the support of the Peruvian people since his election, and has always been supported by both the people and the Peruvian Armed Forces.

Aristide demands 'Contras' for Haiti

by Carlos Wesley

Jean Bertrand Aristide, the former dictator of Haiti, called on the United States to use his country for a rerun of Ollie North's drugs-for-arms Nicaraguan Contra policy. "We need you to fight with us in the same way we saw Americans fight in Nicaragua," he said, at a rally held at New York City's Brooklyn College on April 27. Aristide was induced to abandon Haiti's presidency last Sept. 30 by the country's military for, among other things, recruiting members of the dreaded Tontons Macoutes death squads of former Haitian dictator François "Papa Doc" Duvalier to set up his own Swiss-trained goon squad, the SSP.

Aristide also called for tightening the genocidal embargo that the Bush administration and the Organization of American States (OAS) have imposed on Haiti, one of the world's poorest countries, to force the reinstatement of Aristide and the appointment of Haitian Communist Party boss René Théodore as prime minister.

These two objectives can only be achieved with "a real blockade," said Aristide at an April 17 news conference at New York City Hall with Mayor David Dinkins. "Without petroleum, those who led the coup cannot resist. After a couple of days, they will be forced to allow democracy back in Haiti." When reporters noted that the embargo is causing starvation, Aristide said that the people are willing to "accept these big sacrifices," since "the solution is having democracy back in Haiti."

What democracy?

According to syndicated columnists Rowland Evans and Robert Novak in the April 24 *Washington Post*, the "demand from Washington boils down to this: Accept democracy or die! But it is a false democracy, of theory, not fact," they say, adding that Aristide's "commitment to democratic ideals is doubted even in the State Department." Aristide is best known for advocating the death of his opponents by the "necklace"—murdering a victim by chopping off his arms, placing a gasoline-filled tire around his neck, and setting the gasoline ablaze.

What Aristide and his patrons in the Socialist International and the Bush administration mean by "democracy," is unquestioned obedience to the dictates of Washington. Take the Bush administration demand that the communist Theodore be made prime minister. According to Sen. Dejean Belizaire, who led the Haitian parliamentary delegation to the OAS talks in Caracas last January, where Theodore's

designation was first announced: "When we got there the decision was already made. . . . It was not a negotiation. It was an imposition."

Politics of racism

Haiti's Parliament failed to ratify Theodore's nomination, and Haiti's Supreme Court ruled unconstitutional the method through which he was selected—in a deal cut outside the country, which would have ended Haiti's sovereignty and made it a ward of the OAS. Nonetheless, the Bush administration deployed Deputy Assistant Secretary of State for Latin America Robert Gelbard to Port-au-Prince, to threaten Haitians with more economic hardship and even a military invasion, unless they submit to U.S. demands.

Gelbard treated the black Haitians with utter contempt, reported Evans and Novak in the April 15 *Washington Post*. Gelbard rudely walked out of a dinner he himself was co-hosting with Ambassador Alvin Adams for half a dozen political leaders at the U.S. embassy. When his Haitian guests balked at naming a communist prime minister, Gelbard left in a huff, saying, "I have established that Haitians have one less chromosome, that of compromise and consensus, and on the other hand, one additional chromosome, that of conflict and dissension."

The blatant racism exhibited by the United States was scored by both Haiti's interim President Joseph Nerette and by Prime Minister Jean Jacques Honorat. "The United States and the OAS have always had one standard for blacks and another for whites," President Nerette told reporters in the United States by telephone on April 16. "The OAS does not respect the 'niggers' of Haiti. We can expect nothing from the OAS," Prime Minister Honorat said April 15, according to Reuters. "The whites can only impose an embargo on the 'niggers' of Haiti," said Honorat, who last year was awarded the American Bar Association's International Human Rights Award. "We will not sit to negotiate with any white. . . . They are doing all they can to have pretexts to invade us. We are doing our best to prevent the whites from taking over the country as they did in 1915," said Honorat, referring to the U.S. invasion and military occupation that lasted until 1934.

In an exclusive interview with this news service last Dec. 10, Honorat called the embargo "an act of destruction against this country, and it is an act of genocide." He added that Ibero-American leaders backing the embargo and calling for an invasion of Haiti "are afraid of their own militaries. They are afraid that the events that took place in Haiti will serve as an example, as an incitement, to induce their own militaries to act in this manner." He also blasted the United States and other OAS members, particularly Venezuela and Argentina, for refusing to grant asylum to the thousands of Haitians forced to flee their country because of the embargo. "It is a case of racism; it is well proven," he said of the U.S. policy, under which more than 10,000 Haitians were ordered forcibly repatriated earlier this year.

London floats plan for splitting China

by Mary Burdman

Britain's two premier strategic institutions, the Royal Institute of International Affairs and the International Institute of Strategic Studies, are launching a "trial balloon" on how to deal with China. A commentary published April 16 by Gerald Segal, a senior fellow of the IISS, in the *International Herald Tribune*, calls for "regional China cards, to play warily." Segal's views will soon be published in the RIIA journal *The World Today*, in an article on "dividing China."

As usual with the highest levels of British policymaking, there is nothing new here. Segal's articles reflect one important trend in British policy toward China, similar to that at the turn of the century, when British geopoliticians, then far more blunt about their aims, explicitly called for the partition of China to counter the policies of Russian Finance Minister Count Sergei Witte for a Eurasian region of cooperation. It also recalls the British-American-backed policy of "Open Door" concessions to facilitate looting China at that time. It was this British policy which helped unleash World War I.

Segal's piece is intended to break what he calls a "conspiracy of silence" among western China specialists who have been refusing to discuss the implications of growing regionalism in China. Their mistake is, he asserted in the *Tribune*, a tendency to "blind optimism" about the "apparent victory" of Deng Xiaoping's campaign for economic reforms. Although he does not foresee the breakup of China along the lines of the collapse of the Soviet Union last year, to deal with China "only through Beijing" would be a strategic mistake, Mr. Segal's arguments imply, because it would mean missing a historic opportunity for doing what the British most want to do: preventing the development of a powerful Eurasian region.

For all its compliance with the West, China remains an "incalculable" factor in the world situation, leading British strategic thinkers acknowledge. Since the demise of the Soviet Union, China's leaders have emphasized that they will not accept the "unipolar world" of George Bush's "new world order" in which China has no important strategic role. A document circulated among China's hierarchy earlier this year said: "It is necessary to exploit the contradictions, especially those which exist among the western nations, in order to reinforce China." China must act "calmly and intelligently to maintain its position, to conceal our capacities, to win

time, and to avoid conflicts."

The RIIA-IISS move will force the issue of China's own agenda out into the open. One well-informed source told *EIR* that this policy is credible and on the agenda.

China itself is, of course, not the only question here. British analysts comment that Eurasia will see many more Afghanistan-type civil wars in the future, and that "fragmentation," not cohesion, is the future of Eurasia. Even a revived "Great Game," contested among Britain, Russia, and China in the last century for control of Central Asia, will have multiple players this time, including Turkey, Iran, Pakistan, and Israel.

But Eurasian integration is a possibility, which could render the "Atlantic powers," such as Britain, relatively insignificant. For example, during the conference of the U.N. Economic and Social Commission for Asia held in Beijing starting April 14, China announced that it will participate in the trans-Asian railway project, originally projected in the 1960s to link Europe and Asia, from Istanbul to Singapore, by rail. Already, the completion of the last kilometers of railway between Xinjiang in China and Alma Ata in Kazakhstan, means that Rotterdam in the Netherlands is linked with Lianyungang in China by rail. A "northern route" will integrate Russian, Mongolian, and Chinese railways.

Pressure on Beijing

While some may see Deng's factional tactics, including his trip to southern China in January, to enlist support against his enemies in Beijing, as an assurance of a "rosy future" for Hong Kong, Segal's article takes no such simplistic view. Chinese investment in Hong Kong is now larger than Hong Kong investment in China, he wrote. The growing power of China's regions poses real questions for East Asia policy.

One cannot help noticing that the problems Segal warns of, are just what London would want to foster. For example, southern Chinese leaders more interested in strong local trade ties than ideology, might well oppose Beijing if it wanted to take a hard line with Hong Kong or Taiwan, or attempt to block Beijing's effort to take control of the oil-rich Spratley islands, disputed among the nations of the region.

The West would do well to prepare for this rapidly evolving situation, his article indicates: "At a minimum, it would be sensible to begin dealing with parts of China in a more regionally differentiated way," focusing on local economies and cultures. This way, the West will be able to manipulate China. "Trying to deal with Beijing while opening contacts with the outer provinces is a delicate game," Segal concluded. "However, if it is skillfully played, it may be a way of adding pressure on Beijing to be more cooperative on important global security issues, such as arms transfers and the proliferation of nuclear weapons." Pressure has been, and is being, applied to get the Chinese to go along with certain policies, such as the Gulf war against Iraq, which they have been reluctant to support.

Anarchy looms in Colombia

Gaviria has had to resort to an 'economic emergency' decree to try to keep control of the country.

‘C’olombia has returned to the Stone Age. The cities are like villages, without electricity or telephone service,” complained one woman interviewed by Colombian radio. Her comments effectively summarize the disgust Colombians are beginning to openly voice toward their government, whose monumental inefficiency in meeting the country’s physical needs is only matched by its submission to the narco-terrorists on the one hand, and to the “free-trade” dictates of its international creditors, on the other.

A week-long strike by the employees of the state-owned communications company Telecom, to protest the Gaviria government’s privatization plans, has succeeded in completely cutting Colombia off from the outside world, while wreaking havoc with banking and other business operations inside the country. The strike was declared illegal by the government, which sent in the police to dislodge strikers from Telecom’s offices. Nonetheless, eight days later, the company’s management has been unable to restore more than 20% of the lines.

What has amplified the chaotic effect of the telephone workers’ strike is the fact that the entire country has been subject to 8-12 hours of energy rationing a day for more than a month, which has cost the nation an estimated \$35 million a week in production losses, and which has inflicted serious damage on such critical sectors as health and education. Financial losses due to missed production deadlines have begun to translate into bankrupt-

cies and mass layoffs, and a general sense of uncontrolled crisis is pervasive.

Under such conditions, President César Gaviria cannot help but see his future mirrored in the fate of his neighboring colleague, Venezuelan President Carlos Andrés Pérez, who is hanging onto power by the skin of his teeth following the failed Feb. 4 military coup attempt in that country. Indeed, government polls are showing that Gaviria’s popularity rating has plummeted, even as elements inside the Armed Forces are growing more vocal in their opposition to his capitulationist “peace policy” toward the narco-terrorists.

According to Enrique Santos Calderón, an editor of Colombia’s leading pro-government daily *El Tiempo*, “This is a daily, collective drama whose final costs no one dares to calculate. The innumerable discomforts and chaos caused by the blackouts have deepened the already noticeable exasperation people are feeling with the institutional corruption and inefficiency of the state.” Opposition Senator Enrique Gómez Hurtado is cited in an April 24 commentary in the *Wall Street Journal*, “If another period of anarchy reigns—pushed by an economic downturn, the current energy crisis, and a renewal of violence from the narco-bandits—God knows what will happen.”

In a desperate attempt to recover his image, President Gaviria took advantage of new provisions in the country’s year-old Constitution to decree an “economic and social emergency” on April 22. Under that emergency,

which bypasses the Congress and Council of State and is activated solely upon presidential discretion, Colombia’s 1992 budget has been increased by \$2.5 billion, or 24%. Some of that increase will be financed by a \$250 million bond issue, but no details on how the rest will be funded have yet been released.

The new budgetary allotments will go in part to buy up the debts of the country’s regional electricity companies, which are suffocating under a combined foreign indebtedness of \$5.5 billion. In addition, funds will reportedly be deployed for the urgent completion of such energy projects as the giant Guavio hydroelectric dam outside of Bogotá, which is already several years delayed and is currently slated for completion in a year.

President Gaviria’s emergency action fails to address the decade-long looting policies of Colombia’s international creditors which are the underlying cause of Colombia’s energy crisis and in which Gaviria (a former IMF economist) is personally complicit. But it nonetheless necessarily reflects the present social and economic reality not only in Colombia, but across the continent. The free-trade policies of the IMF simply do not work. And without direct government intervention to channel resources into rebuilding crumbling economic and social infrastructure, these nations are going to die.

Gaviria’s emergency decree is in direct violation of the spending ceilings that have been “recommended” by the International Monetary Fund. And although Colombia does not have a formal agreement with the Fund, Gaviria’s decree sets a precedent for dirigistic interventions in countries such as Peru, which is in desperate need of massive capital flows into health and sanitation infrastructure to stop the cholera epidemic.

A painful experiment with Greens

A pattern of pragmatic deals in the regions will take a serious toll on the national economy of France.

Green Party politician Marie-Christine Blandin has just become the president of the Nord-Pas-de-Calais region, the northernmost tip of France, with its famous port of Dunkirk facing England across the Channel. With the breakout of a radical environmentalist to the top post in a region, perhaps Frenchmen will learn what this really means: a painful experiment which Marie-Christine Blandin has characterized as "life-sized practical works."

Since the decentralization law drafted by Socialist Interior Minister Gaston Defferre in 1982, France's 22 regions have become power centers that figure larger and larger in the once highly centralized country. Today, a region is responsible not only for economic development and land management, but also for the implementation of the national economic plan through a procedure of consultations and a regional plan contract. Regions had been defined by the Lalonde Decree as the primary level at which industrial waste treatment should be dealt with. They also intervene in water policy, industrial policy, and farm policy.

In all these sectors, the Greens have developed a competence, if not in depth, at least in form. Like their American models, they understand that making an issue of regulations can be very effective in a country where there is no private environmental law—especially when parliamentary majorities are less and less absolute, and the major parties must find allies wherever they can.

Since the 1989 municipal elections, we have seen the Greens at work in the city councils, and there is no

denying their prowess at being obstructive. But now, the scale has changed: What might be simply regrettable for a village, or even a town, would be disastrous for a region. For the first time, ecologist ideas are inserting themselves into the French state—thanks to the consummate pragmatism of French politicians who will cohabit with the devil himself, just to hold power.

Michel Delebarre, the political kingmaker in Dunkirk, did not want to give the Nord-Pas-de-Calais region to the right wing. So he chose to hand it over to Blandin, whose electoral slate won 6.5% in the region, and who personally only won 4% of the votes in the canton where she was running. For this, he was forced to agree to the most outrageous demands of the Green Party. As a supreme insult to a minister of public works which he once was, he agreed to freeze planned highway projects, including the new highway along the coastline and the doubling of the North Highway. The planned expansion of the Lille airport appears to have dropped out of sight, while some people would even like to question the TGV high-speed rail track for Paris-Brussels-Cologne-Amsterdam.

Jacques Blanc, who presides over the southern city of Montpellier, at the opposite end of France on the Mediterranean coast, also had to make concessions in order to obtain, if not the "support," at least the tacit and comprehensive backing of three Green councilmen. According to the daily *Libération* of April 7, he committed himself to freezing a highway project; against financing for the TGV by the

Languedoc-Roussillon region, in which Montpellier is situated; for controlling expansion of quarries and gravel pits; against expansion of the Port-Marianne subdivision in Montpellier; and for the decentralization of the universities of Beziers and Narbonne. And, to top it off, Blanc is offering the post of vice chairman in charge of land management, to an elected Green.

None of this has anything to do with principle. Before teaming up with the Greens, Jacques Blanc had accepted a management contract with the National Front, the "right-wing" party which poses as the opposite of the Greens.

The Greens seek to win political support by their seemingly reasonable criticisms of the status quo. No rational person can deny their charge, for example, that thanks to the clout of the highway lobby, truck transport is becoming a chaotic tangle and threatening the safety of workers and the environment. Trucks pay only double tolls, although they use the highways 10-50 times more than the individual automobile. With the subsidies on diesel, they also benefit from indirect state aid.

Hence, the Greens call for the rapid development of combined transport infrastructure—in effect, echoing the longstanding demands of the Schiller Institute and the co-thinkers of Lyndon LaRouche in France. But as soon as it comes to actually *building* the infrastructure, the Greens "fog out."

In fact, it's the ecologists who hit the fan the minute someone tried to build the Southeast TGV. And it is the ecologists' spokesman Alain Lipietz who has worked out a tax system for promoting autarchy and providing disincentives to a regional and international division of labor: hardly measures that promote the development of combined transport.

International Intelligence

Cousteau to stage 'trial' of Columbus

Jacques Cousteau, the French naturalist and seafarer, arrived in Mexico City on April 22, announcing his intention to put Christopher Columbus on trial for genocide, and to head up the Ibero-American campaign against the celebration of the 500th anniversary of the discovery of America.

"Columbus will be tried before a war tribunal for his crimes in the Caribbean; his adventure, once called 'marvelous,' went from the concept of the good to the bad, in today's generation, which is headed toward a new world of universal disarmament and peace," Cousteau declared. He said that Columbus's landing in the Caribbean had been "a bloodbath," and that Columbus's crimes were so great that a Nuremberg-style trial would be required.

Coming from Cousteau, the accusation of genocide against Columbus is particularly ironic, since in an interview with the *Unesco Courier* in November 1991, Cousteau called for eliminating 350,000 people a day in order to "save" the environment. "Getting rid of viruses is an admirable idea, but it raises enormous problems," said Cousteau. ". . . It's terrible to have to say this. World population must be stabilized and to do that we must eliminate 350,000 people per day. This is so horrible to contemplate that we shouldn't even say it. But the general situation in which we are involved is lamentable."

Tunisian analyst blasts the 'new world order'

As seen by the Arab world, the "new world order" is a dangerous repetition of the Franco-British colonial strategies of the 1750-1830 period and of the Anglo-French Sykes-Picot scheme for the Middle East, wrote Hamadi El-Aouni, a Tunisian-origin professor now teaching in Berlin. El-Aouni made his remarks in a paper submitted to the German Evangelical Church Academy conference in Loccum, Germany at the end of April. The theme of the conference was

"Beyond Bipolarity: Marching into the New World Order."

El-Aouni charges that the Euro-American architects of the "new world order" are totally hypocritical when they use "human rights" as a battering ram against the South, but ignore such facts as the "concentration camp situation" in which more than 3 million Palestinians are living and completely deny that Iraqis and Libyans have any human rights. "There is scarcely a voice heard in these same Euro-American circles about the right to life in Iraq since its destruction by the American military superpower at the head of an alliance of not less than 30 nations," he writes. "Iraq is a nation whose children have been threatened with death for two years now, because they have neither the right to food, nor the right to medicine, as a consequence of the total embargo imposed by the Euro-American alliance on pseudo-human-rights grounds."

What was done against Iraq serves a "test" for how far, and how intensively, attacks can be carried out against countries in the South in the future, El-Aouni warns. He points to the "essential role" played by the International Monetary Fund and World Bank in implementing this neocolonial strategy.

Syria's Assad rallies Arabs against U.S. policy

Syrian President Hafez al-Assad, a former U.S. ally in the Gulf war against Iraq, toured the Arab Gulf states in April to express his "disillusionment with the new world order," France's *Le Monde* reported on April 21.

Beginning April 19, Assad visited Saudi Arabia, Kuwait, Bahrain, and the United Arab Emirates, carrying the message that the new world order is "arbitrary and unjust." Not only is he indicating support for Libya's Colonel Qaddafi, but is also expressing "total opposition to any military action against Saddam Hussein," *Le Monde* notes. Assad is angered at the Gulf states' cutback of promised financial support to Syria, and also by the fact that the Gulf states now seem uninterested in an earlier idea for Syria and Egypt to militarily defend the Gulf

states, but have turned to the United States instead for defense.

Al Baath, the daily of the ruling Syrian Baath Party, called on April 21 for a united Arab front against George Bush's Mideast policy, which it called the greatest threat now facing the Arab world. The daily reported that the Syrian airline would not observe the U.N. air traffic embargo against Libya, as an expression of opposition to the U.S. policy.

Algerian fundamentalists issue call to arms

The underground publication of the banned Algerian Islamic Salvation Front (FIS) issued a declaration at the end of April calling for its supporters to take up arms. "After vain calls for dialogue, the people should move from words to rifles," said the declaration, which compared the military-backed government of Mohamed Boudiaf to Nazi Germany and Fascist Italy, and attacked the ban on and repression of the FIS. "To oppression, there is resistance, and we are prepared to sacrifice millions to save Algeria," it said.

In the meantime, the government of Mohamed Boudiaf convened the first session of the unelected 60-member consultative council which is to advise the military government.

Edgar Bronfman does not speak for the Jews

World Jewish Congress President Edgar Bronfman was denounced by three influential Jews—Germany's Michael Wolffsohn, Austria's Simon Wiesenthal, and Britain's Lord Weidenfeld—in a commentary in the April 16 *Jerusalem Post*, entitled, "Just Who Are Our Jewish Leaders?"

The three attack Bronfman's recent polemics against German Chancellor Helmut Kohl for meeting with Austrian President Kurt Waldheim—the target of an unsubstantiated campaign accusing him of Nazi war crimes.

The authors draw attention to the cozy relationship between Bronfman's WJC and the former East German communist regime. They cite internal documents of the former Ministry of Foreign Affairs of the German Democratic Republic, describing a meeting of WJC representative Maram Stern on Nov. 30, 1989 with "an unusual pair": Oskar Fischer, "the new-old foreign minister of the G.D.R.," and Dr. Herbert Barth, director of the G.D.R. Foreign Ministry's U.S. department.

"The G.D.R. was seeking dialogue with American Jews, and through them, hoped to establish contact with the U.S. administration," the authors write. "Although they had been pursuing this tactic since 1985, their efforts had been rejected by the major American Jewish organizations. Only the WJC, under the leadership of Edgar Bronfman, was prepared to help establish contacts with the Jewish and general communities in the U.S. Bronfman's efforts were rewarded with a coveted prize: In the fall of 1988, Erich Honecker awarded him the highest decoration of the G.D.R., the 'Stern der Völkerfreundschaft in Gold' (Gold Star of the Friendship of Peoples)."

"We feel that it is time," the three conclude, "and in the interest especially of Jews, to inform the public about the activities of people who claim to be speaking in the name of all Jews."

Britain's MI-5 demands 'unprecedented powers'

The security service chiefs of Britain's MI-5 domestic intelligence are poised to win "unprecedented powers" in the fight against the Irish Republican Army (IRA) within Britain, the London *Observer* reported on April 26.

These extraordinary powers were outlined in a secret report by Home Deputy Secretary Ian Burns, and will give a new MI-5 "standing committee" control of all intelligence leads gathered by police, customs, and other agencies. All agencies would be required to refer their findings to the "standing committee." MI-5 would then

decide who should act on the intelligence: itself, the police Special Branch, or the Anti-Terror squad. MI-5 would have power to run anti-terror operations on its own, including running double agents in the IRA, even if that means allowing terror operations to go forward in order to protect the informers. MI-5 would also get *carte blanche* to mount surveillance operations.

The Burns report, which would give MI-5 a far greater scope of activity than it now commands, even in Northern Ireland, is, according to the *Observer*, the result of lobbying commissioned by MI-5's new director general, Stella Rimington, and her deputy, Chris Davey.

Anti-government demos rock Taiwan

About 10,000 people marched in heavy rain through cities across Taiwan on April 19, to demand direct presidential elections, the release of jailed dissidents, and other democratic reforms. According to Reuters, in Taipei, nearly 10,000 dissidents, students, monks, and other members of the opposition Democratic Progressive Party (DPP) screamed for the resignation of Premier Hau Pei-tsun as they paraded through the capital's city center.

The demonstrations marked the start of a three-day program of street protests called by the DPP. They have caused near-riots every day in the current 70-day special meeting of the National Assembly to revise the Constitution.

The DPP is a product of the international "Green" parties and the U.S. intelligence networks known as Project Democracy. Its demand for direct presidential elections has become the focus of the DPP since it was trounced by the ruling Kuomintang (KMT) in the general elections last year. "Direct presidential elections are the only hope for this country to become a democracy," said DPP Deputy Chang Chun-hong, leading the procession of banner-waving, gong-beating protesters in Taipei.

The KMT shelved the motion to introduce direct presidential elections.

● **YASSER ARAFAT**, the PLO chairman, charged on April 19 that Israel is using chemical weapons against the Palestinians. Speaking at a press conference in Algiers, he said that while the Israelis claim they are throwing "teargas grenades" at protesters, "Belgian and American medical teams have proved, after analyzing samples in laboratories, that they are chemical bombs, banned internationally."

● **CHINESE DISSIDENT Ni Yuxian** attempted to return to China in mid-April, testing Deng Xiaoping's call to the overseas Chinese to return home without fear. Ni flew into Hong Kong, where he was immediately arrested, held for a day, then deported to the U.S. (See *EIR*, Dec. 20, 1991, for his speech to a conference of the Schiller Institute.)

● **INDIAN CONGRESS** party leader Sadiq Ali has signed a resolution demanding freedom for U.S. political prisoner Lyndon LaRouche. Sadiq Ali, who was jailed several times during the Indian freedom struggle, has served in many government and Congress Party posts, including that of governor of the state of Maharashtra (1977-80) and governor of the state of Tamil Nadu (1980-82).

● **THE TURKISH** Red Cross sent Iraqi children 45 tons of food and medical aid on April 19, the semi-official Anatolian News Agency reported. A spokesman said there would be further shipments of milk powder, baby food, medicine and, medical equipment, as needed.

● **AFGHANISTAN'S** power struggle involves control over the opium trade, according to Indian-based intelligence sources cited by the London *Times* on April 28. The major opium-growing regions of Afghanistan are apparently under the control of CIA-armed Gulbuddin Hekmatyar, the sources said. "Even if Hekmatyar is not directly involved in the drug trade, he is bound to protect the interests of his tribesmen who are," said one.

Abu Nidal: another look at 'state-sponsored terrorism'

by Dean Andromidas

Abu Nidal: A Gun for Hire

by Patrick Seale
Random House, New York, 1992
339 pages, hardbound, \$22

Is the world's most notorious Arab terrorist in the employ of Israel's Mossad, one of the West's most effective secret intelligence services? This is the question British author and Middle East specialist Patrick Seale attempts to prove in his new book, *Abu Nidal: A Gun for Hire*. Although Seale's method of proof is to develop a strong case of circumstantial evidence, we at *EIR* have no problems accepting his essential point.

For nearly 20 years, *EIR* has worked to demonstrate that international terrorism is not a sociological phenomenon of frustrated petit bourgeois students, oppressed minorities or extremist parties spawned by a natural evolutionary process. Terrorism is, in fact, a form of irregular warfare conducted through state and private intelligence services in the service of powerful international political forces. Its operations overlap organized crime, particularly narcotics-trafficking networks. The collapse of the Warsaw Pact and the unification of East and West Germany have led to the exposure of the incredible extent of control and support of international terrorism by intelligence services sponsored by the former Soviet Union, especially the East German Stasi. The average German citizen has learned how Red Army Fraction terrorist Susanna Albrecht, who participated in the murder of Dresdner Bank chief Jürgen Ponto in 1976, had been treated to a high-paying pension in the German Democratic Republic,

complete with new identity, modern apartment, and other luxuries, all at the expense of the Stasi. The reports only confirmed, in the most obvious way, what *EIR* consistently has asserted for 15 years.

These revelations have become so extensive as to become commonplace on the German political scene. But it was only half the story. What about the other state intelligence services, the U.S. CIA, the French DST, the British MI-5 and MI-6, not to mention unofficial capabilities? The 1989 assassination of Deutsche Bank Chairman Dr. Alfred Herrhausen, a leading German policymaker promoting a policy of extensive economic cooperation with the East raises the obvious question: *Cui bono?*

The process of exposing western services' irregular warfare capabilities has not yet approached the level it has with the new access to Warsaw Pact security services' files. The recent release of the film "JFK" and Jim Garrison's book *On the Trail of the Assassins*, upon which the film was in part based, are perhaps the most important developments in this process. Patrick Seale's book can be considered another contribution.

While some reviews of Seale's book have been strong in their praise, others have tried to dismiss him as being in the pay of the Palestine Liberation Organization. At a time when the United States and Great Britain, in the name of stopping "state terrorism," are threatening to bring the West into military confrontation against Libya, Seale's book becomes all the more important for American and European readers alike.

Mideast terrorism as irregular warfare

Seale's methodology is to compile the necessary circumstantial evidence pointing to an answer of the basic question:

Who benefits? Seale is a former Middle East correspondent for the London *Observer* and writer of many books on the Middle East, including a biography of Syrian President Hafez al-Assad. After speaking personally with the author, this reviewer has the impression that Seale has more direct evidence than he reveals in his book. Perhaps he is holding this evidence close to his chest, either for security reasons or for fear its release might not seem credible to the average reader brought up to believe in “lone assassins” or a “sociologically” driven form of terrorism.

Much of Seale’s evidence comes from Abu Iyad, the former security chief of the Palestine Liberation Organization, whom the author had known for a number of years. Early in 1990, Iyad invited Seale to Tunis to brief him on a story that most journalists would consider the story of their career: The world’s most dangerous Palestinian terrorist was, in fact, in the pay of the Mossad. Over the next six months, Abu Iyad made available a series of informants, taped discussions, and background information which enabled Seale to develop his very compelling case.

On Jan. 16, 1991, hours before Operation Desert Storm commenced, Abu Iyad became the target of assassination by an Abu Nidal agent planted in his security detail. To Seale, the question of who benefits became chillingly obvious.

The basic argument that Abu Iyad presented to Seale was that the majority of Abu Nidal’s terrorist operations and assassinations served Israel’s interests in two respects:

- 1) They served to discredit the Palestine Liberation Organization’s avowed renunciation of international terrorism in its efforts to represent the legitimate aspirations of the Palestinian people and foster a Middle East peace settlement.

- 2) Many of those who fell victim to Abu Nidal’s assassins were among the leadership of the moderate faction of the PLO. Many of these victims were seen as credible and responsible leaders who could garner support among western leaders for the Palestinian cause.

In support of his argument, Seale compiles a grid of Middle East terrorist and “counter”-terrorist operations from 1972 up to the death of Abu Iyad in January 1991. The grid underscores how terrorism is irregular warfare and not the arbitrary acts of crazed extremists.

First, dealing with the so-called “War of the Spooks”: Starting with the May 1972 hijacking of a Sabena airliner and the attack against the Munich Olympics the following June by Black September, a running battle was fought between Palestinian factions and the Mossad throughout the world. Here the Israeli intelligence services used the same terror tactics which they accused the Palestinians of using. Theirs were not simply anti-terror operations, such as Entebbe, but included assassination, letter bombs, car bombs, and the like, all with the direct authorization of the Israeli cabinet.

It is instructive to note that Lt. Gen. Ehud Barak, cur-

rently chief of staff of the Israeli Defense Forces, who personally planned the recent assassination of Hezbollah chief Sheikh Abbas Musawi, took part or planned many of these operations. According to a recent article in the London *Sunday Telegraph*, Barak led the Saveret Matkal commando unit which stormed the Sabena airliner hijacked by Black September mentioned above. In 1973, disguised as a woman, he led an Israeli hit squad that burst into a Beirut hotel room to assassinate three leading PLO members. Seale’s chronology also includes Barak’s alleged masterminding the assassination of the PLO’s military commander, Khalili al-Wadzir, also known as Abu Jihad, in his Tunis villa in 1988. General Barak is, by the way, considered qualified material to become the future prime minister of Israel.

The chronology, of course, details Abu Nidal’s operations, almost all of which targeted leading Palestinian moderates, who could have garnered sufficient support among leading European and other western political forces capable of pressuring Israel to give up the Occupied Territories in exchange for peace. The list is impressive, including the 1974 assassination of Mahmud Abba, a close colleague of Yasser Arafat; in 1978, Said Hammami, PLO representative in London and well-known peace activist; Ali Yassin, PLO representative in Kuwait; Izz al-Din Qalaq, PLO representative in Paris; In 1983 Dr. Issam Sartawi, who had told the French daily *Le Monde* in 1982 that Abu Nidal was an Israeli agent. Several others narrowly escaped Abu Nidal’s assassins.

Seale closely examines all these instances to develop a convincing case, albeit circumstantial.

Israel is not the only controller

According to Seale, Abu Nidal’s organization, while structured along revolutionary Marxist lines, actually functions as an organized crime operation, complete with departments for extortion, gun-running, and murder for hire. As such, he has worked for various masters—Iraqi, Libyan, Syrian and Soviet bloc, the highest bidder. But has he worked for British intelligence, the French DST, or the American CIA? Seale examines how both Belgian and French intelligence not only turned a blind eye toward his using their territory for logistical support and safehousing, but even subsidized some of his operations, including scholarships for his cadres to study at French universities and even the purchase of automobiles. In exchange, Abu Nidal agreed not to conduct terrorist acts or assassinations on their territories. But where do such favors end and operational deployment by French and other western services begin? This aspect is not fully followed by Seale, although he presents certain interesting leads.

Seale makes such a reference in a second terror grid that starts in June 1982 with Abu Nidal’s attempted assassination in Britain of Israeli diplomat Shlomo Argov—which served as a pretext for Israel’s invasion of Lebanon—and goes up to November 1986 when a Beirut newspaper, *Al-Shira*, pub-

lished the first report of the covert U.S. arms-for-hostages trade with Iran. Running for several pages, it is a history of the period as seen through a multiplicity of Middle East terror operations. This chronology is another compelling demonstration that terrorism is nothing less than proxy war fought out on a global scale. Appearing to be initiated by the Israeli invasion of Lebanon and related to the Middle East crisis, it is more broadly anchored in the power play by Bush and others to shift the strategic conflict away from the East versus West to North versus South. The former was possible as the Bush-Reagan administration moved to create a condominium with the Soviet Union under Andropov and later Gorbachov. In this respect, both the Middle East conflict and the Contra resupply operation served as useful means to create a North-South conflict.

EIR has amply detailed the history of this development over the years as it has unfolded. Suffice it to say that the policy deployed terrorism to achieve those ends under basically two covers. The first was to use the excuse of fighting "state-sponsored terrorism," a phrase that came into common usage during the Reagan administration, to bully recalcitrant or independent states into conformity with the Anglo-American-Soviet condominium. Seale correctly points out that since the states accused of sponsoring terrorism were Syria, Iran, and Libya, Middle East policy was limited to a series "counterterrorist" operations rather than to seeking a peace settlement for the benefit of the region as a whole. The second cover, not fully examined by Seale, was "Iran-Contra" and guns-for-hostages operation of Oliver North and other western agencies. These operations served as the means for direct access to key terrorist capabilities.

Apparently choosing to limit the scope of his book, Seale uses his extensive chronology only to demonstrate that many of Abu Nidal's 1982-86 operations were done simply on a contract basis, a gun for hire in the service of the highest bidder, be it Libya or Israel.

The other half of the story

With the Lockerbie affair being turned into another new world order crusade against state terrorism, Seale's self-limitation is insufficient. A review of *EIR*'s own files and recent revelations in the British media mark a trail from Abu Nidal directly to Oliver North and the National Security Council.

The collapse of the Bank of Credit and Commerce International (BCCI) last summer led to revelations that Abu Nidal maintained over 40 bank accounts at a local BCCI branch in London. According to reports published last summer in the London *Sunday Times*, Abu Nidal often went to the branch office personally, under the nose of British intelligence operatives. One of his accounts was held under the unusual name of a Panamanian-registered company—SAS Trading and Investment. Millions of dollars ran through these accounts for such projects as the purchase of weapons that were manufactured by the Royal Ordnance Factory in

Nottingham, England.

Reporting on the collapse of the Barlow Clowes corporate empire in Britain, two enterprising journalists of the *Sunday Telegraph* got onto the trail of one David C. Mitchell, a Geneva-based accountant and British national, who, they say, is a financial Mr. Fixit. A former director of the Industrial Development Corp. of Rhodesia, Mitchell served as a financial go-between for a 1983 arms deal between Samir Najmeddin, commercial manager of Abu Nidal's SAS Trading and a group of arms dealers led by one Solomon Schwartz. The deal was for over \$7 million, of which nearly \$1 million was in the process of being transferred at the time it was busted. It included a large consignment of automatic weapons and ammunition. The money went through various accounts at BCCI and the Swiss Banking Corp., with the arms being shipped to Poland, where Abu Nidal was being safehoused by Polish intelligence. The operation was busted by the U.S. Customs Service and Schwartz was ultimately given a 10-year sentence, although he claimed that he did not know the shipment was destined for Abu Nidal. According to the *Sunday Telegraph*, Abu Nidal's connection was verified by a memorandum of the U.S. Department of Justice and an affidavit from a senior State Department official.

However, Schwartz is more than just a corrupt gun runner. According to *EIR*'s March 1988 special report, "The Kalmanowitch Report: Moscow's Moles in the Reagan-Bush Administration," Shabtai Kalmanowitch, an Israeli national operating business fronts in Africa, including the bantustan Bophuthatswana, was arrested in Israel at the end of 1987 on charges of being a Soviet agent. Solomon Schwartz operated out of the offices of Kalmanowitch and Rabbi Ronald Greenwald's Bophuthatswana International—or B International—which they identified as a joint Mossad-CIA proprietary. The notorious Soviet-Syrian terrorist and drug smuggler Mansur al-Kassar also was linked with Kalmanowitch. While *EIR* had documented that Schwartz worked on several projects with Oliver North, in 1988, we were not aware that the North-Schwartz arms deals included Abu Nidal's SAS Trading, which he claimed in U.S. court was sanctioned by the U.S. Defense Intelligence Agency.

It has been well documented by various sources that Oliver North had extensive dealings with both East German and Polish authorities under the cover of purchasing weapons for his Contra resupply operations. Schwartz and others were arrested by U.S. Customs in 1984, and even the prosecution had to admit in court that the Schwartz ring had extensive contacts with American intelligence agencies. Oliver North tried to dismiss his deal with Schwartz—involving 500 Connecticut-made Ruger rifles, 100,000 rounds of ammunition, and other equipment—as attempt to sell the weapons to the Polish government in exchange for a Soviet-built T-72 tank for the U.S. government to study.

An implausible denial for the sale of weapons to the world's most notorious terrorist, Abu Nidal.

'New Age' kookery invades the biology textbook market

by Susan Welsh

Biology: Discovering Life

by Joseph S. Levine and Kenneth R. Miller
D.C. Heath and Company, Lexington, Mass., 1991
898 pages, hardbound, \$41

Over the last year, I have noticed a change in the character of my junk mail. A catalogue for children's clothing says, "You can have a tree planted when you use your Mastercard card." The Gardener's Supply Company offers a product called "Rainforest Crunch," which it calls "the candy with an environmental conscience." It seems that "the Brazil nuts and cashews are purchased directly from the native people of the rainforest, which strengthens the local economy and encourages rainforest preservation," and a portion of the proceeds goes to environmentalist groups. A catalogue with children's toys advertises "Hugg-A-Planet: a friendly world for children"—a stuffed cotton ball in the shape of—you guessed it; another catalogue boosts an "aerobic exercise toy"—which, back in the good old days, we used to call a jump rope.

I found this foolishness and outright fraud dismaying enough, but not half so dismaying as the new college-level introductory biology textbook by Levine and Miller, which had been recommended to me as one of the best around. Amid the opulent photographs and gorgeous illustrations, I found just the same unscientific but "politically correct" claptrap.

The idea seems to be that, since undergraduates do not want to study science anymore these days, you have to capture their interest by presenting scientific material "with a student's world view in mind," as the authors state in their preface. That means, you start with sexy things like AIDS, condoms, ozone holes, and global warming. And, whereas the authors claim that their aim is "to lead students through narratives of observation, inquiry, discovery, controversy, and social relevance, rather than to present them with a list of 'established' facts and conclusions," the text is full of dogmatic conclusions of the "politically correct" variety, which give no hint of contrary evidence.

The 'ozone hole'

Let's take a couple of examples.

In 1973, F. Sherwood Rowland advanced the theory that man's production of chlorofluorocarbons (CFCs), for refrigeration and other purposes, was generating too much chlorine which was destroying the ozone layer, exposing people to deadly cancer-causing ultraviolet radiation. This view gained ground in 1985, with the supposed discovery of an "ozone hole" in Antarctica. The environmentalist hysteria that ensued was intertwined with propaganda to the effect that carbon dioxide produced by industry was creating a pattern of global warming. The conclusion that was drawn: stop industrialization, ban CFCs.

In their introductory note to the student, Levine and Miller write: "Ecologists have discovered that some of our actions may be causing a planet-wide climate change whose long-term effects we can scarcely comprehend. Other human activities are destroying Earth's protective ozone layer." In Chapter 7, we even have a false-color satellite photo of the "ozone hole," with a caption that reads: "If those holes spread over populated areas, many new cases of skin cancer and immune system damage could result, along with crop damage and an increase in global temperature."

Totally unreported by the authors is the growing mass of evidence that the ozone hole scare is an *unscientific fraud*. To summarize this evidence in brief:

There has been no ozone depletion in the past decades, by CFCs or anything else. Temporary fluctuations in the ozone layer occur on a seasonal basis, according to latitude, and are in direct relationship to the solar cycle, not to CFCs. The Antarctic ozone hole is not a new phenomenon, but was identified in 1956 by meteorologist Gordon Dobson, and has most likely been there for millions of years; it occurs annually, at the end of the Antarctic winter, lasts 3-5 weeks, and then disappears again.

Levels of ultraviolet radiation have decreased, not increased. In any event, there is no correlation between exposure to ultraviolet radiation and malignant melanoma, the lethal form of skin cancer.

As for chlorine devouring the ozone layer: The annual production of CFCs is approximately 1.1 million tons, which includes 750,000 tons of chlorine; this amount is minuscule compared to natural sources of chlorine gases, such as 600

million tons per year from the evaporation of sea water, and many millions more from volcanic eruption. The recent increased concentrations of chlorine monoxide reported above the Arctic are most likely the result, not of CFCs, but of the eruption of the Philippine volcano Mt. Pinatubo last June, which spewed millions of tons of chlorine into the atmosphere.

Furthermore, huge volcanic eruptions, like that of Mt.

The adoption of environmentalism as state policy was carried out under the leadership of George Bush and Britain's Margaret Thatcher, with the enthusiastic support of what was then the Soviet Union. It was the hallmark of what was to be the new superpower condominium.

Pinatubo (the largest volcanic eruption ever measured) affect global climate and agriculture in a major way. If you want to stop such climate changes, you'll have to ban volcanoes, not CFCs and not industrialization.

'There is no pollution but people'

Levine and Miller present in their opening chapter, as an example of "current controversies" in science, one of the most unscientific theories you can find, the kooky "Gaia" hypothesis of British biochemist James Lovelock. According to him, the Earth is itself a living being; life on Earth has evolved into a global superorganism, which must be maintained in a state of homeostasis, like an individual organism.

The authors' bland description of his theory may make it sound plausible to the uninformed; but take a look at the following excerpt from Lovelock's new book, *Healing Gaia: Practical Medicine for the Planet*, especially the chapter titled "The People Plague." It reveals the hideous malthusian ideology which is at the core of the "New Age" belief structure:

"Humans on the Earth behave in some ways like a pathogenic microorganism, or like the cells of a tumor or neoplasm. We have grown in numbers and in disturbance to Gaia, to the point where our presence is perceptibly disabling, like a disease. . . .

"As individual humans, or as small groups hunting and gathering, we once lived in symbiosis with our planet. . . . Our exponential growth will soon cease through its own contradictions. As the 19th-century economist Thomas Malthus foresaw, the human population is outstripping its food supply

and environment and must in the end be curtailed—by famine, disease, war, or natural catastrophe. Malthus's predictions are coming true at last! The statement: 'There is no pollution but people' carries an awful truth. . . .

"In the natural state there is no pollution. . . . But the dung of 100 cattle kept by a greedy farmer in too small a field is a real pollution and destroys the grass they feed on.

"None of the environmental agonies now confronting us . . . would be a perceptible problem at a global population of 50 million. Even at a billion people, these pollutions would probably be containable. But at our present numbers—more than 5 billion—and present way of living, they are insupportable. If unchecked, they will kill a great many of us and other species, and change the planet irreversibly.

"As a vast collective, the human species is now so numerous as to constitute a serious planetary malady. Gaia is suffering from Disseminated Primatemaia, a plague of people. . . . If the main disease of the Earth is the superabundance of people at the present way of living, harm will come, not just from their presence, but from the disturbance of the Earth's natural function by what they do."

These quotes are *not* provided by Levine and Miller. But it is unlikely that they would disagree with them, since they promote malthusianism explicitly throughout the text, and in their chapter on "Population Growth and Control," they hail Parson Malthus as "one of the first to recognize the problems of unchecked human population growth."

The authors even shamelessly promote the one-child-per-family policy of the People's Republic of China, which has not only led to forced abortions, forced sterilizations, and female infanticide, but is also creating a demographic nightmare: an aging population, without enough young people growing up to be able to support the elderly. This draconian and suicidal policy is given a fig leaf by Levine and Miller, who print a pretty full-color P.R.C. government poster of a smiling one-child family, with the caption: "China's powerful government has instituted the world's strictest population control measures. While encouraging families to limit themselves voluntarily to a single child, the government strictly prohibits larger families. In many areas women are coerced (psychologically) into sterilization or abortion after bearing their first child. These extremely harsh measures have slowed China's growth rate to 1.0% and helped agricultural production catch up with national food needs."

The only "alternative" view Levine and Miller present to the malthusians, is the free enterprise dogma of the Heritage Foundation. They might have chosen instead from any of a number of scientifically rigorous documents from the American System of political economy, founded by Alexander Hamilton. For example, Abraham Lincoln's adviser Henry C. Carey wrote in 1851, in criticism of the British malthusian system:

"We thus have here, first, a system that is unsound and unnatural, and second, a theory invented for the purpose of



An illustration from Biology: Discovering Life, in which a Chinese government poster promotes the one-child-per-family policy. Levine and Miller's laudatory caption is a total lie. There is nothing "voluntary" about the policy, which has led to forced sterilization and abortion, and even to widespread female infanticide.

accounting for the poverty and wretchedness which are its necessary results. The miseries of Ireland are charged to over-population, although millions of acres of the richest soils of the kingdom await drainage to take their place among the most productive in the world, and although the Irish are compelled to waste more labor than they would pay, many times over, for all the cloth and iron they consume. The wretchedness of Scotland is charged to over-population, when a large portion of the land is so tied up by entails as to forbid improvement, and almost forbid cultivation. . . . Over-population is the ready excuse for all the evils of a vicious system, and so will it continue to be until that system shall see its end."

It is the development of man's productive powers, through the introduction of new technologies, which makes it possible for a given area of land to support more and more people at a rising standard of living. Had it not been for such breakthroughs as the invention of the wheel, the world would have been "overpopulated" at the level of a few million people. Societies where the creativity of the individual is nourished, where science and technology are advancing, where capital is invested in modernizing plant and equipment, tend to *improve* the environment; whereas it is stagnant and declining societies (or ecosystems) that degrade the environment.

The AIDS coverup

While giving extensive coverage to the issue of AIDS, which is certainly of vital importance for undergraduates and biologists alike, the text perpetuates the official coverup of the Centers for Disease Control in Atlanta, according to which AIDS cannot be spread by "casual contact," but only by three means: sexual intercourse, injection or transfusion of contaminated blood, and from infected mother to unborn child. How do we know that these are the only means of transmission? We are never told. What about the extensive body of research that shows "environmental cofactors" for AIDS? This is never mentioned.

And talk about coverups; in their discussion of the history of AIDS research, the authors report that "in 1983, Luc Montagnier and his associates at the Institut Louis Pasteur in France announced that a virus had been identified as the cause of AIDS. This discovery was quickly confirmed by a team led by Robert Gallo at the National Institutes of Health in the United States."

This statement is a historical fraud, which conceals the fact that Gallo *stole* Montagnier's virus and, as recently as 1990, still claimed its discovery as his own. In an interview with the Paris daily *Le Monde* published March 21, 1990, Montagnier charged that Gallo's claim to have discovered the AIDS virus was untrue. "Gallo must face up to the facts,"

the French researcher said. "I call on him again to do this."

A confidential inquiry in 1985 on Gallo's work by the National Cancer Institute's Peter J. Fishinger proved that Gallo had falsified the results, but the results were kept secret, according to French press reports, so that he would get the revenues for the "AIDS breakthrough," while the United States would maintain dominance over AIDS research. The U.S. Justice Department blocked efforts to get the information released to the public.

If the authors were truly interested in presenting a picture of scientific research in all its lively controversy, as they claim, one might expect them to give a truthful account of a story such as this. But instead, we are given a legal fiction, which was concocted to protect Gallo from humiliation, or worse.

The New Age as government policy

According to Levine and Miller, the shift represented by the change in my junk mail began about four years ago. "Sometime between the beginning of 1988 and the middle of 1989," they write, "the world at large suddenly woke up. . . . Finally, world political leaders felt obliged to get into the act. During a global economic meeting among leaders of the world's seven largest industrial nations in the summer of 1989, environmental issues took center stage. Their meeting, in fact, came to be called 'The Green Summit.' 'What defense has been to world leaders for the past 40 years,' an editorial in Britain's *The Economist* predicted at that time, 'the environment will be for the next 40.' "

This adoption of environmentalism as state policy was carried out under the leadership of George Bush and Britain's Margaret Thatcher, with the enthusiastic support of what was then the Soviet Union. It was the hallmark of what was to be the new superpower condominium, as the world's leaders preside over the shutdown of industry, agriculture, and scientific and technological capability. The Soviet support for this policy is well shown by the authors' quote from a 1988 speech by then-Soviet Foreign Minister Eduard Shevardnadze: ". . . man's so-called peaceful constructive activity is turning into a global aggression against the very foundation of life on Earth."

This environmentalist "new world order" is now supposed to be signed and sealed at the "Earth Summit" in Brazil in June of this year—a followup to the "Green Summit" which Levine and Miller describe.

To what is science 'relevant'?

When I was an undergraduate in 1968, we students went on strike, protesting that our education was not "relevant" to the issues of the day. What that meant was not altogether clear, since we were also blowing our minds out on LSD, Marx, and Dostoevsky. One biology professor ventured the timid opinion that "the scientific method" was "relevant," even though perhaps we would never have occasion to put our knowledge of mitosis and meiosis to practical use. He

wasn't wrong, but there's more to it than that.

Why do American students think science is "boring"? Is it because their textbooks and teachers teach them *what* to think, rather than engaging them in a Socratic dialogue which teaches them *how* to think?

In a world in great crisis today, our greatest need is for critical young scientific minds, who question their own fundamental assumptions and ours, and look for answers to the riddles of the universe. We do not need more environmentalist, malthusian pseudo-science, or counterculture-influenced textbooks that ask us to consider, as Levine and Miller do on page vii, "what it is like to be a plant."

Bach's St. Matthew Passion for Easter

by Kathy Wolfe

Matthäus-Passion

by J.S. Bach, BWV 244

Johannes Somary, conductor; 1977,

Vanguard/Omega Classics

3 CDs, 4060-1-2, \$21.96.

J.S. Bach's setting of the Passion According to St. Matthew is one of the most powerful statements of the principles of Christianity. Johannes Somary's 1977 Vanguard recording, just issued on compact disc by Omega, is among the few to have done justice to Bach's work.

The conducting is broad and strong, and the voicing is distinct, with both of the double choruses heard with clear separation. The different musical choirs represented by the soloists, the orchestra, and the two choruses are given plenty of room to breathe. The vocal soloists, including tenor Ernst Haefliger and baritone Benjamin Luxon, sing with tremendous poetic understanding.

The power of Bach's "Matthäus Passion" derives from the power of Good Friday itself, the day of the crucifixion. Bach draws out Matthew's own spirit, portraying not only the immensity of Jesus' act, but equally, the inner psychology of every mortal human soul concerned. Bach demonstrates the full responsibility of each person, for both the events of Good Friday, and for the necessary steps which each must take, after it.

What emerges is one of the clearest pictures in literature of the *sovereign individual*, and the requirement that he or

FIGURE 1

Bach's aria "Mache dich," opening



The grey boxes show where the voice rises into the highest register when singing of Jesus.

FIGURE 2

"Mache dich," conclusion



The singer's "I" finally rises to the high register.

she have a higher purpose in life, for the good of society as a whole.

Human singing voice

Bach underlines this by his use of the registers of the individual human singing voice. The best way to approach the whole is from the final bass solo No. 65, "Mache dich, mein Herze, rein." It is not only the last of many individual statements, but also Bach's final testament as to how the individual must view Jesus. Bach has therefore constructed many other movements of the Passion as variations of this aria, including the opening and closing choruses No. 1 and No. 78, which are based on it.

He gives this most profoundly beautiful song to Joseph of Arimathea, the disciple who begged of Pontius Pilate the body of Jesus, to bury in his own tomb. "Make thyself, my heart, clean," Joseph tells himself, "for [there] I will bury Jesus."

Bach brings out the individuality of the human soul with his use of the bass's own specific registration. The bass shifts from its middle register, to its third or high register, which has a dramatically different sound, on the D above middle C, which makes the bass totally distinct from soprano, tenor, or other voices.

At first, Bach constructs a poetic dialogue, differentiating between the soul and Christ. Joseph of Arimathea speaks of himself in the middle register, and then rises into the highest third register after repeated contemplation of Jesus (Figure 1).

The aria continues at some length repeating these words,

always reserving the few dramatic higher register notes for Jesus' name.

Finally, however, at the point where Joseph of Arimathea himself is transformed and makes a commitment to emulate Christ, Bach allows the "ich" ("I") of the singer to similarly rise into the highest register (Figure 2).

Vanguard/Omega's Somary recording succeeds because conductor and soloists capture the poetry Bach's registers imply. Benjamin Luxon's Joseph gives precisely the right understated sort of passionate poetic stress to the phrases highlighted by Bach as shown here, communicating the transformation of the individual soul.

He succeeds, as does most of the recording despite being at a pitch higher than Bach's, because he makes his voice match the poetry. Luxon is also a baritone, which is a higher voice than the bass for which Bach called, and so his voice registers match Bach's intentions.

Somary's generously broad tempo brings out Bach's orchestral bass continuo in such legato contrary motion to singer and oboe da caccia soloists as to make everything sound like the inevitable work of God.

Heard on Good Friday, as it is meant to be heard, Bach's work leaves us here, suspended at that moment of the Passion, and forced to consider its full import over the next 36 hours, until Easter morning. There are few better ways to do so.

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Race riots explode, as Bush's world falls apart

by EIR Staff

Commenting on the outbreak of the worst urban rioting in Los Angeles since the Watts rebellion of 1965, Lyndon LaRouche, the political prisoner and candidate for the Democratic presidential nomination, said that "as of the morning of the 30th of April, the world which perhaps one might say George Bush built, is falling apart, and George himself, in his address to the nation on that morning, seemed to be falling apart, too." LaRouche emphasized that the riot was no spontaneous eruption, but occurred because "somebody had prepared it to happen."

The not-guilty verdicts announced on April 29 in the trial of four Los Angeles police officers accused of assault and excessive force in the arrest of black motorist Rodney King, served as the pretext for the widespread rioting, arson, and looting. The beating of King took place on March 3, 1991, and was videotaped by a resident of a nearby apartment building.

The violence which broke out after the acquittal continued into the following day in broad daylight, including in both the south central area of the city, which includes Watts, and the adjacent "Koreantown" area. Damage reports as of May 1 included over 100 people dead, over 1,000 injured, and at least 500 fires. Reports indicate a deliberate pattern of gasoline fire-bombings, with rioters deployed to prevent effective fire-fighting efforts, by attacking fire crews with rocks, bottles, and guns. The media fanned the flames of the violence, as television news crews accompanied gangs of youth rampaging about the city. Rioting spread to San Francisco and other cities all over the United States.

In the early morning hours of April 30, a curfew was imposed on the areas of Los Angeles most heavily affected by violence. Later that afternoon, a dawn-to-dusk curfew was imposed on the entire city of 3.5 million people, pursuant to an agreement worked out between Mayor Tom Bradley and

Los Angeles Police Department (LAPD) Chief Daryl Gates.

California Gov. Pete Wilson issued a proclamation around midnight on April 29 mobilizing 2,000 members of the California National Guard, and troops began to move into place the following day, into the areas of looting. In addition, a special contingent of 750 California Highway Patrol officers was deployed into the key areas.

President Bush issued a statement the morning of April 30 deploring the violence, and indicating that the Department of Justice would launch an FBI investigation of alleged "civil rights violations" by LAPD officers. News reports indicate that a top-level DoJ official was immediately dispatched to Los Angeles. Former FBI agent Rep. Don Edwards (D-Calif.) had used the pretext of the King incident months ago to introduce a bill in to the U.S. Congress which would have allowed a federal takeover of local police departments in circumstances such as these.

Not an isolated incident

LaRouche underlined in his statement that there are two things to be said about the outbreak of violence: "First of all, it's not an isolated incident. We have a similar kind of situation throughout most of Central and South America, especially South America; we have a similar situation in eastern Europe; we have a situation of, at least temporarily, ungovernability, in Italy; a démontage of the government of France; a political crisis racking Germany, hell in the former East bloc, and threatened explosions leading toward possible coups next spring, in the former Soviet Union—plus the situation in Afghanistan, plus the situation in the Balkans, plus the general situation in the Transcaucasus, plus the impulse toward new explosions in the Middle East, plus a danger of an explosion in the subcontinent of Asia and so forth, and so on.

“George Bush’s world is falling apart, and so is the world of the people who think, mistakenly, that Trilateral Commission member Bill Clinton of Arkansas is an alternative to former Trilateral Commission member George Bush, whose friend is Trilateral Commission member Henry Kissinger.

“The world as my opponents would have designed it and would have described it, is, in short, falling apart. Now we have two choices. If you, as a citizen, as a voter, think that the alternative in this election period, is chiefly between George Bush and Bill Clinton and possibly the complicating factor of Ross Perot, then you don’t know what time it is.

“The world that these figures represent is falling apart, and none of them have any conception, or have shown any conception so far, as to the kind of world which we are now entering.”

Riots were no accident

In a second statement released on April 30, LaRouche analyzed the causes of the violence. “Several things are obvious to me,” he said. “And when I say obvious to me, I think I should explain to some people who may not know this, that I have a longstanding record as an expert in the subject of terrorism. In fact, some will recall that I warned of a major outbreak of terrorism shortly before the Entebbe incident back in the 1970s, among other things; and I did this on the basis of crucial factors of evidence.

“I’ll tell you at this time, that the riots in Los Angeles were *no accident*, nor were they a spontaneous reaction to the results of the jury decision in the Rodney King case. This was prepared. The elements were on the ground. Somebody is playing games on the one side with law and order, and others, from the U.S. government side, are to be indicted for their negligence in failing to anticipate and deal with this matter before it arose.

“The third point to be made, is that behind the violence of violence-prone gangs who are rampaging, destroying the houses and the businesses of ordinary black people, mostly, is the fact that there’s a very legitimate grievance, an accumulative grievance, over such issues as the recent Supreme Court intervention by the overwhelming majority of the Court, or with the support of the majority, in the Robert Harris execution in California.”

Death penalty breeds more violence

LaRouche continued: “Now, contrary to fools who believe that public executions or death sentences are a deterrent against crime, in point of fact, it’s been well known for a long time, that death sentences work exactly the opposite way: that violence in the form of death sentence executions by the government, actually increases the propensity for violence in the population.

“The worst part about this, has been that the federal courts and some other courts, have taken the view increasingly of late, that even if the courts believe that a defendant might be

innocent, or have what is called in the law a ‘colorable claim’ to innocence, that the execution must proceed on schedule nonetheless.

“This is the most terrible kind of Nazi-like cruelty typified by the Attorney General, for example, of the Commonwealth of Virginia, Mary Sue Terry, who said exactly that, and said it repeatedly. That’s her policy. She’s one of the worst butchers in the United States today.

“Obviously, the people who are going to be killed are chiefly Hispanic and black minority representatives. Why? Because a large proportion of death-row cases are people who are probably innocent. That is, when a law enforcement agency cannot solve a case with a lot of heat around it, such as a major murder, rape, or so forth, they go out and they pick up, for example, a local retarded black kid, and pummel him into a confession in one way or the other, and then throw him on death row to get rid of the evidence, hoping that it never fires back on them. The case is closed. The actual perpetrators in the case go scot-free, but the local police department or local prosecutor looks good. That’s the way it goes.

“And black people and Hispanic people know that, generally, when this kind of injustice comes down, they’re going to be the first to receive the full brunt of it.

“So, even though most black citizens, for example, did not participate directly in the riots, and perhaps were appalled by it and tried to stop it, nonetheless; among them, there is a legitimate sense that they have fewer and fewer rights, or perhaps no rights, these days.

“In that environment, a few provocateurs, like groups with known names, whom I know to be terrorist-type groups, can operate among street gangs and related groups. And with the consent, even by negligence, of appropriate authorities, a riot like that in Los Angeles can be whipped up and organized in anticipation of an event such as the Rodney King case.

“I’m not saying the Rodney King decision was entirely irrelevant to the riot; but I am saying, that this riot did not occur spontaneously because the jury found police officers not guilty in the Rodney King case. This riot occurred because organized forces were whipped up and waiting for exactly such a decision, one way or the other. If the police officers had been found guilty, they would have rioted; if they had been found not guilty, they would have rioted. It could go either way, because somebody had prepared it to happen; and someone on the government intelligence law enforcement side was guilty of negligence, in not acting to prevent this explosion from occurring in the first place.

“But the fact remains: The reason it was possible to do this, is because, apart from the perpetrators of the violence—these poor, young, deluded, desperate people—the majority of minority groups, and others in the United States, the so-called Anglo-Saxon poor, have reached the point that they feel increasingly desperate, because they have a government under Bush that doesn’t care, and a government under Clinton, they think, which won’t care either.”

World press decries Harris execution

Robert Alton Harris was executed by the state of California on April 21, the 169th person to be given the death penalty since the U.S. Supreme Court restored capital punishment in the United States in 1976. While international media underlined the barbarous nature of capital punishment, the New York Times pointed, in its coverage on April 22, to the conflict between local federal judges and the Supreme Court:

“The sunrise death of Mr. Harris for the 1978 slaying of two teenage boys followed an extraordinary series of events in which various judges of the United States Court of Appeals for the Ninth Circuit, in San Francisco, issued four orders during the night to stay Mr. Harris’s execution. A continent away, Justices of the United States Supreme Court remained awake throughout the night and early morning, rejecting each stay with mounting anger. At 8:45 a.m. Washington time, the High Court—its patience exhausted—issued its final order. In an unsigned opinion, the Court said no further stays could be issued by any federal judge without the explicit permission of the Supreme Court.”

German Labor Minister Norbert Blüm, April 22:

The death penalty has no role in the civilized world of today, and “the sadistic torturing of human beings” as in this spectacular case, was “an execution in stages and almost done like an entertainment show.”

London Times editorial, “Agony on Death Row,” April 22:

“The gassing of Robert Harris in California was an obscene spectacle. He took 11 minutes to die, his convulsions watched by a panel of 50 witnesses. Before the cyanide pellets were finally dropped into acid, he was subjected to a macabre legal farce, as repeated stays of execution were upheld and then overturned. Having said goodbye to fellow inmates, he was already strapped inside the gas chamber when news of another delay came through. He was taken out, put in a waiting room, and sent back to the chamber again 50 minutes later. In any other country, such an on-off-on ‘mock execution,’ a form of psychological torture, would be universally condemned as a cruel violation of human rights.

“His execution, ending a 25-year moratorium in California, opens the way for the judicial killing of over 300 convicts in the state, some of whom have been on Death Row for almost two decades—about the time that most murderers serve in jail in states where capital punishment has been

abolished. . . .

“Amid growing public despair over rising crime, judges and governors are striving to outdo each other in their enthusiasm at election time for the death penalty. But when politicians use human lives to boost their standing in the polls, the proper separation of the judiciary from the political process starts to break down. In America no less than in the Third World, human rights must stand above the baying for revenge by the mob.

“By any definition, gassing a man to death is cruel and unusual punishment. How can any state tolerate the gas chamber after the Nazi Holocaust? Other methods of execution are no less barbaric. . . .

“The United States is the only western nation to practice capital punishment on a large scale. In so doing, it comes close to violating its own human rights undertakings. In 1977, President Carter signed two international conventions, the American Convention on Human Rights and the United Nations International Covenant on Civil and Political Rights. . . . Neither convention was ratified. Neither has been complied with since.”

Montreal Globe and Mail editorial, “American Justice Dies Another Death,” April 23:

“It is not for his sake that we grieve; it is for America’s. It is not the cruelty of his execution that is so appalling, as the mighty efforts expended to cloak a killing no less cold-blooded in the procedures of a civil society. . . . We need surely not refer again to the evidence that its application falls on racial minorities in grotesque disproportion to their conviction rates. And we refuse to rely on the signal absence of any proof of its deterrent power—for that is to accept that it is at worst ineffective in preventing murder. . . . Safety lies in a society that teaches in its every word and deed that life is sacred; that people are ends in themselves, not means to an end; that each individual is endowed with all the attributes of humanity, including the capacity to suffer; that true consciousness of another’s humanity makes the infliction of pain impossible.”

The editorial quotes George Bernard Shaw: “Capital punishment and murder are not opposites that cancel each other out, but similars that breed their kind.”

Unità, Italy, “The Long Night of the Barbarians,” guest commentary by U.S. civil rights leader Amelia Boynton Robinson, April 22:

“This American democracy, which produced such great men as Martin Luther King, cannot allow death as a system of power, genocide as a system of power. . . .

“If Italy (a country where right and culture have a historical tradition) condemns the use of a gas chamber to carry out justice, it must also condemn the world economic system which is based on usury against Third World countries and starvation of million of children.”

Corporatist planners take over state budgets

by H. Graham Lowry

After four successive years of collapsing revenues despite massive tax increases, and skyrocketing deficits despite huge budget cuts, state governments across the nation are moving to impose corporatist austerity regimes. The latest survey by the National Governors' Association reports that 36 states—nearly three-quarters of the states—are restructuring their government functions on the premise that “difficult fiscal times will continue and thus permanent downsizing and government efficiency are becoming top priorities.”

In most cases, that translates to handing government policymaking over to appointed commissions, empowered to control budgets, increase “productivity,” and restructure major programs from education to health care. The management system currently most in vogue is a pet project of the Rockefeller Institute of Government in Albany, New York: the corporatist schemes of W. Edwards Deming, an American statistician whose methods were smuggled into a number of Japanese companies during the postwar reconstruction of Japan.

Michael Williamson, a specialist in Deming's management system at the University of Wisconsin, describes the objective as follows: “In these times of fiscal austerity, we also must carefully leverage all of our resources, including, and perhaps especially, our human ones: We need to learn to do more with less.” The Rockefeller Institute boasts that dozens of states, including New York, are in the process of adopting Deming's management “philosophy.”

During the mid-1970s, the Rockefeller interests openly pushed for “corporatist government” through the private Initiatives Committee for National Economic Planning (ICNEP), which in a 1975 paper plainly acknowledged, “Corporatism is fascism with a human face.” ICNEP argued that the “whole point of any corporatist government will be to engineer a forceful shift of resources away from consumption into production.”

Corporatist budget-making

The 1992 *Fiscal Survey of the States*, released April 21 by the National Governors' Association and the National Association of State Budget Officers, documents the trend toward permanent reductions in living standards as the assumed function of government. The hue and cry for better “management” and less political control stems from Wall Street bankers' hysteria over out-of-control deficits, which

have increasingly required emergency spending cuts *after* state budgets have been adopted.

During fiscal 1990, twenty states had to go back and rip a total of \$2.7 billion out of their budgets. As the depression deepened, revenues collapsed with mounting unemployment, while growing poverty kept health and welfare costs rising under existing entitlement programs. During 1991, the number of states reducing their existing budgets rose to 29, and by a total of \$7.5 billion.

During the current fiscal year, which ends June 30 for most states, 35 have made or are planning to make further cuts totaling \$5.7 billion; and those figures have already increased since the survey was released. To deal with current deficits, 18 states are eliminating entire programs. Eleven states have reduced or eliminated desperately needed General Relief. Fifteen states have laid off substantial numbers of public employees, and six of those are imposing unpaid “furloughs” as well. Eighteen states are reducing aid to their already cash-strapped communities.

Budget cuts already proposed for fiscal 1993 constitute an intensified assault on living standards, both of the already impoverished and of those still on state payrolls. Five states are planning absolute reductions in Aid to Families with Dependent Children, by almost 15% in the case of Maine. Nine states are cutting back by restricting eligibility, with New Jersey and Wisconsin also denying additional funds to mothers who bear children while on welfare. Further cuts in Medicaid spending have already been proposed by 15 states. Many of these are limiting services, reducing optional services, and forcing recipients into “managed care” programs.

For state employees, eight states are already proposing to reduce or eliminate previously scheduled pay increases. Cuts in employee benefits have been proposed by 23 states, generally by requiring state workers to pay more in health care premiums, deductibles, and pension contributions. Thirteen states are also planning further layoffs.

The growing push for corporatist restructuring of state governments is all the more ominous, since the argument for it is being pressed even under the fiction that the economy may still revive under current policies. The National Association of State Budget Officers emphasizes that even once a recovery is under way, a lag in revenue collections of 12 to 18 months will continue to squeeze state budgets. More than half the states report that revenues this year are continuing to fall below projections, and many of them are paying out more in income tax refunds because so many people lost their jobs last year.

Regardless of the future course of the economy, the corporatists consider this a moment of opportunity. The deputy director of the Rockefeller Institute of Government, Frank J. Mauro, told the *New York Times* April 22, “The current economic squeeze is creating an opportunity to restructure state government in ways that should have been done a long time ago.”

Dope money is buying the U.S. elections

by John Hoefle

Recent revelations about the financing of the campaigns of George Bush and Bill Clinton underscore the fact that dirty money has infiltrated and corrupted the political process in the United States, depriving voters of any real choice in the presidential election. The revelations center around Carl Lindner and Jeremy Jacobs, both of whom were identified in *EIR's* best-selling book *Dope, Inc.* as having longstanding ties to major elements of narcotics trafficking and money laundering. It is therefore especially timely that the third edition of *Dope, Inc.* is now scheduled for release on May 15.

The case of Carl Lindner

A total of \$250,000 was recently contributed to the Bush campaign by financier Carl Lindner, a man who heads one of the dirtiest companies in American corporate history. Lindner is chairman of American Financial Corp. (AFC) of Cincinnati, Ohio, a closely held conglomerate involved in insurance, banking, savings and loans, portfolio investment, television and radio, petroleum marketing, and entertainment production and distribution. AFC is also, in the judgment of a former financial consultant to the company, one of the most airtight money-laundering capabilities ever seen.

Lindner is chairman of a number of companies, including Chiquita Brands International, of which AFC owns 52.5% of the common stock. Chiquita, which adopted its trade name in 1990, was previously known as United Brands, a name which it adopted in the 1960s. Before that, the company was known as United Fruit, one of the dirtiest and most notorious companies in U.S. history.

Dope, Inc. identified United Fruit as "the center of organized crime" in the United States since the turn of the century, created by a merger of the dope shipping interests of the Boston Brahmins and the Sicilian mafia of New Orleans. According to U.S. law enforcement officials, United Fruit ships carried a substantial portion of the cocaine reaching the United States in the 1970s. Lindner took over Chiquita in February 1975, when then-chairman Eli Black allegedly committed suicide. Lindner and his associates, who then controlled 48% of the company's stock, installed former Detroit Purple Gang mobster Max Fisher as chairman. Supporting Fisher, who is now a top Republican fundraiser, was Donald Gent, a partner at Goldman Sachs and an associate of Henry Kissinger and Sol Linowitz, the Carter administration's envoy to Panama. Linowitz was as advisor to Maritime Fruit Co., the Israeli

counterpart to Chiquita, and a director of Marine Midland Bank, which merged in 1979 with the Hongkong and Shanghai Bank, the central bank of the Far East heroin trade. In 1984, Lindner assumed the chairmanship of Chiquita.

While Lindner and Fisher ran Chiquita, the cocaine trade exploded, generating hundreds of billions of dollars of profits to be laundered and reinvested in so-called legitimate enterprises. Much of that money went into Drexel Burnham Lambert's corporate takeover binge of the 1980s. Drexel's junk bond specialist Michael Milken went to jail for his role, as did Lindner protégé Charles Keating, but their controllers went untouched.

In fact, Linder and his business partners, including Saul Steinberg of Reliance Insurance Co., Meshulam Riklis of Rapid-American Corp., and Victor Posner, a reputed investment partner of Murder, Inc.'s Meyer Lansky, provided the money which Drexel used to raid corporations. But while Milken went to jail, Lindner and his buddies remain untouched, free to buy influence.

Clinton and the Jacobs Brothers

One of the biggest financial backers of Bill Clinton over the years, the *New York Times* reported April 27, is one Jeremy M. Jacobs of Buffalo, New York. Jacobs and his brother, Max Jacobs, were identified in *Dope, Inc.* as heads of an organized crime family which made a fortune running liquor during Prohibition. The Jacobs family, through their company firm Emprise, owned some 450 companies, including horse- and dog-racing tracks, sports teams, and airport and sports stadium food concessions.

In 1972, Emprise was indicted, along with several members of the Purple Gang mob of Detroit, of conspiracy to take over a gambling casino in Las Vegas by illegal means. After it was convicted, Emprise changed its name to Sportservices. "Since 1972," *Dope, Inc.* noted, "they have continued to act as money-movers and bagmen for a whole list of organized crime members," including the Bronfman family of Montreal and such Meyer Lansky associates as Morris Dalitz.

In 1976, Sportservices was under investigation by federal authorities, including its activities in Arizona, by then-U.S. Sen. Sam Steiger. Working closely with Steiger was Phoenix journalist Don Bolles, who was assassinated by a car bomb on June 2, 1976. Bolles dying words were, "Mafia . . . Emprise . . . Adamson." In January 1977, local resident John Adamson pleaded guilty to the murder, and the role of Emprise was quickly covered up.

To further rehabilitate the company, Fisher deployed United Brands general counsel Stanley Mills, who had been a special assistant to Attorney General Robert Kennedy at the Justice Department, to Sportservices. Mills was joined by at least four other veterans of the Kennedy Justice Department, including Henry Patterson, the former top criminal division attorney responsible for an organized crime strike force cover-up "investigation" of Emprise.

Charge U.S. defaults on LaRouche bid for freedom

by Warren A.J. Hamerman

Attorneys for Lyndon LaRouche filed a rebuttal on May 1 to the U.S. government's "non-response" to his late January motion for freedom based on newly discovered evidence.

Mr. LaRouche's attorneys, Ramsey Clark, the former Attorney General of the United States, and Odin P. Anderson, charge that the United States defaulted on LaRouche's bid for freedom because they failed "to refute, or even meaningfully address" a single one of the 15 claims or 85 pieces of newly discovered evidence which were the basis of LaRouche's motion to set aside his conviction. The rebuttal characterizes the government's answer as a brazen non-response that amounted to a thumbing of the nose at the petitioners and the court.

Concert of action

Even more, since the filing of the 2255 motion, sensational new evidence has surfaced regarding illegal conduct of the Loudoun County Sheriff's Office of Sheriff John Isom and Deputies Don Moore and Terry McCracken. An independent federal investigation against the same central players in the concert of action against Mr. LaRouche has been opened for the same sorts of illegal activities—suppressing exculpatory evidence, illegal wiretaps and investigatory actions, and misuse of a "private task force" of military armored vehicles.

This federal investigation confirms one of the principal foci in LaRouche's 2255 motion: the Loudoun County Sheriff's Office, where the Anti-Defamation League's (ADL) Mira Boland testified she consorted with Moore and Isom as early as 1985.

Even as LaRouche's attorneys are about to file the rebuttal, new evidence on the scandals involving state Attorney General Mary Sue Terry and the Loudoun County Sheriff's Office is exploding.

The new LaRouche rebuttal therefore insists that if Mr. LaRouche's sentence is not immediately set aside outright for outrageous governmental misconduct, then he must be granted expansive evidentiary hearings and discovery into these and all the other un rebutted areas—from Henry Kissinger and the President's Foreign Intelligence Advisory Board to the illegal bankruptcy of LaRouche-associated companies, from the John Train media salon to Executive Order 12333, and from Alexandria jury foreman Buster Horton to the ADL.

Mr. LaRouche's demand for freedom sought to "vacate" his sentence through a variety of a *habeas corpus* motion filed under United States Code 2255, or in the alternative, to



LaRouche's sentence must be set aside for outrageous government misconduct.

at least grant him a new trial under Rule 33, based upon volumes of newly discovered evidence. Mr. LaRouche attempted to recuse Judge Albert V. Bryan, Jr., the trial judge, from hearing the motion because of Bryan's personal bias and prejudice. However, the judge refused to recuse himself, and the Fourth U.S. Circuit Court of Appeals, which was formerly headed by Bryan's father, upheld his decision.

Abuses perpetuated

The LaRouche rebuttal, which now sits before Judge Bryan, asserts at the outset that he and his associates ". . . are innocent of the charges filed against them but were convicted at trial as a result of violation of their constitutional rights and government misconduct which included the suppression of significant exculpatory and impeachment evidence.

"In its 2255 motion, petitioners [LaRouche and two associates] present nine grounds of unlawful detention, which are sub-divided into 15 claims and supported by 85 pieces of newly discovered evidence. The government fails to refute, or even meaningfully address, any of the grounds in the original motion.

"Aside from a landslide of *ad hominem* abuse, the Government Response is also inaccurate, misleading, and obfuscatory. It seeks to whitewash or distort such issues as it addresses, and totally omits many others without explanation. Most grievously, it perpetuates the very abuses which underlie the instant motion.

"The government has failed to disprove or explain away a single claim or piece of new evidence and its efforts to avoid issues or raise alternative explanations are superficial and do not withstand scrutiny. It wholly fails to address the claims and new evidence which, by themselves, require reversal. In short the Government has defaulted on its obligation to the petitioners, the court, and justice," the motion states.

National News

Hate-crime bills harm free speech: columnist

The proliferation of hate-crime bills across the country represents a frightening attempt at thought control, wrote syndicated columnist Nat Hentoff in the April 25 *Washington Post*.

Hentoff cited the case in Wisconsin where an existing hate-crimes bill was recently strengthened so that a defendant whose crime was motivated "in part" by a victim's race, creed, etc., would receive a stiffer penalty. Previous legislation required that the defendant had to be "wholly motivated" by bigotry.

Wisconsin State Sen. Lynn Adelman argued against the bill on the grounds that it is "unconstitutional because it creates a thought crime; it puts you in jail for having bad thoughts. . . . Once the government starts punishing your thoughts, we are in trouble." The bill was passed anyway by the state legislature.

In an Ohio case, *State v. Van Gundy*, one judge said that a statute enhancing "the punishment of a crime based upon the thoughts of the defendants is a hideous concept and inimical to American jurisprudence," Hentoff reported.

LaRouche persecutor caught cheating on taxes

Massachusetts Gov. William Weld, a key figure in the frameup of Lyndon LaRouche and his associates on concocted charges, has been caught red-handed cheating on his taxes. Weld claims it's all a mistake, and apparently the Internal Revenue Service (IRS) is willing to go along with that assertion.

Weld and his wife (both of whom are lawyers) claimed \$77,431 in deductions for mortgage interest on the family's \$1.1 million mansion in the posh Brattle Street section of Cambridge, the April 26 *Washington Post* reported. But most of that interest was on an \$800,000 second mortgage, which Weld secured in 1990 to finance his gubernatorial campaign. The IRS caps deductibil-

ity of second mortgages at \$100,000, and then only if the mortgages are for certain specific purposes—campaign financing definitely not among them.

Weld claims he's "horrified" about the incident, and will file an amended return.

With the illegal deduction, the Welds managed to reduce their federal taxes to zero last year, and also claim they were entitled to a \$21,530 refund—even though they made over \$166,000. As the *Post* noted, the Welds were able to reduce their taxes further by making charitable donations of \$54,240. They gave \$1,000 to a homeless shelter, \$3,000 to United Way, and a total of \$41,000 to Harvard University and the upper-crust Middlesex prep school. Of these last, the *Post* commented, "Such donations usually are remembered when the donor's offspring apply for admission, prompting a *Boston Herald* columnist to taunt Weld's charitable giving as 'white man's affirmative action.' "

N.Y. authorities seek to halt satanic cards

State legislators in New York are looking for ways to suppress the sale of the latest fad infecting the children of America—trading cards which glorify the deeds and lives of mass murderers, satanists, assassins, and other criminals. The cards, which began appearing in 1989, have baseball card-type photos of people such as David Berkowitz, Richard Speck, Ted Bundy, Jim Jones, and others, with lurid descriptions of their crimes on the back.

Roger Worsham, owner of Mother Publications of Orange County, California, one of the four companies publishing the cards, defended his product in comments to the April 21 *New York Post*. "Kids see worse on Saturday morning cartoon shows," he said. He noted that 10,000 box sets of cards, entitled "Forty Famous Murderers to Fear," was released in 1989 and sold out at \$10 a set. In addition to "Famous Murderers," Worsham publishes a series called "Assassins."

Other companies involved in the trade are "Bloody Vision/Shelton" of Irvington, New Jersey, which sells a set of 52 "Mass

Murderers/Serial Killers" cards; "Eclipse Enterprises" of Forestville, California, which sells "True Crimes" cards; and "Rigormor Press" of Studio City, California, which will begin selling "Incredible True Life Murderers" in May.

'Caterpillar' treatment meted out to Teamsters

Yellow Freight System, the second largest less-than-truckload carrier, walked out of negotiations with the International Brotherhood of Teamsters after a single morning session, the April 20 *Journal of Commerce* reported. The confrontational tactic was used in the wake of the United Auto Workers defeat in their strike of Caterpillar.

The negotiations were aimed at having Yellow enter the regional trucking market as a single unionized company, rather than establishing non-unionized subsidiaries. The regional trucking market (meaning within one state) has been far more profitable than long-haul trucking, since the regional market is still tightly regulated by most states, and is also largely non-unionized.

Yellow used as a pretext for the cessation of talks an interview new Teamsters President Ron Carey had given to the *Journal* the previous week, in which he said that the Teamsters would reject any proposal requiring workers to accept changes in existing wage levels and work rules. "Ron Carey publicly rejected our proposal. There is no other way to interpret his position. It is futile to continue negotiations," Yellow spokesman Linda George declared.

Noriega lawyers seek to question jurors

Jon May, on behalf of Gen. Manuel Noriega's defense team, has requested that Judge William Hoeweler permit the jury to be questioned concerning possible undue influence used to sway the juror who initially voted for acquittal.

The juror had made clear that she was

very religious, and some jurors prayed with her at their hotel where they were sequestered, that is, outside of the jury room where all relevant discussion was supposed to take place. "Plainly, an attempt to coerce Mrs. Cooper into changing her verdict through religious appeal would be improper, particularly if such conduct occurred outside the jury room," May said. "Having stated that only God could change her mind, it appears that some of the jurors sought to use that very influence to influence her verdict."

May also cited another juror as possibly biased based on information from outside the trial. That juror is reported to have said, "The whole world is waiting for this verdict. President Bush is waiting for this verdict."

Pennsylvania abortion law argued before Court

The American Civil Liberties Union's (ACLU) Reproductive Rights Project argued against a Pennsylvania abortion law before the U.S. Supreme Court on April 23. It argued the case on behalf of Planned Parenthood of Southeastern Pennsylvania. The ACLU contends that the Pennsylvania law, if allowed to stand, threatens a woman's "fundamental right to abortion" as established in the 1973 ruling *Roe v Wade*. (The pro-abortion lobby ascribes much broader rights to abortion on demand than the ruling allowed.)

The Pennsylvania law was passed in the wake of the 1989 *Webster* decision in which the U.S. Supreme Court upheld the right of states to place some restrictions on abortion. The provisions of Pennsylvania's Abortion Control Act, which were never enforced, are not unusual and have, in all but one element, been upheld by federal appeals courts.

The key provisions of the law include: Women seeking abortions must receive counseling on its risks and alternatives, and must wait 24 hours after that counseling before having the abortion; minors must get one parent's consent or a judge's approval for the abortion; no abortions are allowed after 24 weeks of pregnancy—unless to protect the woman's life or prevent permanent physical harm; and doctors must keep de-

tailed records of abortion and the reason for performing late-term abortions—this applies to abortionists receiving public funds or operating in publicly funded hospitals. Another provision, that married women must notify their husbands if they plan to have an abortion, unless there is a medical emergency, the husband is not the child's father, the woman fears physical abuse, or the pregnancy resulted from assault by the husband, was found unconstitutional by an appeals court.

Castro endorses Bush, as embargo termed phony

The April 23 Argentine daily *La Prensa* wrote that "Fidel Castro would prefer [President] Bush's victory, and not a Democratic Party one." Castro reportedly fears that if a Democrat is elected in November, he would change existing U.S. foreign policy, which is based on letting Castro eventually fade away by himself.

Columnist Carlos Acuna wrote that Bush is also seeking a deal with the European social democracy, in which Fidel would become an Ibero-American "symbol," pushing to one side other potential candidates for the post, such as former Argentine President Raúl Alfonsín.

Peter W. Schroeder, the Washington correspondent of the *Berliner Zeitung*, on April 22 criticized Bush's embargo of Cuba because it doesn't stop flourishing illegal deals of U.S. firms. While Bush made the announcement of a total ban from U.S. ports on all ships trading with Cuba, he could not agree with total sanctions "for considerations of principle."

Schroeder reported that while Bush pretends he wants sanctions against foreign ships that are trading with Cuba, he won't interfere with all the covert deals of U.S. firms that belong to "first addresses such as Dow Chemical, Du Pont, Ford, General Electric, IBM, and Union Carbide, which have profitable contracts with Cuba by-passing existing embargo rules via daughter companies and holdings in Switzerland, Great Britain and other countries."

Briefly

● **THE VIRGINIA** Supreme Court denied Rochelle Ascher, an associate of Lyndon LaRouche convicted on bogus "securities fraud" charges, a rehearing of her appeal on April 22. Justice Lacy refused to disqualify herself from hearing the petition despite having ruled, as state securities commissioner, that the political loans were securities. Ascher will appeal to the U.S. Supreme Court.

● **DAVID DUKE** withdrew from the 1992 presidential race on April 22. He trumpeted his affinity for environmentalist policies, charging that the Third World is not helping solve the world ecological crisis. "We should be waging economic war against Brazil, with as much vigor as we did against Saddam Hussein," Duke demanded.

● **THE THORNBURGH** Doctrine and George Bush's wars are a "manic obsession," Pavel Bogomolov charged in the Russian paper *Pravda* April 14. "The temptation . . . to personally punish America's enemies threatens to become a manic obsession. . . . There is no denying that this smacks of something primitive."

● **GEORGE BUSH'S** reelection bid was endorsed by Chinese Communist leader Deng Xiaoping, according to the Hong Kong journal *Dong Xiang*. "Republicans are more practical than Democrats. Some Democrats are extremists. Our hope is that Republican candidate George Bush can be reelected," it quoted Deng.

● **CARL SAGAN**, Sen. Al Gore, and the Cathedral of St. John the Divine are sponsoring a conference of religious leaders in Washington May 10-12, to assert that "ultimate priority" must be given to the environment.

● **H. ROSS PEROT**, the reputedly "anti-establishment" candidate, is seeking advice from James Sebenius, a partner of Peter Peterson, chairman of the New York Council on Foreign Relations.

The tyranny of the media

The U.S. Constitution guarantees freedom of speech and freedom of the press. Of course, these freedoms were not intended to give cover to malicious libels or slanders, but to assure that all citizens would be able to fully inform themselves on public issues, and to take part in public dialogue. Thus the founders hoped to preserve the vitality of the democratic republic which they had created, by rewarding the pursuit of *truthfulness*.

Today the press has by and large been commanded to serve precisely the opposite purpose. It is not merely that newspapers, radio, and television serve as the vehicle for libels and slanders. Today the mass media are a vehicle for applying the methods of psychological warfare against their own people, in a manner pioneered by the Soviet KGB.

While this perversion is most extreme in the United States, in the recent British election campaign, managers openly admitted that the three contending candidates for the Conservative, Liberal-Democratic, and Labour parties were being packaged to sell, that the creation of image rather than substantive discussion of issues was their strategy. The idea is to play upon voters' irrational emotions, rather than to foster a reasoned consideration of ideas.

In the U.S., the media campaign against Lyndon LaRouche is another example of the same methods. Not only do the media deny him a fair hearing, but most mentions of him in the press or on radio and television are carefully scripted, down to preceding his name by the epithet, "political extremist." In France, a country where falsehood alone used to be sufficient grounds for a successful libel suit, the media appear headed in the same direction.

On April 24, the head of the left-wing Radio Lucrèce, one Claude Palmer, broadcast an hour-long attack against the European Labor Party (POE) a French political party known for its defense of the policies and person of Lyndon H. LaRouche, and a German co-thinker group, known by its acronym EAP. The French broadcast may even have been intended to incite violence against members of the EAP by the terrorist Red

Army Faction, by inventing the fantastic lie that the party may have ties to Bavarian medical and scientific circles close to the infamous Nazi doctor Mengele.

Palmer is a well-known leftist, and his tirade was intended to inflame and confuse working people and members of minority populations living in France. The explicit theme of his show was that associates of LaRouche should be banned from the French airwaves.

Fortunately, there are some journalists in France who remember the proud traditions of their nation and the real meaning of freedom of speech and the press, which is to seek the *truth*. Thus, four days later, on April 28, the head of Radio Paris, Dennis Clerc, aired a half-hour editorial statement in defense of his right to interview LaRouche's leading spokesman in France, Jacques Cheminade, and Cheminade's associates.

Clerc stated on the air that Palmer had given him a copy of his anti-LaRouche dossier, but that he, Clerc, did not find it to be convincing. He went on to announce that Radio Paris would host a 90-minute interview with Cheminade on April 29.

An even more grotesque instance of slander cropped up recently in Germany, in the pages of the *Wiesbadener Kurier*, in the form of an attack on world-renowned violinist Norbert Brainin for a concert given last Jan. 26, which at the time was favorably reviewed in the same newspaper. Dr. Brainin was attacked for performing at a concert hosted by the Academy for Humanist Studies and demonstrating the C-256 tuning advocated by LaRouche and his associates, who, according to the article, are tainted with "Nazi" ties. As Dr. Brainin pointed out in a letter to the newspaper, these lies are especially preposterous and offensive, in view of the fact that he himself was a Jewish victim of Nazi persecution, forced to flee Austria at the age of 15.

We must guard the hard-fought right to a free press, but we must also oppose those who would cynically use the media as an instrument for brainwashing people to accept a one-world, fascist tyranny. One way in which *you* can directly engage in this fight, is to help us to expand the circulation of *EIR*.

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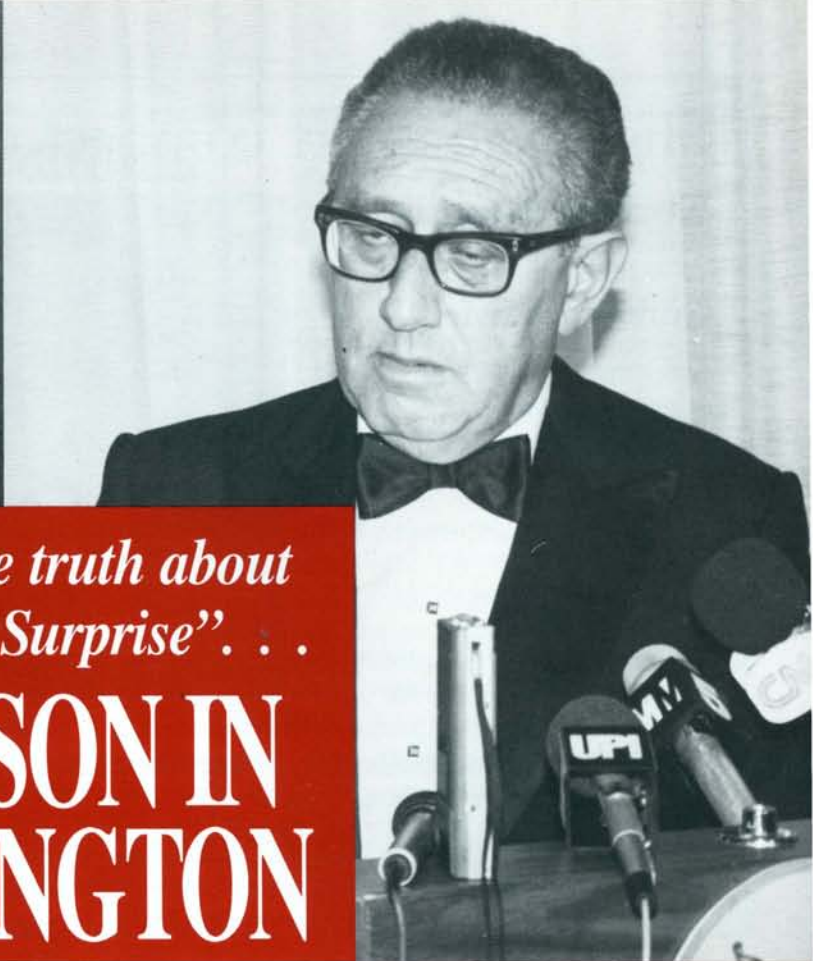
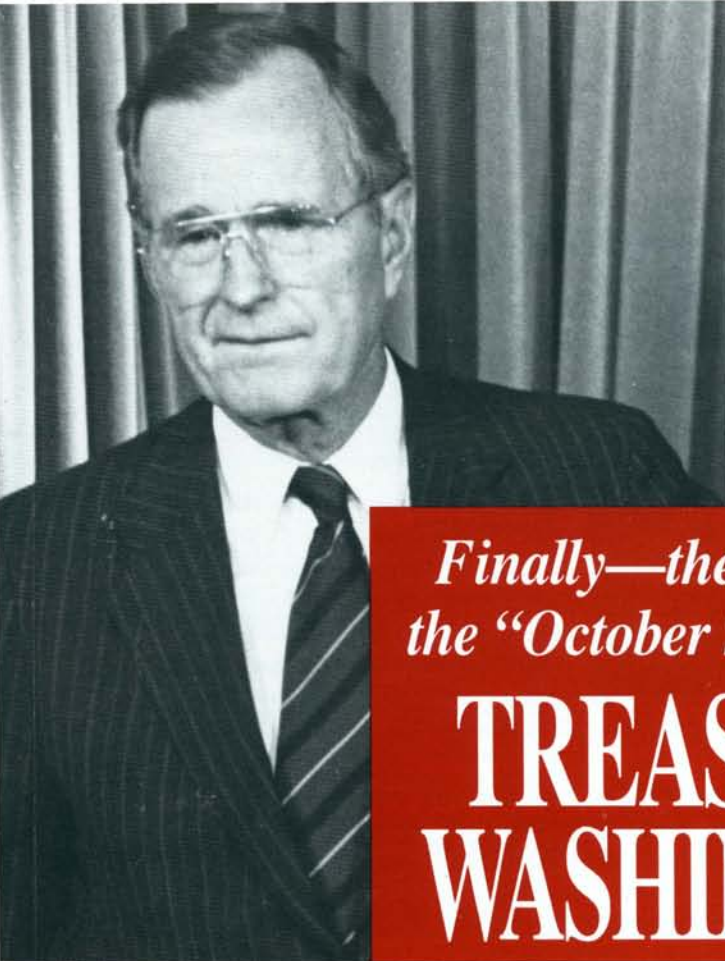
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