

# EIR

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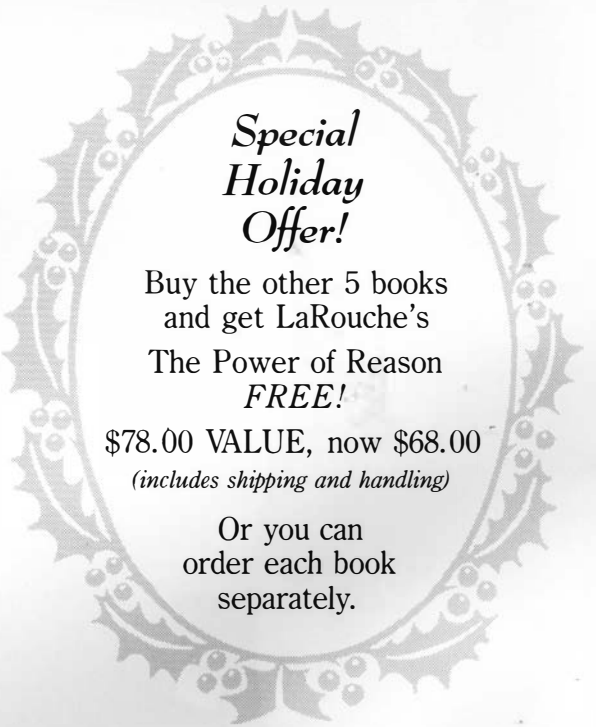
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## From the Editor

This week's *Feature* is about the revolutionary promise of cold fusion, confirmed again in the latest international conference in Japan. Carol White's firsthand report may be linked to the fact that a short time ago, the Schiller Institute of the United States released a book-length study by Lyndon H. LaRouche, Jr. entitled *Cold Fusion: Challenge to U.S. Science Policy*.

LaRouche's study is a remarkable achievement. Its author began to write it while enduring his third year of unjust imprisonment in a federal penitentiary, where the conditions for concentration on the frontiers of science are highly aversive, and access to dialogue with other scientific thinkers is absolutely minimal. Some would have thought that LaRouche had his hands full, simply running his 1992 presidential campaign while continuing to fight for justice for himself and his fellow defendants from prison. Yet the "Science Policy Memorandum," as it became known, occupied a major place in his attention over the past year.

Why? The concluding chapter in the book, "Cold Fusion and Economic Recovery," comes to the point: "By itself, our proposed cold fusion policy will not set off [the required] economic rebirth," but it "typifies . . . the species of policy rethinking which will bring about not only the needed recovery, but also a reversal of immorality in social policy of practice generally."

Counterpose the technological optimism of cold fusion to two major packages in this issue documenting that prevailing "immorality in social practice." First, the flaunted role of the U.S. government in using El Salvador as a "laboratory" for imposing communist terrorist rule upon the population of an allied nation—an experiment intended for replication in nation after nation (*Investigation*). Second, the ideological roots of such U.N.-backed experiments, in British eugenics, Darwinism, and the Hitler-Stalin monstrosity they beget (*Books*).

Finally, we present one of the biggest news scoops of 1992: the tapes of Galen Kelly and Donald Moore plotting to kidnap LaRouche associate Lewis du Pont Smith, of which we publish samples from the public record, verbatim. These reveal the murderous, criminal nature of those who sent LaRouche to prison. Is your newspaper covering this story—or covering it up?

*Nora Hamerman*

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**Photo credits:** Cover, U.N. Photo 178028/M. Grant. Pages 21, 24, Carol White. Page 30, EIRNS. Page 48, *El Espectador*.

## Investigation



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**Correction:** We reported incorrectly in our last issue (page 67) that Washington, D.C. Park Police had arrested Rev. James Bevel and historian Anton Chaitkin while they were leading a rally at the statue of KKK founder Albert Pike. The arrest was actually made by federal Park Police.

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## Is Washington behind Europe's currency crises?

by William Engdahl

There is compelling evidence that, beginning in June or early July, only days after Denmark's "no" vote to the proposed Maastricht Treaty for European union, which included plans for a European central bank, a dominant part of the U.S. establishment launched an all-out financial and economic destabilization of western Europe. The objective of this operation, which has seen the most severe speculative attacks on European currencies in the postwar period and the launching of intense trade war pressures via agricultural and steel tariff threats against European imports, appears to be to render European economic stability impossible for the foreseeable future.

The charge of deliberate U.S. economic and financial warfare against the countries of the European Community (EC) is as dramatic as it is serious.

According to reports from New York international investors, in early July, the "word" was leaked in the New York financial community that funds should be pulled out of European markets. "Our New York investors shocked us in July when they told us to sell their holdings in Scandinavian bonds. We told them they shouldn't over-react to press headlines over Maastricht, and they replied, 'We have information that by the end of this December, the currencies of the entire European Community will be in a free float,'" R.G. Andersen, a major Scandinavian bond investor with a leading financial house, told *EIR*.

### **Franco-German ties targeted**

According to information made available to *EIR* from European and U.S. sources, the target of the politically driven attacks on European monetary stability is to force a rupture in the tie linking France and Germany, the two nations which have formed the core of European economic growth since the opening of the Common Market in 1959. A rupture in the 13-year agreement of the 12 EC member countries to support a zone of currency stability, then termed the European Mon-

etary System, has been the basis for strong growth in intra-EC trade flows. Once currency parities become subject to wild speculative runs, industries are much more cautious about cross-border trade ties.

The attacks on the weaker European currencies began at the end of last August, when Washington began to deliberately let the dollar slide. Anyone who knows how the European currency market operates, knows that when the dollar falls sharply, hot money goes almost automatically into the German mark, Europe's strongest currency.

That is what happened last August, putting strains on the relationship between the deutschemark and some of the weaker European currencies tied to it, namely the Italian lira, the British pound, and above all the Swedish kroner. The Swedish Central Bank was forced to boost overnight interest rates to 500% by mid-September to prevent a collapse of the currency, at that time the "weakest link" in the European Exchange Rate Mechanism (ERM) group of fixed currencies.

According to Swedish banking circles, U.S. interests including friends of Henry Kissinger and the secretive New York financial speculator George Soros launched a massive speculative attack on the kroner and the pound sterling, which forced the latter to leave the ERM on Sept. 16. On the Swedish side, the chairman of the Swedish-based Volvo, Pehr Gyllenhammer, is reported to have been especially aggressive in dumping his nation's currency. Gyllenhammer enjoys close City of London and New York ties. He is a member of the board of the London Pearson Group, which includes the London-New York investment bank Lazard Frères. And he has close ties to Kissinger, and is a board member of Kissinger Associates.

The September currency attacks, which were led in volume from New York banks and financial institutions, succeeded in weakening the ERM structure. The Italian lira was forced to float following weeks of efforts to hold its value.

The Spanish peseta was devalued by 6%, and the British pound sterling was taken out of the ERM, leaving it to float freely. As in September 1931, when the pound unilaterally left the gold standard, it seems that key voices inside the British establishment are positioning themselves for further attacks on European stability.

This role of British perfidy inside the EC this past September was detailed in the Nov. 30 London *Guardian*. According to that report, British Chancellor of the Exchequer Norman Lamont, a former N.M. Rothschild's banker, blocked a proposal by the head of the German Bundesbank, Helmut Schlesinger, at an emergency Sept. 5 EC finance ministers gathering at Bath, for a *quid pro quo* of significant German interest rate cuts in exchange for a comprehensive revaluation of the fixed currency values of the ERM countries. In addition to Italy, Britain had what was regarded as a far overvalued rate for sterling, given its depressed economy. The *Guardian* reported that Lamont, who chaired the Bath meeting, used his position to block real debate on the dramatic German proposal, demanding instead a unilateral German rate cut.

Since Sept. 16, when sterling left the ERM, the British government has continued to play a perfidious role behind the scenes in aggravating underlying European tensions. But the fundamental goal of forcing a break in the German-French link on monetary parity failed. On Sept. 23, the Germans joined with France to defend the franc. According to estimates, the cost of this defense was high. During the entire ERM crisis, the Bundesbank reportedly spent \$58 billion of its foreign currency reserves to support the lira, sterling, and then the franc. But the waters calmed during October as the speculative frenzy abated. It seemed for a time that the threat to the Franco-German "core Europe" had been defeated.

### **The agricultural 'wedge'**

Then, beginning in October, Washington threw a new wedge into German-French relations. The U.S. government threatened all-out "trade war," including a 200% tariff on French wine exports, unless the EC agreed to the deliberately outrageous U.S. demands for cuts in European "oilseed" production, which it claimed was hurting U.S. soybean exports to Europe. According to Brussels sources, the U.S. position had little to do with any legal rights under the General Agreement on Tariffs and Trade (GATT), but strictly with politics. The farm support issue, as one European grain trader termed it, "is the perfect 'wedge' issue to split Germany and France. France is the most important agricultural exporter in the EC, while German machinery and industrial exports faced a threat from any Washington trade war, as Bonn saw it." According to European reports, Washington demands would force up to 35% of all European farmland to be "set aside," making the United States the unchallenged world food supplier in coming years, and throwing entire regions of France and the rest of the EC into permanent rural depression.

In this tense climate, in mid-November, a new attack on

European currency stability was launched. Again, according to currency traders, it came from New York financial houses. "The tip-off who was behind this was during the November Thanksgiving holidays in the United States, when New York closed down. During those few days, suddenly the attacks on the Irish, Danish, and French currencies ground to a halt. They started up again Nov. 30, after the U.S. holidays," said one European trader.

Again, the intent of the concerted GATT and currency assaults is to finish what was started in September, namely, to break the Franco-German currency axis and thereby weaken the entire fabric of the EC trade region.

### **The elusive George Soros**

One of the central speculators involved in the latest attacks on Europe, beginning with the mid-November attack on Sweden's kroner, which this time was forced to leave the ERM, is reported by London currency traders to again be George Soros. Soros, an elusive billionaire who reportedly made \$950 million in the September pound sterling crisis, is known to enjoy close ties to the U.S. establishment. There are even reports that Soros has quite privileged channels to the New York Federal Reserve Foreign, the U.S. agency which would have the most intimate confidential data on the state of other European central bank reserves. "These attacks on European currencies are political, not based on any economic considerations by traders," one financial source told *EIR*. "If someone like Soros had privileged information from contacts inside the New York Federal Reserve, he would know precisely where the weak targets are. His uncanny success in the past two months suggests this may be the case. It's quite a scandal if so."

Adding fuel to the fire, on Nov. 30, when the Commerce Department announced imposition of penal duties on imports of some \$1 billion worth of European steel, an EC spokesman stated, "The U.S. has been using legitimate trade policy instruments to harass foreign competitors and to divert world trade flows." Both Washington trade ultimatums (oilseeds and steel) escalated pressure on the various European countries while currency speculators like Soros undermined the stability of the ERM link.

The Washington assault against continental Europe, which has the backing of a powerful faction in the City of London, is designed to turn Europe from the world's strongest trade and industrial region which could bring stability and growth to eastern Europe, into a gaggle of petty, squabbling countries. Their private argument is: "If the United States is in a state of internal economic and financial chaos, let's make certain Europe is as well, so they are unable to challenge our global role." If they succeed in fostering such disarray, through British "balance of power" maneuvers to play France off against Germany or *vice versa*, the "Anglo-American special relationship," in effect since the 1919 Versailles Treaty, would once again be decisive in European affairs.

# Methyl bromide ban defeated at Copenhagen conference

by Rogelio A. Maduro

The ecological-fascist drive to ban more chemicals necessary to human life suffered a setback in Copenhagen, Denmark as representatives of 87 countries met Nov. 17-25 to update the regulations promulgated by the 1987 Montreal Protocol which set phase-out dates for chlorofluorocarbons (CFCs) and other allegedly ozone-depleting substances. Although the eco-fascists did achieve a large portion of their agenda during the meeting, they failed to implement a sought-for ban against the important pesticide and fumigant methyl bromide, and against hydrochlorofluorocarbons (HCFCs), which serve as substitute refrigerant gases, among other uses.

The delegates refused to implement a ban on all production of methyl bromide by 1995, which was the major plank of U.S. Environmental Protection Agency (EPA) administrator William K. Reilly. Because of fierce opposition, Reilly had to settle for an agreement to freeze production at 1991 levels by 1995. The plan to ban all HCFCs by the year 2000 also fell through, and the greenies had to settle for a ban by 2020. Though neither delayed ban is in any way sane, it does show that resistance is mounting.

Two major developments at the conference helped to derail the plans of the eco-fascists. The first was the release of a resolution drafted by world-famous volcanologist and former minister of France Haroun Tazieff, which was signed by more than 100 scientists from 12 nations. The resolution, entitled "Seven Good Reasons to Reverse the Montreal Protocol," exposed the pseudo-science fraud of the ozone depletion theory. Shortly before the meeting began, a folder with the resolution and other materials was put at the place setting of each delegation, and was the first item opened by the delegates. Denmark's leading daily, *Berlingske Tidende*, covered the Tazieff resolution in a front-page story, as did the Paris daily *Le Figaro*.

The second intervention occurred during the conference when Israel and several southern European nations joined with Third World agricultural producers to oppose the ban on methyl bromide. The proposed ban on this chemical was fought fiercely by Israel and Kenya, with backing by other users, including France, Italy, Spain, and Greece. Observers noted that there was a clear "North-South" fight being waged at the conference. There was no consensus on any replacements for CFCs, and most Third World countries were opposed to this ban as well.

The eco-fascists drafted the rules of the protocol in such a way that it only requires the signature of 20 countries to impose a ban enforceable on all countries. It was not surprising, therefore, that the timetable for banning some chemicals, determined at earlier conferences, was moved up to an earlier date. It should be emphasized that 25 countries, out of a total of 87, voted against each and every single item in the agenda. But as the eco-fascists hoped, the new protocol calls for:

- a ban on CFCs by the end of 1995 instead of the year 2000;
- the fire-extinguishing halons to be banned by the end of 1993;
- methyl chloroform, used in dry cleaning, to be banned by 1996 instead of 2005;
- carbon tetrachloride to be banned by 1995 instead of 2000.

To the surprise of most delegations, one more family of chemicals, the hydrobromofluorocarbons (HBFCs), was banned at the conference. This latest ban, to go into effect by the end of 1995, demonstrates what kind of a sham the Montreal Protocol is. HBFCs, a very promising family of chemicals which has demonstrated tremendous capabilities as fire extinguishers, were not even included in the conference agenda until two weeks before the conference. In essence, the eco-fascists decided to ban HBFCs on the spur of the moment. HBFCs were banned despite the fact that no research whatsoever has been conducted to determine whether they represent any danger to the ozone layer, or whether HBFCs can survive long enough to rise to the stratosphere. Scientific evidence is clearly deemed irrelevant to this whole process.

## As many as 20-40 million deaths per year

The Copenhagen conference almost fell apart over the issue of an international fund to help developing countries bear some of the enormous costs of the ban on these chemicals. Although this fund had been established during a conference in London in 1992, the advanced-sector nations had failed to deliver on even the pittance they had promised Third World countries. After a last-minute deal, advanced-sector countries agreed to provide the so-called Montreal Multilateral Fund with \$113 million in 1993 and \$113 million in 1994. This money will supposedly go toward helping devel-



oping countries pay for CFCs recycling equipment and manufacturing alterations, and to meet other costs resulting from a conversion from cheaper CFCs to the much more expensive replacements (if any replacements even exist).

In reality, this fund is a cruel joke. Experts now estimate that the cost of banning these man-made chemicals may be as high as \$5 trillion by the year 2000. On top of that, it is expected that the collapse of the international cold chain, through which perishable foods are stored and transported, will result in an increase in the death toll from hunger, starvation, and related food-borne and other diseases of 20-40 million persons per year, and these figures do not include the consequences if methyl bromide were banned (see *EIR*, Dec. 4, p. 22).

This death toll should be compared to the alleged threat from ozone depletion. According to Reilly, the ban on all these chemicals will prevent 20,000 deaths from skin cancer in the United States over the next 75 years. Setting aside the severe scientific criticisms that this claim has received from the medical community, Reilly's threat boils down to 267 hypothetical skin cancer deaths per year (many medical experts estimate the death toll to be zero). But this is still lower than the number of estimated deaths from fires as a result of the ban on fire-fighting halons!

The tragedy of this conference is that so much money and effort is being spent on dealing with the non-existent threat of ozone depletion when there are real catastrophes occurring in the world today. On the same day that the Copenhagen conference was ending, another conference was taking place in Dakar, Senegal. This conference, sponsored by the Organization of African Unity (OAU), was convoked to examine the desperate situation of African children today. The tragedy is horrifying. Drought, famine, gastrointestinal diseases, AIDS infections of the parents, and poverty have reduced the life expectancy of African children dramatically. At present, one out of every four African children will die by the age of five. In 1990, some 4.5 million African children died because of malnutrition or lack of medical treatment.

The data, collected by the OAU and the United Nations Children's Emergency Fund (Unicef), show that the threats besieging African adults are not much better: Nearly every second African citizen suffers from malnutrition, lack of clean water, or HIV infection. AIDS was a major item of discussion at the Dakar conference, since more people are sick with AIDS in Africa already than in the entire rest of the world. The ban on CFCs-based refrigerants will have a direct impact upon the health and well-being of these AIDS victims.

Even in conferences that deal with ozone depletion, there is sometimes room for entertainment. This conference was no exception. The free entertainment was provided by the Australian delegation. It was quite apparent to observers at the conference that the role the Australians had been assigned by the Anglo-Saxon bloc was to scare attendees over the dangers of skin cancer from increases in ultraviolet (UV)



*Haroun Tazieff, a French volcanologist and former government minister, drafted a resolution, signed by more than 100 scientists from 12 nations, calling for overturning the Montreal Protocol. The unscientific and unnecessary ban on CFCs and other useful chemicals will lead to 20-40 million deaths every year if not revoked.*

radiation. The Australian delegates were everywhere hysterically warning all the delegates they came across about the dangers of sunbathing and UV. One wag commented that their tags should have read "Australian Skin Cancer Scare Bikini Team." Of course, these white-skinned Anglo-Saxons did not explain to their audience that cases of skin cancer are almost non-existent among Australian natives. In the end, however, the ploy backfired, as the Australian delegation became the laughingstock of the conference.

### **Greenies cry 'foul'**

Although previous meetings of the Montreal Protocol signatories have commanded extensive press coverage, this one was barely mentioned by the news media. The eco-fascists were not too happy, either.

Mostafa Tolba, who has overseen the negotiations to ban CFCs as director of the U.N. Environment Program (UNEP), said that "tens of countries expressed different views, at least 25 countries created difficulties at every step; nonetheless, this meeting was definitely a step forward," noting that despite fierce opposition, "the measures agreed here are the strongest package of global environmental law ever enacted." Tolba emphasized that stronger action was needed: "The question remains, however, is this enough? We know the answer is no. I am scared that ozone depletion will accelerate. We cannot rest until the ozone layer is safe."

Greenpeace condemned the results of the conference. Spokesman Bill Hare told IPS wire service, "While we acknowledge the major progress on CFCs and halons, the benefits have been swamped by the agreement to continue the use

of HCFCs and methyl bromide. Governments have taken a vast and pointless risk which threatens human health, ocean ecosystems, crops, and wildlife.”

The Environmental Defense Fund (EDF) said that it was “pleased” with the treaty, but staff member Michael Oppenheimer said the group was “critical” of the decision to allow continued production of HCFCs and methyl bromide. Oppenheimer told the *New York Times*, “It’s basically half a loaf. I’m glad they did what they did with the major ozone depleters.” But

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*For the first time there was organized opposition to the mob of eco-fascists that controls the Montreal Protocol process. This opposition has been slowly building over the past several years, as more and more scientists and experts have decided to expose the ozone depletion theory and the ban on CFCs as a sham. The publication of *The Holes in the Ozone Scare* has played a major role in catalyzing this opposition.*

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regarding the opposition to a methyl bromide ban, Oppenheimer said, “They left an important part of the problem unfinished and they’re going to have to revisit it soon.”

According to EDF international counsel Scott Hajost, “governments have done their duty by speeding the elimination of CFCs in industrialized countries, but their actions on HCFCs and methyl bromide are not commensurate with the magnitude of the problem.” Hajost told IPS that “even when CFCs levels begin to decrease in the atmosphere, continued use of HCFCs and methyl bromide could significantly extend the period of ozone depletion.”

### **Gameplan temporarily blocked**

There are two fundamental reasons why the eco-fascists and their promoters in the news media are demonstrating such rage at the result of the conference: This is the first defeat they have suffered at such a U.N.-sponsored international gathering. And second, they were ready to launch the fourth phase of their ozone depletion scare strategy, which has now been derailed.

As detailed in the book by this author and Ralf Schauerhammer, *The Holes in the Ozone Scare: The Scientific Evidence that the Sky Isn't Falling* (Washington, D.C.: 21st Century Science Associates, 1992), over the past 20 years

there have been more than 20 theories claiming that man’s activities were going to deplete the ozone layer. The theory that CFCs would deplete the ozone layer is just one of those theories debated during the 1970s in what became known as the “Ozone Wars.” All of these theories were discredited by the end of the decade, and the debate subsided. The debate was not restarted until 1985, as part of a deliberate strategy.

The first phase of the eco-fascist strategy was to seek a treaty laying the groundwork for a phaseout of and eventual ban on CFCs. That treaty would serve as the basis for further international treaties banning all kinds of activities conducted by man. This first phase was achieved by the signing of the Montreal Protocol in 1987. The second phase was to add HCFCs, methyl chloride, and carbon tetrachloride to the treaty. The third phase, launched in November 1991, was to add methyl bromide to the list. The fourth phase, which the eco-fascists were about to launch, was to revive the claims that fertilizers and solid booster rockets were a threat to the ozone layer. The rejection of a ban on methyl bromide at the Copenhagen conference has temporarily derailed this schedule.

The immediate plans of the eco-fascists are to ensure that Reilly launches a campaign in the United States to ban methyl bromide. They are also counting on the full support of Vice President-elect Albert Gore, the great champion of environmental causes in the U.S. Senate. They expect to parlay a U.S. ban on methyl bromide into an international ban.

### **Derauling the eco-fascist juggernaut**

The most significant event of the conference was that for the first time there was organized opposition to the mob of eco-fascists that controls the Montreal Protocol process. This opposition has been slowly building over the past several years, as more and more scientists and experts have decided to expose the ozone depletion theory and the ban on CFCs as a sham. The publication of *The Holes in the Ozone Scare* has played a major role in catalyzing this opposition. Having sold more than 30,000 copies in its English, German, and French editions over the past five months, the book provided the scientific community and the public a full picture of the deceit and lies involved in the ozone scare.

The opposition’s intervention at the conference, however, was prepared in less than three weeks. In this time, the Tazieff resolution was circulated to several hundred scientists, and more than 100 of them endorsed it. Although the conference is now over, dozens of endorsements of the resolution continue to arrive.

As the conference date approached, a team of French, German, Danish, and American opponents of the treaty traveled to Copenhagen to distribute the resolution to all the delegates and to ensure that the truth was told.

At the same time, in France, Tazieff, a legend among the scientific community for his exploits as a volcanologist willing to risk his life in taking samples of flowing lava during volcanic eruptions, went on the offensive. In interviews with

leading European press, Tazieff detailed the contents of the resolution and his opposition to the destruction of modern society through the ban on CFCs.

French television reported Tazieff's statements throughout the first day of the Copenhagen conference. Television network M6 made the story the lead item on its evening news program, and included an interview with Tazieff.

*Le Figaro* newspaper covered the story in a front-page article. A large box proclaimed "Ozone Layer: The Scientific Controversy," followed by a half-page article in the Science section, reprinting the seven points of the resolution. In Copenhagen, *Berlingske Tidende*, the most important newspaper in Denmark, covered the Tazieff appeal and identified some of the most prominent signers.

At the conference itself, a team of pro-life and pro-science organizers, including a reporter from *EIR*, carried out a series of interventions. Early on the first day, an organizer placed a folder with the resolution and other materials debunking the ozone-depletion fraud on the desk of every delegation attending the conference. Its impact was compounded by the fact that any attendee who had picked up a Danish newspaper that morning could read front-page articles on the same resolution they had on their desks.

A few hours later, the delegates received photocopies of the article that had appeared in *Le Figaro*. Throughout the afternoon, the truth squad continued leafletting and shaking up the conference. They also intervened at press conferences given by several delegations.

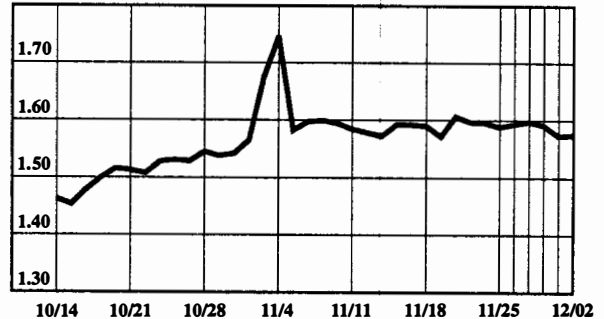
One of the most interesting press conferences was that of the new head of the U.N. Environment Program, Indian Minister of Environment and Forestry Kamal Nath, who pointed out that he was there as an Indian minister, not as head of a U.N. chapter. *EIR* reporter Geoff Steinherz presented Nath in the question period with the facts of U.S. National Security Study Memorandum 200, which said that reduction of world population was an issue of national security for the United States (see *EIR*, May 3, 1991), and also referenced the Anglo-Americans' policy of technological apartheid, and asked if there had been discussions on that in the Indian government. He thanked the reporter for the question and said that the Indian government was aware of the issues raised. He added that India had experienced being able to import technology but not to export it. After the press conference, he asked for a copy of NSSM-200, which was delivered to his table later that afternoon.

EPA head Reilly was also confronted by *EIR* on the fact that following the EPA ban on DDT, several hundred million people had died in the Third World as a result of malaria, and was asked whether a similar result would not occur from the ban on CFCs. Reilly nervously responded that although he had read the points objecting to the ban on CFCs, he said he believed that there had already been enough discussion regarding the scientific issues and that it was sound to ban ozone-depleting chemicals.

## Currency Rates

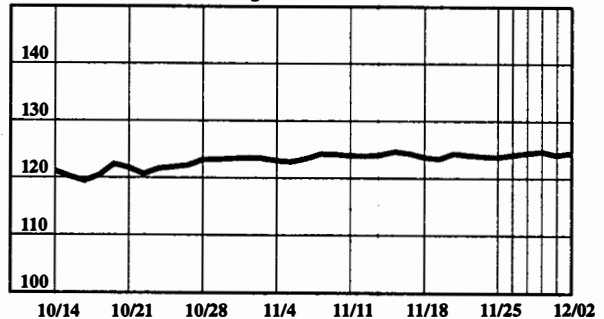
### The dollar in deutschmarks

New York late afternoon fixing



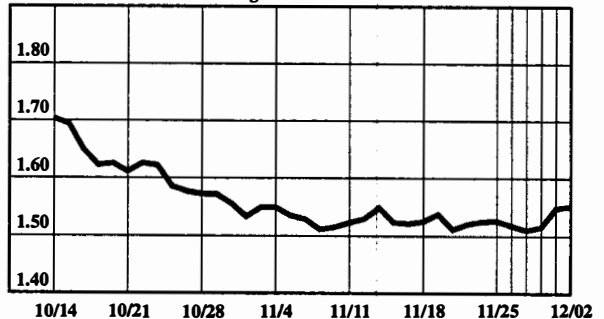
### The dollar in yen

New York late afternoon fixing



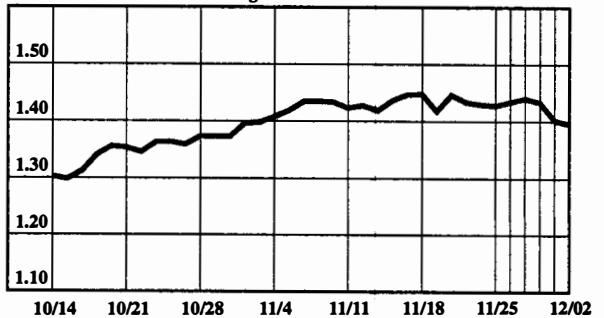
### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing



# Australia becomes ecologist police state

*A "New Age" of environmental law is being imposed on Australia. (The first article on this issue appeared in our Nov. 27 issue.) Nigel Gleeson reports.*

In the past 5-10 years, the destructive power of the environmental movement in Australia has stretched its gangrenous tentacles across the entire Australian continent in an unprecedented burst of legislation. This has been brought about through a series of laws, committees, land zonings, environmental acts, restrictive legislation, and the growing presence of an environmental "New Age" religion fostered through every form of public education.

The Decade of Land Care Plan 1992 New South Wales (DLCP) is a typical platform policy of these environmental laws in Australia; it's like an environmental constitution. This plan, the same as all Australian environmental laws, is written in such a way as to leave every statement or section of law open to a vast array of interpretations and double meanings by those who use it. To say the least, the government definitions of key words such as "cooperate," "encourage," "educate," and "promote" tend to carry overtones of a dictatorial police state.

The stated objective of the DLCP is: "To increase community understanding of land use people must be made aware of their responsibilities and the consequences of their actions." However, this fails to make it fully clear that it doesn't only mean environmental responsibilities, but legal responsibilities and consequences as well.

## **Education and job training camps**

The DLCP says it needs "to promote education at all levels on sustainable land use." Recently, the prime minister requested a report on the education system from Laurie Carmichael, president of the Communist Party of Australia and a leading figure on the National Bureau of Employment, Education, and Training and the National Project on the Quality of Teaching and Learning. He responded by saying that all children should be put into education and job training camps. This is the government definition of education. The report was accepted, but hasn't yet been implemented.

This plan also adopts the idea of encouraging land owners to cooperate in developing systems so that "experience and knowledge can be shared and agency officers can more easily work as a team to develop overall strategies." This typical manipulation of words and definitions is part of the government's common practice of deceiving the general public as to what these laws really entail.

Community management committees and land-care

groups are an integral part of this plan, and are made up of people in the community who have nothing better to do than get involved in running other people's affairs, namely environmentalists. Funding for these bureaucratic leeches is acquired through a system of new environmental land taxes, which will be imposed on top of already-existing taxes that are crippling businesses. Anyone who believes that the public will gain any control through these groups is unfortunately a victim of government manipulation and deceit. Each community group is answerable to a body in government that in turn is answerable to the National Parks and Wildlife bureau, and therefore answerable for the 3,000 international agreements and treaties, including United Nations charters and treaties, which have been signed by Australia since 1975.

## **'Big Brother' is watching**

These community groups are allowed to implement their destructive operations beyond private land into forestry, mining, and other resource areas. "Land-care groups are not restricted to working on land they own."

In a move reminiscent of Stalin's Soviet Union, the DLCP has claimed that land use is the responsibility of the whole community and everyone must be encouraged to participate in local regulatory bodies, meaning that Australia will introduce some sort of government farming cooperative system as was done in the U.S.S.R., to be controlled by a system of community policing under a crime-reporting phone-in scheme that is already in place. To add to this system of community spies is a plan to introduce an environmental police force consisting entirely of the younger generation, similar to the Brown Shirts of the Nazi era. Under this system, agency officers have the power to intervene in any situation, through these local community bodies, and implement whatever actions they think necessary under the wide range of interpretations afforded by environmental legislation.

The dictatorial mentality of this environmental gestapo and the Australian government is shown clearly in one of the more sinister policies of the Decade of Land Care Plan which states that monitoring of people's attitudes allows for future government action to promote behavioral change. In areas needing research, it says, there are "new methods of community education, and farmer motivation and education." To quote the DLCP: "Achieving this vision involves changing the attitudes and behaviors of all sectors of the community—

sometimes only a little, sometimes a great deal. To know whether the Decade of Land Care is moving in the direction of its overriding vision, it will be necessary to chart community attitudes and behaviors.”

The plan is reevaluated every three years so that controls over the individual are periodically tightened.

The worst aspect, however, is that laws enacted to fulfill the requirements set out by the plan make the DLCP look lenient.

The Wilderness Act 1987 No. 196 New South Wales is a good example of the manipulative ability within the guidelines of government policy.

The Wilderness Act states yet again the need “to promote the education of the public in the appreciation, protection, and management of wilderness.” These educational programs are clearly defined in this act as whatever activities the director of National Parks and Wildlife considers necessary to change the behavioral attitudes of the people. Also very clearly defined is the power of the director to carry out any actions that he considers necessary in carrying out directions from the minister for environment. A person reading this act soon begins to wonder who this almighty director is, who seems to be able to instigate any actions or restrictions he wishes.

### The wilderness czars

This all-powerful director can declare any area a wilderness whenever he wishes, providing he is of the opinion that the land is or can be restored to an unmodified state, or is an area he thinks is needed for the management of wilderness, regardless of how developed the area may be.

But the director is not the only person empowered with such far-reaching authority. The act also allows for “any person, body or organization, including a statutory authority,” to nominate any area of land to be declared as wilderness, “even though it is not the owner of the land concerned.”

A wilderness nomination that is defeated through costly legal procedures (by some miracle that has never happened to date), can be renominated instantly. This leads to the situation where someone may nominate a farmer’s land for wilderness set-aside simply because he or she doesn’t like the farmer or from other personal motivation. The director, by law, must act on any of these nominations within two years, while any nominations that have passed through government and have been declared wilderness have generally always been enlarged by the director.

While it is under nomination, an area cannot be developed or modified, which means that a farmer can be restricted from developing his land indefinitely simply through a running series of nominations. The definition of development is another example of how the laws are interpreted. The Wilderness Act says that the definition of development in the act means: a) the erection of a building in that area; b) the carrying out of work in, on, over or under that area; c) the use of that area or of a building or work in that area; and d)

the clearing of vegetation in that area.

The management of wilderness areas is further defined as restoring and preserving “the capacity of the area to develop without human interference.” The director can also restrict access to part or the whole of these areas whenever he wishes.

The New England Wilderness Nomination, implemented by the Armidale Wilderness Society, which consists of four young, inexperienced university students and an older colleague, covers an area of approximately 250,000 acres, taking in huge tracts of private property, perpetual leasehold land, and vast timber and mineral resources.

The Armidale Wilderness Society requests in this nomination “that all logging, roading, clearing or any other proposed development cease,” until the director has assessed the area.

They also say that “any areas that *adjoin* the wilderness that are undisturbed by modern activity, or are capable of regenerating to this state within a reasonable time period, or that are essential for the management of the wilderness, should also be included within the nomination.” Their idea of a reasonable time period is the lifespan of the longest-lived species of tree in the area.

Part of the management practices recommended by the Armidale Wilderness Society includes that all trails and roads within wilderness areas be closed and allowed to revert to forest, while no controlled fires are to be lit, and any fires that do start be allowed to burn uncontrolled. The society clearly does not have any experience in land management, as is evident in these two recommendations.

The nomination concludes that “isolated wilderness areas are vulnerable, that no one wilderness area is sufficient, and that migratory species need a chain of wilderness areas along the entire forest system,” which runs 2,000 miles from Cape York in northern Queensland to Victoria in the south. The Armidale Wilderness Society also nominated 225,000 acres for the proposed Werrikimbe Wilderness and 500,000 acres for the Macleay Gorges Wilderness, for a grand total of just

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under 1 million acres to date. One might suggest that it would be easier to set aside those areas not to be nominated, but the fact that those areas might be owned by drug traffickers and politicians could prove too embarrassing.

### Closing off production

The nomination of wilderness areas is only one of the multiple environmental laws that assails primary producers in Australia. The Endangered Fauna Act New South Wales, among others, doesn't even require the zoning of land to be able to destroy primary producers. Under this act, primary producers are required to carry out environmental impact studies whenever they wish to develop their resources, which still adheres to the definition of development as stated earlier. To carry out one of these studies requires a Aus \$200 application fee and an overall cost of Aus \$10,000 and up, with no limit. These costs are not recoverable if it is deemed that there will be an impact on the environment. If an endangered species or a likely habitat for an endangered species is found in the area, then the area will be closed to all production.

If a grazer (rancher) happens to accidentally kill or take a plant or animal considered part of an endangered species, he faces a fine of \$100,000 and two years imprisonment. This is another example of the ability to

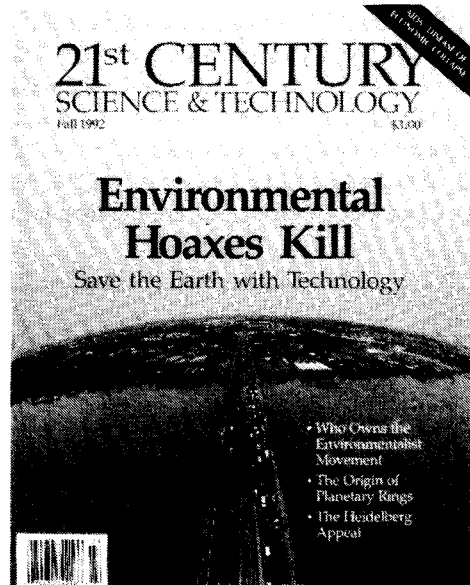
interpret these laws as suits: the occasion. The definition of "take" is: "Take, in relation to any fauna, includes hunt, shoot, poison, net, snare, spear, pursue, capture, disturb, lure or injure, and without limiting the foregoing also includes significant modification of the habitat of the fauna which is likely to adversely affect its essential behavioral patterns."

To ensure that these laws are facilitated, the director has been given the power to issue stop-work orders that come into effect immediately and require no prior warning that could possibly avoid loss of capital outlays on a condemned project.

Another form of environmental legislation, called Total Catchment Management (TCM), presents an interesting idea on policing of these laws: "One approach taken to control natural resources degradation is to use regulations and legislation which tell people what to do and how to manage their land. Punishment is part of this approach and those not obeying the law are prosecuted. The Environmental Offences and Penalties Act 1989 is one example of this method."

"TCM takes an approach based on cooperation. The basic assumption in TCM is that landowners and users will generally try to do the right thing, particularly when there is peer group pressure and agency commitment.

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# China warns Britain: 'Choose us, or chaos'

by Mary Burdman

During a visit to London on Nov. 16, Chinese Vice Prime Minister Zhu Rongji delivered a speech to the Royal Institute of International Affairs (RIIA), the premier think tank of the British establishment, in which he touted the alleged successes of China's economic "reform" program, and warned the British leaders that his country could plunge into chaos if anything is done by the western powers to destabilize the communist regime. The speech was blacked out by the international press.

Zhu was promoted to vice prime minister for the State Council last year and became a full member of the Chinese Communist Party (CP) Central Committee and Politburo Standing Committee only during the 14th Party Congress in October. In his speech, he was at pains to distinguish between the economic crisis in the former Soviet Union, and the step-by-step reform process of the "Chinese model." Zhu has been given the appellation "the Chinese Gorbachov" by western journalists, which, he clearly realizes, could be most unfortunate for his career in the party hierarchy. The name is more fitting because of Gorbachov's hard-core communist soul than any illusions westerners might have about his reformist tendencies. During the April-June 1989 democracy demonstrations in China, Zhu and current CP Secretary General Jiang Zemin organized "workers' crowd control forces" to subdue student demonstrators in Shanghai, where Zhu was then mayor, the Taipei *Inside China Mainland* magazine reported.

Zhu, who is fluent in English, was sent to Britain to discuss economic and trade relations. His visit was planned long before the eruption of the British-Chinese confrontation over Hong Kong, and, no doubt, went ahead so that Zhu could deliver a clear message to London that the communist old guard has every intention of retaining its control in the People's Republic of China.

## Socialist dictatorship

Zhu's speech must be seen in light of the speech delivered on March 9 to the RIIA by Chinese Foreign Minister Qian Qichen. Qian said that only a socialist dictatorship can rule China's huge population, and that the West would do better not to interfere:

"A big country like China, with its 1.1 billion people, cannot possibly develop without regulation by macro-planning. . . . The past and the present both of China and the

world at large provide eloquent proofs that in the absence of political and social stability, it is impossible to carry out effective and meaningful reforms. If China, a vast and populous country, should plunge into chaos, it would be a disaster not only for the Chinese people, but indeed for the whole world. It is with a sense of responsibility to the Chinese people and to the world that we have adopted a planned and systematic rather than rash and haphazard approach to economic and political restructuring."

World stability and peace are beset by "economic difficulties, social unrest, ethnic conflicts, and religious strife" in certain regions, Zhu told the RIIA. But Beijing has its answer. Deng Xiaoping's "socialism with Chinese characteristics" has "gone into high gear" since the beginning of this year. Zhu claimed an industrial growth rate of nearly 20% and an increase in gross domestic product of over 10%.

When dealing with Chinese statistics, however, percentages can be misleading. China was among the world's poorest nations when it began its reforms in 1978; rail transport, construction, trade, and so forth had almost been halted by the previous 10 years of the Cultural Revolution. Zhu merely asserted that "the policy of reform and opening up initiated by Mr. Deng Xiaoping has captured the hearts and minds of our people who will carry it on till all its set objectives are attained."

## 'No' to shock therapy

Zhu is certainly aware of the terrible crisis unleashed by the imposition of International Monetary Fund "shock therapy" austerity on Russia and eastern Europe, and made clear that China doesn't want any of it. "Over the past decade and more, we have gradually introduced in China a market pricing system. I may say that China has already broken away from the traditional model of the planned economy in its most important aspects and irreversibly embarked on a brand new course of development," Zhu stated.

"Here, I would like to point out that we take an *incremental* approach to economic reform, particularly price reform. Though price rises have caused a degree of anxiety, on the whole, they have *not led to major social unrest, agony, or shock*. Having lived with price reform for more than 10 years, people have become more familiar with and adapted to market mechanisms. They are better prepared economically and psychologically for market fluctuation. Such a change is of far-reaching significance, for market economy is no longer a textbook term but a living reality in the everyday life of the Chinese people."

Zhu said that price reform is only the first step toward a market economy. China faces many problems. "Prompt reforms" in raw materials and energy prices, still fixed, and in transport, especially rail, are "highly necessary for alleviating longstanding shortages in infrastructure and basic industries and improving our economic structure," he said. None of the steps in market reform "could be accomplished overnight."

## War breaks out on privatization

*Collor's privatization director confesses: If we hadn't given away our patrimony, no one would have bought it!*

A mere reformulation of Brazil's privatization program on orders of President Itamar Franco was enough to totally exasperate the bankers and their mouthpieces inside Brazil, who are terrified that a major source for capital speculation is about to be cut off. Their hysteria has increased in direct proportion to the growing number of exposés of the fraudulent mechanisms being used by bankers to buy up state companies.

The battle got under way on Nov. 20, when President Franco suspended the auction of the state-owned fertilizer company Ultrafertil, primarily because there were three wildly different price tags that had been placed on the company. The first, set in June 1991, fixed a value of \$408 million; the second and third, both set in September 1992, set it at \$195 million, which was to have been the final sale price.

The presidential challenge to this procedure triggered a crisis within the team in charge of state privatizations, ending with the resignation of Marcos Vianna, vice president of the National Development Bank (BNDES), the government agency responsible for the program. In an interview with the daily *O Globo*, Vianna stated that he "considered the privatization program the only really important legacy left by Collor."

The only thing known for certain is that the government seeks to change the privatization process to leave untouched those companies considered of strategic importance by the Brazilian Constitution, but *not* to abandon it. In particular, the government seeks

to halt the use of junk bonds in the acquisition of state companies. Thus, purchases with so-called "rotten currency" (debt paper, expired bonds, and other such artifices), the centerpiece of the privatization program of the former Collor de Mello government, will no longer be permitted.

The theft that such a policy had permitted is now coming to light. For example, on Nov. 26, *Jornal do Brasil* commented that one of the victims of "rotten currency" was the state oil company Petrobras, which in the process of selling off some of its subsidiaries, received more than \$1 billion in funny money, but on its 1992 balance sheet the company will have to report the sales at a market value of only about \$550 million.

Worse still, it is now being revealed that the Collor government attempted, during its final days, to give the last piece of the pie to the speculators, and that the present tumult in BNDES is because, on the initiative of the "previous administration," they had wanted to accelerate the sale of the state companies before the Senate could approve Collor's impeachment.

A closer look at the behavior of Collor and his gang of thieves is afforded by the comments of Eduardo Modiano, president of BNDES under Collor, who in a Nov. 27 interview with *O Globo* attacked Franco's proposal that at least 30% of the value of companies to be privatized would have to be covered by cash in the future. Modiano admitted that without the use of "rotten currency," no one would have shown the slightest inter-

est in buying any state company at all. "If we had demanded that 30% of the value of the companies had to be paid in cruzeiros, we would only have sold three companies." Further, he complained, "the infrastructure and electricity sectors which attract foreign investment throughout the world, are being considered strategic" by Itamar, and therefore exempted from privatization.

Even if the Franco government hadn't hardened its position vis-à-vis the banks and the International Monetary Fund, the pressures to keep Collor's economic austerity policies are intensifying. In a recent meeting with 200 businessmen from southern Brazil, congressman and arch-monetarist Delfim Netto strove to separate Collor's moral behavior from his economic program, which he described as "formidable." And on Nov. 12, Francisco Gros, the former Central Bank president who continues to act as its president, addressed a group of bankers at the annual international symposium of the Crédit Lyonnais group, where he virtually issued a call to boycott the new Brazilian government, using the shopworn line that Franco has "populist instincts," and that under his reign, "the state seems again to be viewed as a benevolent being that can solve all problems."

Collor himself gave a delirious interview to the Nov. 14 London *Financial Times*, in which he accused Franco of destroying his achievements: "He is pushing Brazil toward the fifth world. He is talking about freezing tariffs, reducing interest rates, and submitting each privatization to Congress for approval."

But while President Franco has repeatedly scoffed at the "modernization" lobbyists and has declared that "the stock exchanges don't worry me," he is giving too long a lease on life to his enemies.



## The Torricelli Corollary

*Mexico's loyalties to the new world order are being tested by Washington's "limited sovereignty" doctrine.*

**D**ays before the U.S. presidential elections, George Bush signed the so-called Cuban Democracy Act into law, following its approval by the Congress. The bill was also backed by Bill Clinton. The Torricelli Act, as it has come to be known after its sponsor, Rep. Robert Torricelli (D-N.J.), is the economic corollary of the Thornburgh Doctrine, approved by the U.S. Supreme Court earlier this year, which authorizes U.S. law enforcement officers to arrest any foreign national, in any country in any part of the world, without respect for national laws or sovereignty.

Both the Thornburgh and Torricelli laws form part of the Pentagon's "Guide to Defense Planning," a 46-page document whose contents were leaked by the *New York Times* on March 8, 1992.

The Torricelli Act is specifically designed to intensify the economic blockade against Cuba, but more than anything else it represents the imposition of the concept of *limited sovereignty* against Third World nations. Formally, the law authorizes the U.S. government to take reprisals against any states and corporations which "lend assistance" to Cuba and at the same time maintain trade relations with the United States.

Sanctions against targeted states range from denying them economic assistance, refusing to sell them weapons, denying them access to the Enterprise for the Americas initiative or other free-trade programs, and excluding them from the Brady Plan and

such foreign debt reduction programs. If it were a joking matter, one could even say that the sanctions served as a good reason to *maintain* relations with Cuba, since these U.S. "assistance" programs have never meant good news for the economies and populations of recipient nations.

The Torricelli Act has been repudiated on a world scale, a reaction which suggests that its objective is not Cuba after all. For example, the member states of the European Community "judge the extraterritoriality of U.S. jurisdiction in prohibiting U.S. firms or subsidiaries headquarters in Europe from trading with Cuba as unacceptable." Further, they do not accept that "the United States should unilaterally determine and restrict trade relations with any foreign country which has not been collectively designated by the United Nations Security Council."

Mexico's Foreign Affairs Department has issued an official communiqué rejecting the Torricelli Act and "any effort to apply the laws of a country extraterritorially." Foreign Secretary Fernando Solana rejected such efforts "to apply the laws of a country beyond its borders." A declaration by the Mexican House and Senate was issued to the same effect. The vice president of the Latin American Bishops Conference, Cardinal Juan Jesús Posadas Ocampo, stated that the Torricelli Act "was issued with bile, without knowledge, and without much truth."

What neither the Mexican nor any other Ibero-American government

that has condemned the Torricelli Act has yet stated, is that it is an open aggression against the juridical order established by the Organization of American States (OAS), which specifies:

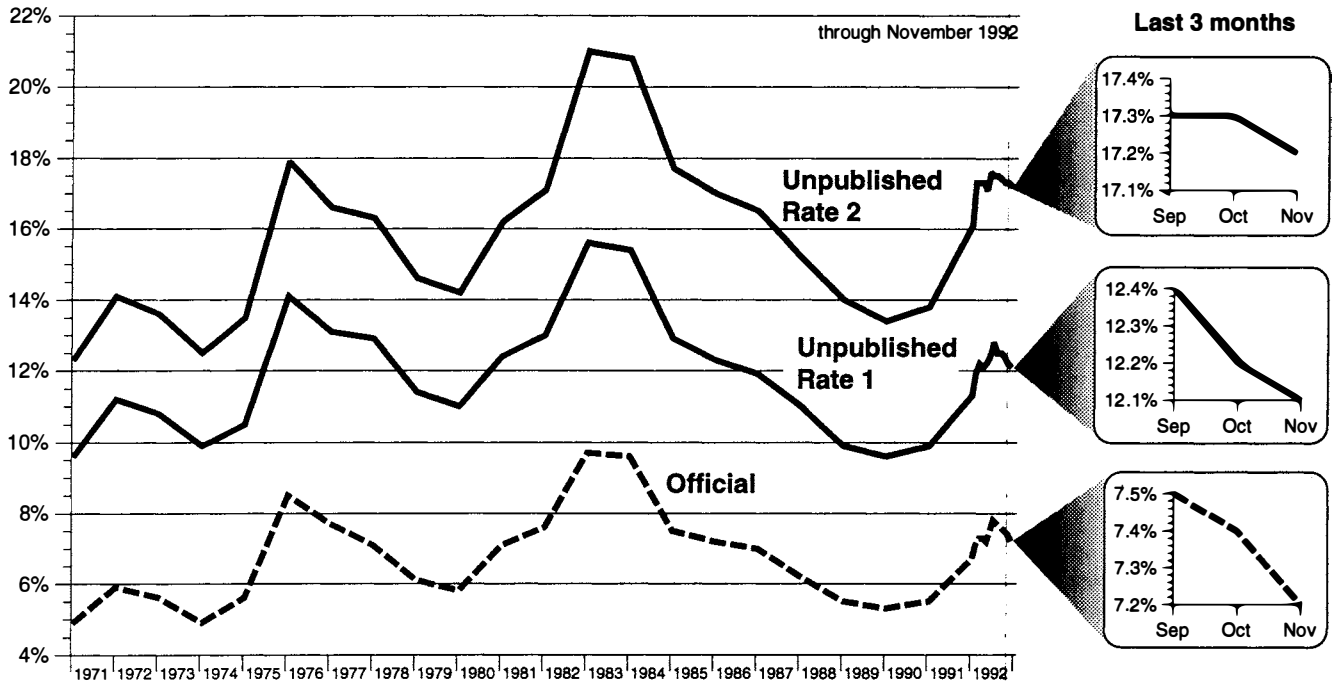
"Article 18. No state or group of states has the right to intervene, directly or indirectly, no matter what the motive, in the internal or external affairs of another.

"Article 19. No state may apply or encourage coercive measures of an economic or political nature to force the sovereign will of another state and to obtain advantages of any kind."

Ironically, the first country against which the sanctions authorized by the Torricelli Act have been applied is Mexico, which is on the verge of finalizing the North American Free Trade Agreement with the United States and Canada. On Nov. 19, a diplomatic scandal broke out when it was learned that the management of the María Isabel Sheraton Hotel in Mexico City had canceled its contract with the National Tourism Institute of Cuba. The Cuban government was to have held its Second Tourism Exchange in the facilities of that hotel chain. The hotel management argued that "the Sheraton, by belonging in part to U.S. capital, should not give service to any company that has to do with Cuba."

The Cuban government has issued a protest to the Foreign Affairs Department, which, out of fear of losing Washington's favor, has yet to issue a reply. The bigger question facing Mexico after the Sheraton incident is what the Salinas government's position will be at the next OAS meeting in Washington. Will it protest the Torricelli Act, presenting itself as a victim of U.S. "extraterritoriality"? After all, Bush will leave office on Jan. 20, but President Carlos Salinas de Gortari has two more years to face the music.

# U.S. Unemployment Coverup



## Data used for unpublished unemployment rates

(thousands)

Year	Civilian labor force (a)	Official unemployed (b)	Want a job now (e)	Part-time, economic reasons (d)	Total unemployed and underemployed (b+c+d)	Official U-5b rate (b/a)	Unpublished Rate 1 (b+c)/a	Unpublished Rate 2 (b+c+d)/a
1970	82,771	4,093	3,881	2,198	10,172	4.9%	9.6%	12.3%
1971	84,382	5,016	4,423	2,452	11,891	5.9%	11.2%	14.1%
1972	87,034	4,882	4,493	2,430	11,805	5.6%	10.8%	13.6%
1973	89,429	4,365	4,510	2,343	11,218	4.9%	9.9%	12.5%
1974	91,949	5,156	4,514	2,751	12,421	5.6%	10.5%	13.5%
1975	93,775	7,929	5,271	3,541	16,741	8.5%	14.1%	17.9%
1976	96,158	7,406	5,233	3,334	15,973	7.7%	13.1%	16.6%
1977	99,009	6,991	5,775	3,368	16,134	7.1%	12.9%	16.3%
1978	102,251	6,202	5,446	3,298	14,946	6.1%	11.4%	14.6%
1979	104,962	6,137	5,427	3,372	14,936	5.8%	11.0%	14.2%
1980	106,940	7,637	5,675	4,064	17,376	7.1%	12.4%	16.2%
1981	108,670	8,273	5,835	4,499	18,607	7.6%	13.0%	17.1%
1982	110,204	10,678	6,559	5,852	23,089	9.7%	15.6%	21.0%
1983	111,550	10,717	6,503	5,997	23,217	9.6%	15.4%	20.8%
1984	113,544	8,539	6,070	5,512	20,121	7.5%	12.9%	17.7%
1985	115,461	8,312	5,933	5,334	19,579	7.2%	12.3%	17.0%
1986	117,834	8,237	5,825	5,345	19,407	7.0%	11.9%	16.5%
1987	119,865	7,425	5,714	5,122	18,261	6.2%	11.0%	15.2%
1988	121,669	6,701	5,373	4,965	17,039	5.5%	9.9%	14.0%
1989	123,869	6,528	5,395	4,656	16,579	5.3%	9.6%	13.4%
1990	124,787	6,874	5,473	4,860	17,207	5.5%	9.9%	13.8%
1991	125,303	8,426	5,736	6,046	20,208	6.7%	11.3%	16.1%
<b>Monthly data (seasonally adjusted)</b>								
<b>1991:</b>								
November	125,374	8,602	5,932 <sup>1</sup>	6,408	20,942	6.9%	11.6%	16.7%
December	125,619	8,891	5,932 <sup>1</sup>	6,321	21,144	7.1%	11.8%	16.8%
<b>1992:</b>								
January	126,046	8,929	6,118 <sup>1</sup>	6,719	21,766	7.1%	11.9%	17.3%
February	126,287	9,244	6,118 <sup>1</sup>	6,509	21,871	7.3%	12.2%	17.3%
March	126,590	9,242	6,118 <sup>1</sup>	6,499	21,859	7.3%	12.1%	17.3%
April	126,830	9,155	6,310 <sup>1</sup>	6,272	21,737	7.2%	12.2%	17.1%
May	127,160	9,504	6,310 <sup>1</sup>	6,524	22,338	7.5%	12.4%	17.6%
June	127,549	9,975	6,310 <sup>1</sup>	6,040	22,325	7.8%	12.8%	17.5%
July	127,532	9,760	6,178 <sup>1</sup>	6,324	22,262	7.7%	12.5%	17.5%
August	127,437	9,700	6,178 <sup>1</sup>	6,326	22,204	7.6%	12.5%	17.4%
September	127,273	9,572	6,178 <sup>1</sup>	6,304	22,054	7.5%	12.4%	17.3%
October	126,959	9,334	6,178 <sup>1</sup>	6,469	21,981	7.4%	12.2%	17.3%
November	127,238	9,193	6,178 <sup>1</sup>	6,563	21,934	7.2%	12.1%	17.2%

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

## Explanatory Note

In November, over 6.1 million jobless and 6.5 million more semi-employed people were ignored by the U.S. government's Bureau of Labor Statistics in its calculation of the official (U-5b) unemployment rate. To bring out the truth, EIR is publishing the rates you would see if the government didn't cover up.

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

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

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

## **Oilseeds were never the real issue**

*Last February, a French Senate report warned of the U.S. drive to sink Europe with "economic liberalism."*

**I**f you get your news only from the U.S. media, you would think that the only reason why European farmers have taken to the streets is because they are hotheads and are reacting with "typical" violence against the recent deal struck by U.S. and European Community (EC) negotiators over oilseeds.

In reality, the "deal" is a set of sweeping measures that will subvert the agricultural base of Europe. For example, as much as 35% of arable acreage could be proscribed from producing food or feed crops. These proposals follow similar deep cuts made this spring in the EC Common Agricultural Policy (CAP) at the behest of the United States.

In fact, the recent U.S. trade war belligerence over oilseeds is an attempt to pit France (the largest EC surplus food producer) against its EC partners, especially Germany, and make way for U.S. financial and economic domination.

This latter agenda was exposed in a report to the French Senate issued in February 1992, and based on a mission of 10 French senators to the United States during Sept. 15-17, 1991. French journalist Christoph Lavernhe has provided *EIR* with excerpts from the Senate report, which we have translated, in order to give background to the current upheaval in Europe.

The conclusion of the February report was that Washington was using the General Agreement on Tariffs and Trade (GATT) and the issue of "reform" of the CAP as weapons for ex-

tending U.S.-dominated economic liberalism throughout the world.

The senators warned, "The Commission on Economic Affairs and Planning formulates the wish that the necessary defense of the agricultural interests of the Community continues to prevail over the concern to make CAP compatible with the conclusions proposed in the GATT negotiations.

"Otherwise, it would mean a unilateral renunciation by the Community of its natural commitment to being a great agricultural power."

The Senate report noted that with the arrival of the senators in the United States, "it rapidly became clear that the agricultural file would be monopolizing the core of our tour and of the meetings. Most of the American representatives we met were very unresponsive to openings made by members of our delegation to discuss other issues (the intellectual property, services, and the Airbus dispute) and systematically brought the discussion back to the agricultural problem.

"This stress on the agricultural file has reinforced the delegation's feeling that, within the current multilateral negotiations, it is the United States that willfully makes the 'liberalization' of agricultural trade the central point, and the eventual occasion of failure of those negotiations."

Whether by "profound conviction or tactical position, the Common Agricultural Policy has been systematically placed in the position of the accused. . . .

"This analysis, whose Manicheanism makes it more like a witchhunt

than an objective analysis of the problems induced by the different agricultural policies, the United States has apparently succeeded in having it accepted by most nations participating in the current negotiations.

"Loaded with all sins, the CAP has become, in the eyes of the international community, a useful scapegoat and the perfect excuse for an eventual failure of the negotiations. . . .

"We must say it clearly: Behind the alibi of free trade, the United States wants to take back the market share it has lost, to oust the Community from the international markets, and to dismantle our Common Agricultural Policy.

"If we came back from the United States convinced that it was imperative not to yield to American pressure, the delegation also became convinced that the effort under the GATT negotiations to reform CAP should be resisted. . . .

"All denials aside, as it is envisaged, the reform of the CAP is written the same way, with its system of direct aid closely tied to deficiency payments, its forced land set-asides, its indexing of EC prices down to international levels, its financing by taxes rather than the consumer, from the standpoint of rallying toward the 'American agricultural philosophy.'

"It is necessary to reform the CAP after 30 years," the senators agreed. But, they continued, the EC cannot proceed "to limit its own agricultural potential and to withdraw from international markets. The delegation rejects such a hypothesis. . . .

"The dispute between the United States and the Community does not stem from a conflict between two logics, one protectionist and one liberal, but rather from competition between two exporting powers whose practices are incompatible with the principles of free trade."

# Business Briefs

## Central Asia

### New economic group said to be 'formidable'

Five former Soviet republics (Turkmenistan, Kyrgyzstan, Tajikistan, Uzbekistan, and Azerbaijan), and Afghanistan, joined the Economic Cooperation Organization (ECO) of Iran, Pakistan, and Turkey on Nov. 28, Reuters reported. The expanded regional grouping includes 600 million square kilometers (372 million square miles) and about 300 million people.

Oil-rich Kazakhstan, the largest of the Central Asian states, has opted for observer status while it tries to gain entry into the European Community, Minister of State for Economic Affairs Sardar Asif Ahmad Ali said.

Ali predicted that the induction of the Central Asian states would transform the slow-moving economic grouping into a formidable force within 5-10 years. "They [Central Asia] will force us," he said. "They feel that they have been held back for decades and they want to catch up with the rest of the world as fast as possible. . . . This will be a link between Europe and the East and the South at the heart of Eurasia."

Differences exist in the approaches of the three ECO founding members, which have appeared increasingly as competitors rather than as cooperators, analysts say. But Ali dismissed these fears, saying that all three offered distinct advantages that would strengthen the bloc rather than divide and weaken it.

## Russia

### Gas project award favors national group

President Boris Yeltsin has signed a decree awarding a development project for a 3 trillion cubic meter gas deposit in the Barents Sea to a consortium of Russian companies closely linked to the military-industrial complex, displacing a foreign consortium that had already been working on the project.

The decision "reflects a growing disillusionment with western aid" and "growing resentment against western investors, who are seen as rapaciously using Russian raw materials without contributing to the economy," the Nov. 26 *Wall Street Journal-Europe* commented. "The decision also potentially sets a precedent for international competition on other natural resources development in Russia, including the development of the huge Udokan copper project. Rio Tinto Zinc Corp. of Britain and Broken Hill Proprietary Co. of Australia are competing with a Russian consortium for that contract."

Yeltsin's decree overturns an agreement that had been signed by the Soviet government in 1989 with Conoco Inc.; the Oslo-based energy and minerals company Norsk Hydro AS; and the Finnish Barents Group. Sources affirm that the deal had been strongly backed in past months by acting Prime Minister Yegor Gaidar. A Norsk Hydro official on Nov. 25 characterized the Yeltsin decree as "a setback."

The Russian consortium, Rosshelf, "had the important political backing of the military, which was concerned about having foreign builders and a foreign excavation in an area where nuclear submarines regularly conduct military exercises," the paper reported. Rosshelf chairman Yevgeny Velikhov, after meeting Yeltsin on Nov. 25, declared, "The first principle is to provide Russian industry with new jobs and to support its development." Rosshelf expects to create 250,000 new jobs and bring orders valued at \$2.5 billion to Russia as a result of winning the contract.

## International Credit

### Russia, Ukraine divide old Soviet debt, assets

Russia and Ukraine have reached an agreement on sharing the foreign debt owed by and to the former Soviet Union, as well as on sharing former Soviet assets. The agreement was worked out in talks between Russian Foreign Trade Minister Pyotr Aven and Ukrainian Minister for Foreign Economic Relations Ivan Herta.

Under the terms of the agreement, which will soon be signed in Moscow, Russia will

assume Ukraine's 16% share of the \$70 billion former Soviet debt, in exchange for Ukraine renouncing all claims to the \$146 billion owed to the U.S.S.R. by Third World countries. Russia has also agreed to grant Ukraine a share (presumably 16%, but the exact figure is not confirmed), of Russian liquid assets in the form of foreign exchange and gold reserves, as well as diamonds and non-gold precious metals, like platinum.

Observers believe that the agreement is a precursor to a broad accord between Russia and the West, involving debt rescheduling and western creditors writing off part of the former Soviet debt in return for receiving so-called creditor rights on part of the Third World debt owed to the former U.S.S.R.

## Drug Trafficking

### Greece probes Israeli role in heroin manufacturing

Greek Foreign Minister Mikhail Papakonstantinou met with Israeli Ambassador to Greece David Sasson on Nov. 17 to present evidence that Israeli cargo ships had been regularly transporting acetyl anhydride, required for refining opium into heroin, to the Greek ports of Thessaloniki and Piraeus, covertly bound for Macedonia. Sasson categorically rejected the complaint, but Thessaloniki Chief Prosecutor Tsikhlas has announced that the Greek government will intensify efforts to prevent the alleged smuggling, and the Greek government has announced that it will continue its investigation into Israel's role.

According to Balkan sources, U.S. officials Lawrence Eagleburger and Brent Scowcroft are believed to have been personally involved in fostering the cultivation of opium poppy in Yugoslavia beginning in 1962, when both were attachés in Belgrade. Since that time, opium cultivation or trafficking (the "Bulgarian connection") has played an important role in Yugoslav politics. The ongoing war has also created a situation where most of the former Yugoslav states are desperate to acquire foreign exchange for the purchase of arms or to barter with arms-smugglers.

## AIDS

### Burma threatened with widespread infection

AIDS is now becoming a serious problem in Burma, as young Burmese girls who had been kidnaped or sold into Thai brothels are returned to their villages, the BBC reported on Nov. 24.

There is a big traffic in Burmese girls, many as young as 7-8 years of age, to Thai brothels, but the scandal, especially over the extremely high rate of AIDS infection in these places, is causing the Thai police to crack down. The police are returning the girls to Burma, but some 50% of those sent back are already HIV positive. Many of them disappear when returned to Burma, but others are making it back to their hill villages, bringing AIDS with them. Already, some hill tribes are in danger of extinction within a matter of years due to AIDS, the BBC reported.

## Aerospace

### Airbus sets commercial non-stop flight record

The new Airbus A340 jetliner flew a world record non-stop commercial flight of 12,500 kilometers, from Frankfurt, Germany to Honolulu, Hawaii on Nov. 21, the London *Financial Times* reported. The total airborne time was 15 hours and 21 minutes.

The A340 has been designed to fly 263 passengers on 14,500-kilometer non-stop trips in 16-17 hours, and is expected to make viable very long-distance routes that cannot now be economically flown with a Boeing 747.

Airbus has spent about \$3.5 billion on developing the aircraft, and another \$1.5 billion on testing its safety and performance. About 1,200 design modifications have been made so far. Tests have included firing dozens of frozen chickens at the fuselage and engines to simulate bird strikes; flying into a severe thunderstorm (in which the aircraft was struck by lightning 17 times) to study the effect on the A340's electronic "fly by wire" systems; and bom-

barding the aircraft with radar and radio waves at a French naval base, also to study the effect on the aircraft's electronic systems.

## The American System

### Hamiltonian polices said better than 'free trade'

The policies of first U.S. Treasury Secretary Alexander Hamilton are a positive alternative to the insanities of the General Agreement on Tariffs and Trade (GATT) and "free trade," columnist Dan Atkinson wrote in the Nov. 28 London *Guardian*.

The pro-GATT propaganda is the latest example of the priorities of the policy elites being "out of whack with those of ordinary people," Atkinson wrote. The constant drumbeat about a "boost to world trade" of \$100-200 billion is "without a shred of evidence" to back it up. "Who in this country (or France or America) imagines freer world trade will mean anything but higher unemployment and destruction of family farming?" Atkinson asked. "In short, who wants free trade? Not the American worker. Not the French farmer. Not the recession-stunned British economy."

Atkinson charged that "at any given moment, the strongest economy in the world will always favor free trade. . . . Free trade is a tool, not a religion. It's useful when you're on top, less so when you're on the way down. What makes GATT so dangerous is that it creates an international bureaucratic priesthood charged with guarding the sacred flame."

Atkinson noted that Bill Clinton has been accused of supporting "managed" rather than free trade. "If only he were; he could then follow in the fine tradition of America's first and best treasury secretary, Alexander Hamilton, who advocated 'orderly commerce between the states.' To the GATT crowd, the Hamiltonian tradition of trade management is anathema. Not only is it not what they believe in, it is an alternative to the industrial pillaging, wage-cutting and environmental wreckage created by free trade. And to the high priests of GATT, there can be no alternative. Ergo, the progressive, industry-building, nation-building ideas of Hamilton and his successors must be heresy."

● **JEFFRY SACHS** describes the root of Russia's economic problems in simple terms, "Investor's Business Daily" said of the Harvard professor and architect of "shock therapy" in November. "Stalin loved steel mills. He had total disrespect for pizzerias," Sachs said recently. He puts Russia's solution in simple terms, too: "Stop the steel production. Give us some pizzerias."

● **CHINA** faces famine if agriculture is neglected, the official Chinese *Farmers' Daily* warned on Nov. 26. Several times since 1949 "a weakened agriculture dragged the national economy down," it warned.

● **SOUTH KOREA** is a model for Russia, one "close to Russian realities and to the post-communist mentality of the Russians," the Moscow newspaper *Kuranty* commented on Nov. 23. "South Korean society is egalitarian without a marked gap, manifest in the West, in the incomes of different parts of the population."

● **HOSPITALS** in the United States are quarantining tuberculosis patients in an attempt to combat new drug-resistant strains, the Nov. 28 *Washington Post* reported.

● **LIFE EXPECTANCY** among children in Africa is dramatically dropping because of drought, poverty, and AIDS infection of parents, according to figures released by Unicef and the Organization of African States.

● **LOW FREQUENCY** electromagnetic fields (EMF) do not pose a health hazard, the Nov. 20 *What's New* newsletter of the American Physical Society reported, based on the findings of a review panel formed by the Oak Ridge Associated Universities. The White House Office of Science and Technology Policy requested the review because of allegations that EMF increased the risk of miscarriages and cancer.

## Japan cold fusion conference sets new direction for science

by Carol White

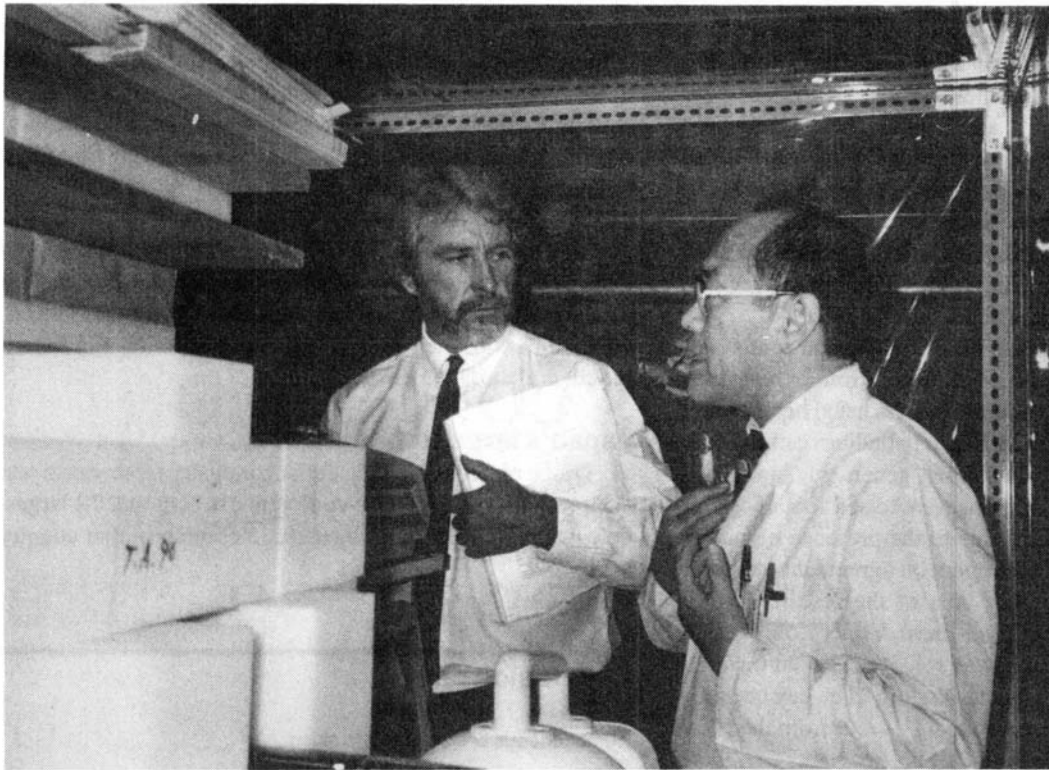
The Third International Conference on Cold Fusion held in Nagoya, Japan, Oct. 21-25 marks a turning point for this extraordinary new field of research. Now, three and a half years after Stanley Pons and Martin Fleischmann first captured headlines worldwide with their announcement that they could produce fusion in a test tube at room temperature, there is a body of experimental results which confirms their contention.

A high point of the conference was the showing of a video produced by Stanley Pons featuring four different experiments in which cold fusion was occurring. These cells went from a temperature of 40°C to a rapid boil and boiled out their contents in around 11 minutes. The video used time-lapse techniques to show the boiling, while a clock was shown ticking off the 600 to 720 seconds which it took for the 2.5 moles of water heavy water in the cell to boil off. A rough estimate establishes that, at best, 40 minutes would have been needed to achieve the same result by plain electrolysis, were a nuclear reaction not occurring. (The 40-minute figure discounts heat loss from the cell, due to radiation.)

Since the energy requirements for such a boiloff are 100,000 joules, calculations approximate that a power input of 144.5 watts would have been required. In fact, the power input was 37.5 watts, of which roughly 11 watts were lost to radiation from the cell. Thus, there was a more than 400% energy gain. Stanley Pons estimated that he achieved a power density of 2.7 kilowatts per cubic centimeter in these experiments.

### Controlling the experiment

Japanese scientists have confirmed excess heat in many laboratories, although only experiments by Akito Takahashi of Osaka University approached these high levels of excess heat—as well as boiloff, on occasion. It is now the case that researchers, particularly in Japan and at the Stanford Research Institute in Palo Alto, California, regularly achieve similar repeatability, although, on average, at lower



*Stanford Research Institute cold fusion researcher Michael McKubre is shown a cold fusion experiment at Hokkaido University in Japan. The Third International Conference Cold Fusion, held in Nagoya, gave impetus to new efforts in international cooperation in the field.*

excess powers. A key feature which affects repeatability of the experiment is the varying quality of different batches of palladium: At least 30% excess heat can be expected by an experienced researcher using a “good” batch of palladium, whereas no results may come from a “bad” batch. Clearly, there are questions regarding metallurgy that still have to be resolved.

Over the past year, experimenters have been able to determine many of the crucial conditions necessary for the experiment to occur, even though, taken collectively, these are not sufficient. For example, while it is crucial to as closely as possible approach a 1:1 concentration of deuterons (deuterium atoms) to palladium atoms, it is not clear whether this is a sufficient condition to ensure that the reaction will take place. One critical factor appears to be the presence of chemical poisons in the electrolyte which promote the loading of deuterium inside the cathode. For example, while silicate—which is leached out of Pyrex glass after a sufficiently prolonged period of electrolysis—generally promotes loading, silicon-dioxide will act as an insulator. In the standard Fleischmann-Pons design, the anode, which is symmetrically wound around the cathode, is made up of platinum, which leads to some platinum deposition upon the cathode during electrolysis and may affect the loading of deuterium into the palladium (see figure). According to Stanford Research Institute researcher Michael McKubre, while silicate enhances the loading ratio, adding aluminum to the cell as a poison is more effective in promoting excess heat.

Another variable is the change of current from low to high density (although there are successful variations from the slow-loading procedures recommended by Pons, such as the saw-tooth loading practiced by Akito Takahashi [see “Japan Achieves Big Breakthroughs in Cold Fusion,” *EIR*, March 20, 1992]). Another area to be researched in detail is how the treatment, and composition, of the metal affects the crystal structure, and especially the formation of cracks which are critically important in controlling the loading of the cathode. There is a whole range of other materials questions still to be researched, which also includes the important question of the crystal structure of the palladium hydride as the loading ratio approaches or even surpasses 1:1—the so-called gamma phase—and whether loading occurs at tetrahedral as well as octahedral sites, or elsewhere.

During the first three years of experimentation, many of these questions have been explored, but a great deal of the effort by the scientific community was put into establishing the repeatability of the phenomenon, attempting to answer the question: “Is cold fusion real, or is it ‘pathological’ science?” Now that Fleischmann and Pons’s report of their work has been essentially confirmed, if not in every detail, scientists can move on.

In the summary session of the conference, Martin Fleischmann maintained that the role of “poisons” in enhancing the loading ratio was crucial. “We use glass apparatus experiments,” he said, “and Mike [McKubre] puts aluminum in the solution.” Both will be deposited as oxides on the

cathode over time.

Fleischmann also discussed what he believes to be the important role of heat in promoting the reaction once the palladium has been loaded to a ratio of 0.6 deuterium of the palladium atoms, which is known as the beta phase. In the lower loading, or alpha phase, the lattice releases heat as it is loaded, whereas in the beta phase, loading is endothermic. Fleischmann commented: "The trick is to cram the deuterium into the lattice, get the lattice into the endothermic regime, and then let the temperature rise."

Another new feature in this year's cold fusion conference was the appearance of an array of results from experiments using light water ( $H_2O$ ), as opposed to the usual heavy water ( $D_2O$ ), in which a nickel rather than a palladium cathode was used, and excess heat was consistently generated. Among the scientists present, many questions were raised about possible chemical reactions occurring due to the presence of carbon in the electrolyte, but there was general agreement that there is a need to explore this new area of the research which appears to be unfolding. Dr. Jean-Pierre Vigi er from France, an editor of *Physics Review Letters A*, represented this outlook in his remarks at the closing session: "The key question is that we know we have excess heat . . . but from the point of view of the basic interpretation of the new facts . . . there are new effects in condensed matter and we have to understand what is happening with that. . . . There is something new at stake. Everything hangs now on the light water and hydrogen experiments."

### 'Dedication and courage'

Broadening international collaboration was a theme stressed at the conference. In the closing panel, Michael McKubre, who heads the premier U.S. research team based at Stanford Research Institute (SRI), pointed out that the field is too broad for what he called either a "horizontal or a vertical monopoly of talents." While SRI has been known in the past for its secrecy regarding experimental protocols, McKubre was quite open in discussing his work in detail with a variety of researchers from around the world and in proposing joint experimental projects.

Conference chairman Prof. Hideo Ikegami, of the National Institute of Fusion Science, closed the conference on a high note of optimism, declaring that Martin Fleischmann and Stanley Pons had opened up a new branch of scientific inquiry for mankind with their discovery of the occurrence of fusion in a solid state rather than a gaseous plasma.

"What is being created is an entirely new field of research from traditional nuclear science," he said. "Now, we can properly name what we used to call cold fusion 'fusion in the solid state.' This is a most important subject for science—one on which we have been working so patiently, with dedication and with courage—for our future generations, for those who will live in the twenty-first century."

To illustrate, he cited the work of Nippon Telephone and

Telegraph (NTT) senior scientist Eichii Yamaguchi, who made significant findings of helium-4, in a palladium plate to which deuterium had been introduced by gas loading, as well as a number of results substantiating the production of significant amounts of excess heat as reported by Dr. Akito Takahashi over this past year.

Dr. Edmund Storms from Los Alamos National Laboratory in New Mexico and Dr. Francesco Cellani from Frascati National Laboratory in Italy both reported at Nagoya on their positive results repeating the Takahashi experiment. Indeed, one hallmark of the year has been the beginning of a broad-based, collaborative effort.

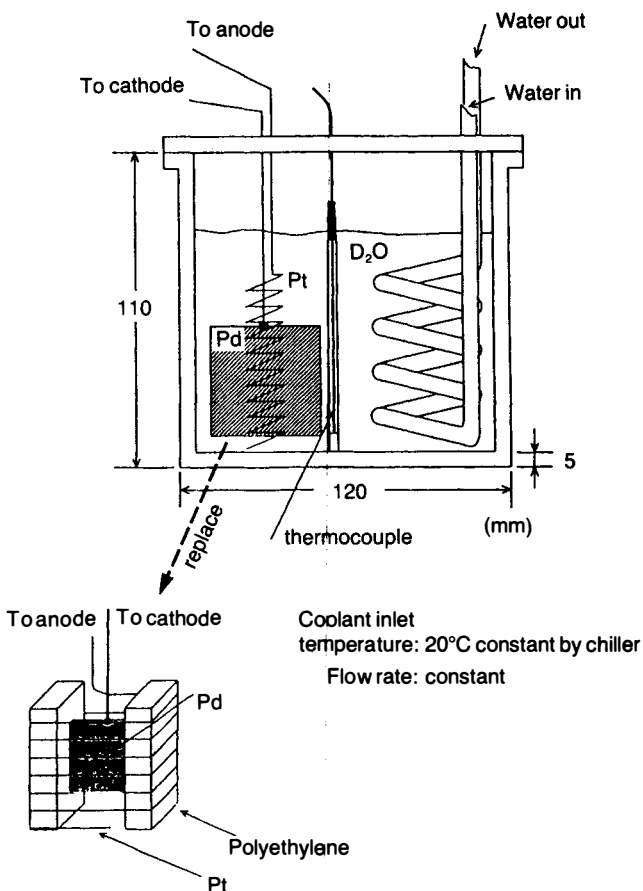
### Japan's large commitment

Of the more than 300 scientists, industry representatives, and press who attended the conference in Nagoya, the largest delegation were the 200 Japanese. Research in that country

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### Cold fusion cell

Homogeneous D-load from two sides



Source: *EIR*, March 20, 1992.



is taking off in a big way, with the involvement now of the Japanese Ministry of International Trade and Industry, which has proposed a budget of \$25 million for the research over the next four years, beginning with the next fiscal year. Industry contributions to the research should at least double that amount.

Even this year, extensive resources have already gone into the program, exemplified by the building of a new scientific research complex in Hokkaido, which now houses Japan's Institute of Minoru Research Advancement (IMRA) cold fusion research center, and an extension of the older facilities located in France to include an IMRA Europe science center at Sophia Antipolis. When I visited the IMRA Japan laboratory, it seemed to me that the building (only part of which is occupied by IMRA) and equipment would have cost in the range of \$20 million. The IMRA laboratories are financed by the Aisin Seki Co. whose honorary chairman is Minoru Toyoda, a senior member of the same family which produced Toyota automobiles. IMRA—the acronym is obviously derived from his name—was founded in the hope of fostering scientific research collaboration between Japan and, initially, France.

Stanley Pons and Martin Fleischmann were offered research facilities at IMRA Europe by the Japanese, after their situation in the United States was made intolerable by accusations not only that their work was flawed, but even that it was deliberately fraudulent. Were it not for the Japanese, it is most likely that this extraordinary new window on nuclear phenomena would have been open for only a brief time. Certainly the actions of the U.S. and British science establishments were intended to drive the two cold fusion pioneers into oblivion. Not only did the Japanese company Technova offer financial support and laboratory facilities in France to Fleischmann and Pons, but the two experimenters have also embarked on an equally ambitious program in Japan itself.

### **Plan for international research cooperation**

Minoru Toyoda addressed the conference participants at a banquet on Oct. 23, 1992. Unfortunately, Mr. Toyoda, 79, was ill and unable to attend; nonetheless his speech was delivered on his behalf. Toyoda, who was born on Aug. 3, 1913, has been a warm supporter of the efforts of Martin Fleischmann and Stanley Pons since their first announcement of the possibility of cold fusion on March 23, 1989, and he continues to support those researchers who follow in their footsteps.

"My name is Minoru Toyoda and I am honorary chairman of Technova, Inc.

"I was invited by Professor Ikegami, chairman of the committee of this international conference, to the dinner tonight, but because of a slight problem with my health, the doctor has advised me to excuse myself from official functions. I sincerely regret that I will not be able to enjoy meeting and conversing with all of you. I have asked Mr. Kyotani,

chairman of Technova to kindly read this message expressing my convictions, on my behalf.

"I am delighted that the Third International Conference on Cold Fusion is being held on such a grand scale here in the city of Nagoya, in Japan. I am pleased to welcome eminent cold fusion researchers from all over the world. It is my fondest hope that you will be able to exchange ideas and information in spirited, open, and productive debates to make this a most fruitful occasion.

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*"Please continue to work with all your might to make this new form of energy a reality, because you offer such hope to the coming generations of the twenty-first century. You will help them to fulfill their greatest dreams and ambitions for the future."—Minoru Toyoda*

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"For a long time, I have held the strong belief that equitable growth in the world economy during the twenty-first century will only be achieved by the harmonious development of science and technology, through international cooperation.

"To make this belief a reality, I established Technova in Tokyo in May of 1978, as an organization which would have complete freedom to participate in the international forum of research. During the 14 years since its inception, in the ever-changing world of international research, we have made steady progress, thanks to the help of some of the best minds in the world, even under changing international circumstances. Technova has been very active in the development and application of advanced technology, and in adapting advanced technology to practical uses. We have also actively promoted the international interchange of technology and ideas. Technova's staff and advisers have made continuous progress, leaving their mark both nationally and internationally.

"I recall that, in June 1982, at the Eight Annual Summit of Developed Nations, in Paris, French President Mitterrand stressed the necessity for cooperation between science and technology. I examined future trends, and envisioned an ever-growing need for progress through the promotion of science and technology. With the cooperation of my many friends from beyond our borders, in July 1985, I established IMRA Europe, an international research and development laboratory, located in Sophia Antipolis, which is a research park in the suburbs of Nice, France. The laboratory began operations in June 1988, and it has been actively involved in advanced research since, mainly in the field of energy.

"When I established IMRA Europe, I had a vision, world-

wide in focus, to set up a global structure for the development of future technology. I named this project the 'IMRA Plan.' It had its research base in Japan, Europe, the U.S. and the rest of Asia, under the name IMRA. Its purpose was to network these four regions together in order to make more efficient use of human resources by exchanging people and ideas, while winning the world's confidence in order to achieve our goals. This plan progressed steadily, and now, IMRA Japan, IMRA Europe, and IMRA America have already begun work. Today, we are planning the establishment of IMRA Asia.

"Thus I have enthusiastically put my heart into promoting the development of future technology. At the same time, I have always felt anxious about the issue of alternative energy. The dire need to replace drained petroleum resources is a stark warning for the twenty-first century.

"I felt strongly concerned in March 1989, when Dr. Fleischmann and Dr. Pons announced the cold fusion phenomena. Fortunately enough, Dr. Kunimatsu [president of IMRA Japan] who is a common friend to both professors, was working in my affiliated company, and through that connection, I was able to invite both professors to Japan, where we became good friends. After close conversations with them, I became even more firmly convinced of the importance of cold fusion.

"Later, when Technova received a joint research proposal from Professors Fleischmann and Pons, I was determined to do everything I could to offer them an opportunity to work to their hearts content, and allow them to become totally

engrossed in the research. It was my judgment that IMRA Europe, located, as I said before in Nice, in the south of France, would provide the ideal environment for them. So I offered this facility, and now, they are giving their undivided attention to advancing their research there.

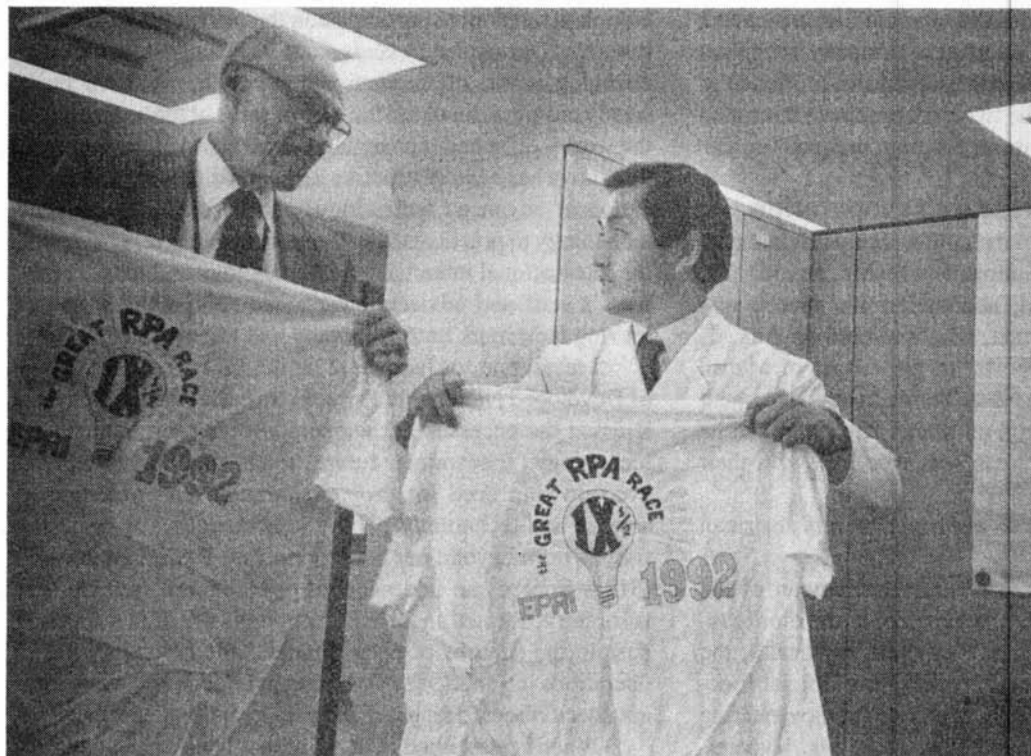
"Furthermore, in July of this year, to advance cold fusion research more effectively, we have opened IMRA Japan in New Sappora Techno Park, in Hokkaido. With the cooperation of various experts we are working on cold fusion right here in Japan.

"To assure the success of a technology, obviously there must be support from a wide variety of scientific fields. In other words the harmonious development of science and technology is precisely the right way to achieve valuable results which can contribute to mankind. The reason we support cold fusion research activity is because, as a business enterprise, we feel that we must contribute more to science.

"Moreover, cold fusion is not just something to be studied by a single enterprise or a single nation. I am confident that it will become a precious asset to all mankind, as the ultimate, ideal form of energy, so that it must be shared among all of the nations of the Earth.

"Therefore, it is my hope, and my message to you, the cold fusion researchers: Please continue to work with all your might to make this new form of energy a reality, because you offer such hope to the coming generations of the twenty-first century. You will help them to fulfill their greatest dreams and ambitions for the future.

"Thank you for your attention."



*Thomas O. Passell, Electric Power Research Institute project director, presents gifts to his hosts at Japan's high-technology laboratory IMRA. EPRI funds the Stanford Research Institute's cold fusion effort in the U.S.; IMRA Europe, based in France, is the home base for cold fusion pioneers Martin Fleischmann and Stanley Pons.*

# Evidence of a nuclear event

by Carol White

How can it be that a nuclear reaction can be induced to occur in a palladium cathode (a negative electrode) which has been packed with deuterons (heavy hydrogen nuclei which contain a neutron in addition to a proton), by electrolysis and at room temperature? Is this a new kind of fusion reaction? Is, instead—or in addition—some other nuclear reaction occurring? Perhaps some entirely new kind of chemistry can be involved? What is actually occurring locally within or at the surface of the palladium lattice? The discovery of helium-4 production by Dr. Eichii Yamaguchi may not answer these questions but it does establish that a fusion process is occurring in the palladium lattice, at least under the conditions of his gas-loading experiment.

The mere probability that cold fusion could occur at room temperature in a metal lattice is something like 1 in  $10^{44}$  or

1 chance in  
1,000,000,000,000,000,000,000,000,000,000,000,000,000,000.

The emission of neutrons and the production of tritium, as a byproduct of the production of excess heat, is a recognized indicator of the occurrence of a fusion reaction in high-energy systems; however, the numbers of neutrons and amount of tritium found in cold fusion experiments are far too low—by magnitudes, for neutrons, as great as a billion times—to account for the excess heat produced. While the experiments last year by Melvin Miles at the Naval Weapons Center indicated that the production of helium-4 may be the missing link to account for the additional heat, he was unable to generate sufficient heat again to repeat his experiment. Most probably, he believes, this was because the design of his calorimetry allowed too great a rise in heat during the early loading period.

Heretofore, it has been generally accepted that chemical energies are far too low, by orders of magnitude, to affect any nuclear process, much less permit the fusing of nuclei. While the production of helium-4 is not typical of hot fusion, it is an understandable pathway for the occurrence of the reaction.

Hydrogen is the first element in the chemical table, and it is predominantly composed of one proton in its nucleus and one electron which orbits the nucleus. Deuterium is hydrogen in which there is a neutron as well as a proton in the nucleus of the atom, and still one electron. Tritium has one

proton and two neutrons. (The two-ness of deuterium comes from the fact that the two nucleons—the proton and neutron—double the weight of the nucleus, and the three-ness of tritium from the fact that it has three nucleons.) The addition of neutrons to the hydrogen nucleus contributes to a potential instability which favors the possibility of fusion.

The ability of a chemical reaction to trigger a nuclear reaction opens up not only the possibility of achieving nuclear fusion under extraordinarily favorable conditions, but other new scientific frontiers as well. It is one of the ironies of the last three years, that the failure of the cold fusion experiment to produce neutrons and tritium (in the expected 1:1 ratio that occurs in hot fusion), combined with the fact that the numbers of neutrons and the amount of tritium produced are far too low to account for the generation of excess heat by a traditional fusion process, is considered a drawback to establishing the new field.

Yes, cold fusion is anomalous, but it also will be an enormous technological boon to generate a nuclear reaction which is relatively aneutronic and free of radioactivity.

The announcement by Dr. Eichii Yamaguchi, a senior scientist with Nippon Telephone and Telegraph (NTT), that he had found helium-4 in a cold fusion experiment, was greeted with great excitement among conference participants, who comprehended that it represents a major step forward in understanding the cold fusion phenomenon.

## The Yamaguchi experiment

Dr. Yamaguchi was one of the first physicists to begin researching cold fusion. He received some support from NTT, although, until recently, his cold fusion researches were definitely subordinated to his other work as a solid state physicist. His work has had a certain amount of ambiguity, because—aside from one extraordinary heat burst achieved by loading deuterium into a palladium plate—using a gas-loading method, he normally gets the same amount of excess heat release from the palladium plate whether it has been loaded with hydrogen or deuterium.

Well before the news broke of Martin Fleischmann and Stanley Pons's claims to have achieved a fusion reaction at room temperature using the tools of electrochemistry, Yamaguchi was studying the anomalous properties of hydrogen. When he heard of the Fleischmann-Pons claims on March 23, 1989, he was skeptical that fusion was actually occurring, but he was well aware that there were many unknown aspects of the behavior of hydrogen. Yamaguchi chose to conduct a gas-loading experiment rather than repeat the Fleischmann-Pons design using electrolysis, because he was interested in capturing fusion products from the electrolyte which is far easier to do under vacuum conditions. Furthermore, he contends that the greater purity of the vacuum environment removes the questions raised by the possible contamination of electrolytes in explaining an anomalous event. It is also, in his view, more amenable to the application of various

spectroscopy techniques.

His design calls for the coating of one side of a palladium plate with a very thin oxide and putting a thick gold film on the other. The oxide inhibits the release of hydrogen or deuterium from the cathode, and the gold acts as an absolute barrier to its diffusion. The gas-loading technique that he used is fairly standard; in this instance the oxide was manganese oxide. At the time when he began his experiments he had available to him a 15-year-old accelerator, which was just about to be decommissioned. Over several months, he was able to use its vacuum chamber for his experiments. The vacuum chamber is the heart of an ion implanter and accelerator. The one he used was about half the size of a hotel dining room. The advantage of utilizing this vacuum chamber was that he was easily able to calibrate neutron emissions. In normal use of the accelerator, deuterated palladium would be bombarded with deuterons and would routinely emit high-energy neutrons.

After placing the palladium (already coated on one side with manganese oxide) into the vacuum chamber, Yamaguchi then heated the chamber to between 300° and 400°C. He annealed the palladium in order to force hydrogen out of the palladium lattice. Then he introduced deuterium into the chamber in a gaseous form and he began to reduce the temperature gradually. As he did so, the deuterium gas penetrated the surface of the palladium (still uncoated by the gold, but having a thin oxide layer of only several angstroms).

After the palladium was loaded to about 60% with deuterons (typically the highest loading possible except by electrolysis), then the other side was plated with gold, and the chamber was evacuated. The period of loading before the gold was plated onto the palladium was about two days. Once the gold was introduced onto the palladium plate, the deuterium could leave only by penetrating the oxide layer, which was very thin, only 200Å. Even though the oxide layer is not impermeable to the deuterons or protons, it slows them up before they are transported out from the plate, creating a pileup near the surface. Yamaguchi calls this an accumulation layer.

The surface of the palladium plate that he used was 9 square inches. When the plate is brought from a chilled state to room temperature, it begins to bend at either end, thus further concentrating the deuterium in the region of its center. The sample bends away from the oxide layer which becomes the outside of the newly curved plate. Yamaguchi likens the process of the emission of deuterons or protons to what happens when a sponge is squeezed.

On July 4, 1989, Dr. Yamaguchi witnessed an extraordinary event. His neutron counter registered the emission of  $10^6$  neutrons. The gas release was so explosive, he said, that not only was the interlock activated, but the pump was also broken. Yamaguchi estimates that the entire amount of gas that had been in the palladium plate was released within one second. He was wearing nylon gloves at the time, but, when

he released the chamber and reached in to touch the palladium, he burned his hand. A further indication that a fusion event had taken place was the condition of the plate itself. The color disappeared from the gold surface, indicating that alloying must have taken place there. For this to have occurred, the temperature must have reached at least 800°C. Furthermore, the sample was uniformly bent. The oxide surface was expanded, while the gold surface had shrunk. The gold surface is 10 times as thick as the oxide—2,000Å.

### **A nuclear event**

The simultaneity of the four events was also very important in convincing Yamaguchi that he had seen a nuclear event, rather than a chemical one. Fully confident now of the reality of the phenomenon of cold fusion, he proceeded to repeat the experiment 20 times, but he has never seen such a result again. By this time, he had to release the accelerator that he was using and build his own test device, which was completed in April 1990.

He then began a new experimental series, which gave him highly repeatable results. In fact, he got 100% reproducibility of excess heat, explosive gas release, and bending of the plate. However, the amount of heat was three orders of magnitude less than in the July 4 experiment. Most disquieting, the experiment worked equally well when he loaded the palladium with hydrogen as with deuterium. This, of course, again raised the question of whether he could be seeing a genuine nuclear reaction.

The design of the experiment was changed, because he was now injecting electric current onto the surface of the plate, on the oxide side, which he did at the stage after the loading and the gold plating. This works because the deuterium atoms in palladium have an effective charge. In these experiments, there were no observed neutron bursts. He estimates that he got excess heat of about 1 watt per 0.9 cubic centimeters, as compared to the first results where he estimates achieving a power density of around 500 watts. Of course, with this kind of experiment, calorimetry is difficult and can only be a rough approximation. The power release occurred two hours after the injection of current. He reported these results in October 1990 at the first cold fusion conference held at Brigham Young University in Provo, Utah. "It occurs two hours after injecting current," Yamaguchi said. "I reported this at the conference in Provo in October 1990; then I had to conclude that this probably occurred because of some unknown chemical reaction, with fusion occurring at the limit of the effect," such as that which occurred in the July 4, 1989 experiment.

In his new series of experiments, Yamaguchi had introduced an electric current, which created a potential difference between the two sides of the palladium plate, and this electron wind may have had a remarkable effect on the phenomena that he observed. These phenomena were observed only when the gold surface was positively charged. With a rever-

sal of the current direction, there was no expansion on the oxide surface nor excess heat evolution. How to explain these results remains open, but clearly, in the new series of experiments, Yamaguchi had departed still further in his design from the "conventional" electrolysis experiment. Because of the nature of the explosive gas release, which follows upon heat bursts, it would appear that the electric current acts to heat the palladium, creating a temperature gradient perpendicular to the surface, rather than to create electro-migration.

In this latter series of experiments, he used a more sensitive neutron detector than he had in the beginning, and he added a sensitive charged-particle detector instead of continuing the neutron detection only. (This is a silicon diode produced by EG&G or Camberra, both American companies, which have a preamplifier, amplifier, and multichannel analyzer in order to detect the energy spectrum.) On one occasion, with a deuterium-loaded plate, he detected charged particles, having a maximum energy of 3 million electron volts (MeV), a result which occurred only in 1 out of 64 experiments. However, this one time, there were three such bursts and these were strongly correlated to excess heat production. Yamaguchi believes that these may have indicated tritium production which was of too small an amount to measure directly.

### New results

Yamaguchi's new results came after he purchased a highly sensitive quadripole mass spectrometer which allowed him to measure helium-4 *in situ*. The emission of helium-4 gas was strongly correlated in time with heat emission, and the increase of the loading ratio, and only occurred when a deuterated gas was used. Nonetheless the amount of helium detected was in excess of the measured heat increase, suggesting the presence of radiation. With the new spectrometer, he was also able to detect the production of tritium. The alpha particles (i.e., helium-4 nuclei) that were emitted had an energy of from 4.6 to 6 MeV, and protons were also detected at energies of 3 MeV (proton emissions indicate the presence of tritium), but the amount of these was small compared to the emission of helium-4.

This indicates that in condensed matter—the palladium lattice—fusion occurs by an unusual route, producing low quantities of tritium and helium-3, but also producing helium-4. Such a reaction would have a negligibly small probability in a typical high-energy fusion reaction. The probable absence of high-energy gamma radiation is also anomalous from the point of view of hot fusion, but is explained by Fleischmann and Pons along the lines of the superradiance model of cold fusion of University of Milan physicist Giuliano Preparata, in terms of the existence of coherent phenomena which allow the interaction of the fusing deuterons with the palladium lattice. (Dr. Preparata explained his superradiance theory in the Spring 1992 issue of *21st Century Science*

& *Technology*, "New Insights on Water and Sonoluminescence.")

Other models such as those of Nobel Prize laureate Julian Schwinger and MIT's Peter Hagestein also suggest the importance of coherence phenomenon. Akito Takahashi has a multi-body fusion model which, however, is not supported by the energetics of the Yamaguchi results—although, of course, the experimental conditions in this gas-loading experiment may, in fact, mean that a different nuclear process is occurring than in the typical Fleischmann-Pons experiment.

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*It remains the case that last winter's electrolysis experiment by Osaka University's Dr. Akito Takahashi, in which he used a palladium-plate configuration, rather than the needle-like cathode favored by Fleischmann and Pons, is still the most dramatic validation of the results found by the two cold fusion pioneers.*

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### Takahashi results replicated

It remains the case that last winter's electrolysis experiment by Osaka University's Dr. Akito Takahashi, in which he used a palladium-plate configuration, rather than the needle-like cathode favored by Fleischmann and Pons, is still the most dramatic validation of the results found by the two cold fusion pioneers. Dr. Takahashi was able to produce 70% more heat than could be accounted for by any known chemical means, over a continuous two-month period of operation of his experiment. In subsequent experiments, Dr. Takahashi varied some of the conditions of the experiment, particularly with regard to the currents which he applied, and he achieved lower excess power, in the range of 20 to 30%—still an important confirming result.

The Takahashi experimental design was successfully confirmed at Los Alamos National Laboratory by Dr. Edmund Storms, who also got 20% excess heat in an extremely careful closed-cell experiment. Storms also determined certain crucial characteristics in the palladium which influenced the success or failure of experiments, by comparing results using materials from two batches of palladium supplied by Tanaka Metals. One batch of palladium worked, while the other was decisively flawed.

The Third International Conference on Cold Fusion is already forcing a shakeup in those entrenched circles who chose to deny the reality of the phenomenon.

## Second coup attempt strikes hated Venezuelan President

by Cynthia R. Rush

For the second time this year, members of the Venezuelan Armed Forces attempted to overthrow President Carlos Andrés Pérez and the free-market austerity policy he has imposed on his nation on behalf of the International Monetary Fund (IMF). At approximately 4:30 a.m. on Nov. 27, units of the Air Force and Navy seized several of the country's Air Force bases, took over all but one national television station, and went into action with the intention of capturing Pérez at the Miraflores presidential palace, put him on trial, and in the interim form a combined civil-military government. A videotape of Col. Hugo Chávez, leader of last February's coup attempt by the Army's "Bolivarian-200" group, was aired on television as the rebellion began.

Leaders of the uprising indicated that had they succeeded, they would have held elections "as soon as the emergency were over." A statement they prepared which was to have been read on national television, explained that "the citizenry has stoically tolerated the looting of the nation, the degradation of its institutions, and the mockery of the democratic ideal. . . . The repudiation of Carlos Andrés Pérez's government has been expressed in a thousand different ways by all sectors of national life. . . . We have taken on the historic responsibility of insurrection, not against the constitutional order, systematically violated by Pérez's government, but against a regime which is destroying the nation and, with each day that passes, threatens to liquidate the concept of Fatherland and state."

The coup failed, however, not because the corrupt Pérez is not despised or because the population wouldn't welcome his ouster. In the days following Nov. 27, politicians of every stripe have called for his resignation and warned that only more chaos, and possibly more coup attempts, will ensue if he remains in office.

Rather, knowing that discontent within the Armed Forces is widespread, the U.S. government has spent the 10 months since last February's coup attempt directing psychological operations in the country to discredit any military nationalists who might attempt to overthrow Pérez's corrupt government. Even though CAP, as he is known, governs with a popular backing of under 10%, Washington is determined to keep him in power to be one of its continental spokesman on behalf of a "democracy" characterized by free-market austerity, limited sovereignty, and emasculation of the institution of the Armed Forces.

Shortly after last February's coup attempt, the Bush administration sent heavyweight Luigi Einaudi, U.S. ambassador to the Organization of American States (OAS), to Venezuela to warn that the United States would do whatever necessary to keep its boy in power. It is almost certainly the case that some of the developments which led to the failure of this most recent coup attempt are the result of operations which Einaudi set up in the country months ago. For their part, Pérez and his cronies are willing to do anything to stay on, even if it means plunging the country into civil war and permanent anarchy.

### Warfare and looting

By late in the day on Nov. 28, units from the Army and National Guard had in effect put down the rebellion, and had retaken the Air Force bases rebel forces had seized. These included the La Carlota and Francisco de Miranda bases in Caracas, and the Maracay base in Valencia, which was the center of the uprising. Heavy combat occurred at all three before they were retaken. Throughout the day on Nov. 27, rebel pilots flew Mirage and F-16 fighter jets over Caracas, bombing the presidential palace, the Interior Ministry, and

the headquarters of the political police, the DISIP.

Close to 1,200 rebels are under arrest, and the death toll from combat as well as heavy rioting and looting in Caracas is estimated by some sources to be as high as 230. Shopping centers and stores in Caracas's poorer neighborhoods were destroyed, as residents hauled away food, clothing, and anything else they could find.

Ninety-three Air Force officers, led by Brig. Gen. Francisco Visconti Osorio, escaped from Venezuela on Nov. 27 and flew to Iquitos, Peru, where they have been granted political asylum by the government of Alberto Fujimori. In explaining his decision to grant asylum, Fujimori said, "What we have to preserve here is the security, the life, and integrity of these 93 military men."

Visconti told reporters that he decided to leave Venezuela with his men when it became clear to him that forces loyal to the government "had orders to eliminate us. . . . We used the Air Force for dissuasive purposes while the other side machine-gunned anyone they saw. So when we saw that they wanted to massacre us, we decided to leave for Peru." Pérez has sworn that all officers involved in the coup attempt will be court martialed for treason in summary trials over the next 10 days.

## U.S. involvement

In the aftermath of the coup attempt, CAP has boasted that, except for a small minority, the Armed Forces as well as the population rejected efforts to overthrow him, thus displaying "absolute proof of loyalty." In Venezuela, "democracy is for today and forever," he said in a Dec. 1 press conference. Both during and after the coup attempt, Pérez and his ministers charged that the military rebels were just "bad officers" allied with members of leftist groups such as *Bandera Roja* and *Tercer Camino*, holdovers from the guerrilla days of the 1960s, and accused them of cruelly assassinating "humble Venezuelans." Their primary purpose, he lied, was to sabotage municipal and state-wide elections scheduled for Dec. 6.

But as the *Washington Post* admitted on Dec. 2, the lack of popular support or widespread military backing for the coup had nothing to do with loyalty to CAP. For nine months, the *Post* reported, "the United States had helped Venezuelan military intelligence weed out potential subversives and had effectively convinced the country's business community that 'there would be no normal relations with the United States—public or private'—if a military coup succeeded."

According to foreign diplomats quoted in the article, the campaign included attempts to bribe military officers into submission with offers of better housing, promotions, higher pay "and even Russian-made Lada sedans" to buy their loyalty. Venezuelan businessmen confirmed that the United States had threatened that if CAP were overthrown, the U.S. would cease purchasing Venezuelan oil, the country's major source of export revenues.

## Psychological warfare

But the dirty operations go well beyond this type of blackmail and bribery. According to Brigadier General Visconti, neither he nor any of his Air Force or Navy allies ever intended to show a video of the imprisoned Colonel Chávez on television. He explained that he and Adm. Hernán Gruber had prepared a videotape "in which I, standing at attention next to our patriotic symbols, was to have spoken to Venezuelans on the causes and possible consequences of our movement." Instead, not only was the Chávez tape shown, but three unshaven, leftist thugs carrying assault rifles, who were unknown to any of the military leaders, appeared on the screen claiming to be representatives of the rebellion.

According to several press sources, it was the appearance of these leftists which frightened viewers. "People were terrified of these guys," one politician told the *Washington Post*. "If an admiral in full military regalia had delivered that speech, we would now have a military dictatorship in Venezuela." Another military source told the *Washington Times*, "Those three guys, all of whom were civilians, demoralized everyone. The coup failed because the face of Visconti was not there."

Brigadier General Visconti told the Venezuelan press that he had never seen the three thugs before and doesn't know why his video was not shown. He also denied having any association with leftists. Another Venezuelan officer in Peru, Capt. Mauro Araujo, added that his group had never had any link to Colonel Chávez's Bolivarians and, as for ties to leftists, "I can't even stand to look at those people." "We are not criminals," he said, "we are not murderers. We are Venezuelans who love their country."

The attempt to identify military nationalists with leftists is the culmination of the campaign begun by the Venezuelan government after February's coup attempt. To isolate the five commanders who led that effort, government officials deliberately separated them, placing three at Caracas's San Carlos prison and Col. Chávez and Col. Arias Cárdenas at a prison in Yare. In subsequent months, a concerted press campaign attempted to link incidents of bombings and violence, as well as any other criminal activities, to Chávez's group.

Venezuela's foreign minister, former general Fernando Ochoa Antich, took this further in an interview with the Buenos Aires daily *Clarín*. Lumping together the Bolivarians with Argentine Army nationalists led by Col. Mohamed Alí Seineldín, and with Venezuelan leftists such as *Bandera Roja*, Ochoa said these groups were united by their "extreme nationalism." Colonel Chávez, he said, "is a man of leftist thinking, linked to those violent groups whose maximum expression is [Peru's] Shining Path." It was only after Chávez appeared on the television screen, Ochoa said, that "anarchist groups appeared, calling for the collective assassination of Venezuelans, and later expressed this with concrete actions in which they killed innocent people."



## Nations of the North must be in solidarity with the South

*The following interview with Helga Zepp-LaRouche, president of the Schiller Institute in Germany, was conducted by Nora Hamerman by phone on Dec. 3, shortly after a conference in Kiedrich, Germany at which a new political party, the Civil Rights Movement Solidarity, was founded.*

**EIR:** In 1985, you catalyzed the founding of a movement called Patriots for Germany, dedicated to getting the Berlin Wall demolished and Germany reunified. Later, the Patriots ran candidates for public office. Can you describe what you think were the achievements of the Patriots, and why you believe a new framework is needed for intervening into German politics today?

**Zepp-LaRouche:** Remember that in 1985, no one in Germany thought that German unification would be a realistic goal. As a matter of fact, the late Willy Brandt [former chancellor] called the perspective of unification, which is written in the German Constitution, “the lie of our lives.”

If there was any possibility of German unification discussed at all, at best it would have meant that it would occur in a neutral framework, a kind of Finlandization. Against that, the Patriots for Germany were initiated, and if you read the founding principles today, you will see that already then, we predicted that German unification could only take place if the Soviet Union would collapse economically, and collapse as a system.

Extremely important in this development, was the trip my husband Lyndon LaRouche and I took in October 1988 to Berlin, where Lyn predicted and proposed an early German unification because of the economic decay in the Soviet Union, and proposed that the unified Germany should collaborate in a development plan for Poland, using western technology and industrial power to make Poland a model of similar developments of other East European countries. I, at the same occasion, proposed that Berlin under these circumstances should soon be the German capital.

In other words, we were the only ones thinking in terms of the collapse of the Soviet Union and German unification; and that’s why, when the peaceful revolutions occurred in the fall of 1989, we were the only ones really prepared for this development, and we supported it through leaflets encouraging the peaceful demonstrators to continue. We were later told by many, that that was an extremely important intervention.

Now, the reason why the same approach should be enlarged, is that now that Germany is unified, we need a broader perspective. We are still patriots, but that cannot be just for ourselves—not for Germany alone—but if you look at the world crisis, the condition of the developing countries, the crisis in the East, it’s very clear that Germany as an industrial power has a lot of what is needed for the development of the Third World and the East. We are basically thinking like Friedrich Schiller, who said that each patriot has to be a good world citizen at the same time, and therefore, we have now initiated a citizens’ Civil Rights Movement Solidarity, because of the absolute need to show solidarity with those countries which are now in crisis. It’s exactly what the pope called for, that the rich countries of the North must show solidarity with the poor countries of the South.

So our new movement which we have initiated, merging the LaRouche movement and the Martin Luther King movement at the recent conference here in Germany, is based on the idea of *caritas* and solidarity as the economic form of Christian *agapē*.

**EIR:** Founding a “Civil Rights Solidarity” movement in Europe is astounding, because there is no tradition of a civil rights struggle in Germany comparable to the black civil rights struggle led by Martin Luther King in the United States. Can you explain how this very original idea evolved, and describe some of the various forces who are collaborating in it?

**Zepp-LaRouche:** Well, that’s not quite true. As a matter of fact, there was something like a civil rights movement, even if in a different form, when the Prussian reformers around vom Stein and von Humboldt, introduced all the reforms in Germany at the beginning of the 19th century which later were fought for by the civil rights movement, i.e., the end of slavery, the end of *Knechtschaft*; and it was only due to the reactionary Congress of Vienna that that development was interrupted.

It was exactly the fact that that spirit against slavery was very alive among the German classical thinkers around Schiller, Humboldt, and the Prussian reformers, and the influence they had on the German population, which explains why it was especially the Germans who were key in the fight against slavery in the United States during the time of the Civil War, why the Germans supported Lincoln, and why



they were totally against the philosophy of the Confederacy.

It was that strong German influence in American politics against which Teddy Roosevelt was deployed.

So, there is a tradition linking that fight in Germany, with that fight in the United States.

When Lyndon LaRouche demanded that we must rebuild the civil rights movement, this occurred because both civil rights and human rights in the United States are today in much worse shape than during the 1960s. If you look at the situation of the justice system, the absolute brutality with which the death penalty is used as the legal version of what the Ku Klux Klan lynching policy used to be in the 1920s, if you look at the hardships caused by the economic depression, then you see that a civil rights movement today is much more important, even in the United States, than in the 1960s.

Then take the fact that the philosophy of the Confederacy today rules the United States, and not only domestically in terms of justice and so forth, but also in terms of foreign policy; look at the Thornburgh Doctrine [authorizing the seizure of foreign nationals abroad], which is basically the continuation of a Confederate philosophy toward the Third World.

In addition to that, we are in a global depression. We are heading toward the biggest crisis, maybe not only of this century, but maybe of civilization in general. And if this crisis is accelerated through the ongoing global depression, then the entire human race is threatened by a new Thirty Years' War.

It is my conviction that we will only come out of this crisis if we establish a just, new world economic order, end oligarchism in all its forms, and end slavery on the planet once and for all. So, therefore, there is an urgent need not only to rebuild the civil rights movement in the United States, but internationally. And that's exactly what we have started to do with the creation of this new movement in Germany. The Civil Rights Movement Solidarity is a movement for Germany, but at the same time, we have created an international advisory board assembling many prominent personalities from Ibero-America, eastern Europe, the United States, Africa, China, and many other places, to symbolize the international character of this movement.

**EIR:** There is major news coverage all over the world of the violent neo-Nazi gangs in Germany. As usual, it is slanted toward blaming everything on the Germans and their government, to the extent that the Israeli government has protested to Bonn. My question is in two parts.

a) First, to what extent do you hold Chancellor Helmut Kohl and the German elites responsible for the current breakdown, and to what extent are the provocations coming from outside Germany?

b) Second, would you comment on the Israeli position, given the circumstances of what many people feel is a Nazi-like policy by Israel toward the Palestinians in the Occupied Territories and Israel's failure to condemn Serbian genocide

in Bosnia and Croatia?

**Zepp-LaRouche:** Today, unfortunately, if we look back to 1989, one must say that Europe did miss its great historical chance totally.

It was Lyndon LaRouche who, in 1989, when he proposed an economic infrastructure program for Europe, especially eastern Europe, correctly said that Europe would meet its historical chance *only* if it would learn the lesson from the fact that not only communism had collapsed and therefore the economic theory of Karl Marx was discredited, but also that the Anglo-American world was in a depression, and therefore the economic theory of Adam Smith and liberalism was equally discredited. He said that Europe had to return to its own economic tradition of Leibniz, Alexander Hamilton, and Friedrich List, and especially to bring its economic policies into cohesion with Christian principles, and that that would then be the basis for the definition of an industrial policy for eastern Europe.

Now unfortunately, the Kohl government did not act on this basis—in large part, I believe, because the key German banker, Alfred Herrhausen, was assassinated because he proposed quite similar policies for Poland. There is now a heavy debate, both in German circles as well as in Italy, about the *cui bono* of these murders, pointing to the Anglo-American geopolitical intentions.

As a result of this, the Kohl government did not develop an industrial policy for the East. They left the definition of the economic policy entirely to the Anglo-Americans and the International Monetary Fund [IMF], and that has led to the present total collapse and catastrophe looming in the East. Even in east Germany, this has led to total economic destruction which indeed has created a social basis for these neo-Nazi movements to grow.

However, I want to stress emphatically, that despite the fact that, unfortunately, there are some neo-Nazis now in existence, this has been in large part orchestrated by the Anglo-Americans—through the Ku Klux Klan in the United States, which supplied the majority of the literature of these groups; through the skinheads, which is a British phenomenon, not a German phenomenon—and it all smells very heavily of Tavistock creations, if you look at the rock music, which was also tested in institutions like the [British] Tavistock Institute, a kind of *Clockwork Orange* scenario. And while there are some neo-Nazis today, they are also manipulated by intelligence services in a strategy of tension against Germany, following a geopolitical intention to weaken Germany.

To answer the second part of your question, the question I have is, why are those who are so upset about Germany right now, not upset about the genocide in Bosnia?

This is the big moral question, because what is going on in Croatia and especially in Bosnia, the genocide committed by the Serbians, is without parallel in this century. And again, the Balkans war would not have started without the geopolitical encouragement of James Baker and Peter Lord Carrington.

ton, again because of geopolitical wish to permanently have a war in the Balkans as a means to destroy the potential for Eurasian development.

**EIR:** At Kiedrich, the conference passed two resolutions. One was on the issue of political asylum, and the other dealt with the murders of Turks which recently occurred in Mölln. Could you tell us what these resolutions expressed and how they will be used?

**Zepp-LaRouche:** The issue of asylum is right now the hottest issue debated in Germany, and indeed, it is true, all schools, all sports halls, and so forth are filled up with refugees, because Germany, contrary to other European countries, has taken a very large number (I don't know how many hundreds of thousands of refugees), unlike England or France or Italy.

But obviously, if the South and the East collapse, then many, many more refugees will eventually run away from starvation and war, and therefore what we have resolved at this conference is that the answer cannot be to close the borders, which will not function in any case. And I have stated emphatically that if Europe tried to keep refugees away through both new walls and through guns, then that would be the moral end of Europe.

The only answer can be, to bring development to those regions where the people are coming from. But that would be the opposite of the IMF policy. It would mean going with massive economic development for eastern Europe and the Southern Hemisphere.

Concerning the murders at Mölln, we are demanding an absolute ruthless policy against these neo-Nazi groups. They should be forbidden, but also there must be an absolute ruthless investigation about their foreign intelligence agency links.

**EIR:** In your speech to the Kiedrich conference you spoke of the need to make a real revolution in Germany, and said that Germany has not yet had a revolution. Please develop for us the historical high points of German history as these relate to a positive national mission today. I am thinking especially of the conversion campaign of St. Boniface; the Carolingian era; the German contribution to the Renaissance, especially embodied in Nicolaus of Cusa, Leibniz, and the German Classical period of Schiller, Bach, and the Humboldt brothers. In short, can you give us an outline of the history of Germany's contributions to civilization, prior to the 20th century?

**Zepp-LaRouche:** The reason I emphasized the role of Boniface in Christianizing Germany is because I polemically said, that the pre-Christian Germanic myths were not so much different and not so much better than the Aztecs and Incas, simply to make a point.

Namely, if you look around the world and you see the absolute brutality with which certain forces behave, if you take the Khmer Rouge in Cambodia, if you take Shining Path

## The cowardly murders of foreigners must be stopped

*The following statement was issued by Helga Zepp-LaRouche on Nov. 24 on the attacks on foreigners in Germany. Mrs. Zepp-LaRouche is the founder of the Schiller Institute internationally and the chairman of the Civil Rights Movement Solidarity.*

The cowardly and criminal arson attack in Mölln, in which two Turkish women and one young 10-year-old Turkish girl growing up in Germany were killed and nine other people injured, some seriously, must finally rouse citizens to action against these racist, chauvinist gangs. In the face of the more than 3,000 attacks by autonomist and right-radical perpetrators of violence during this year, which have already claimed 16 fatal victims, the failure of the government led by Chancellor Helmut Kohl is apparent. These are the results of the debate on asylum which has been conducted by all the parties in a reprehensible way.

Over last weekend, citizens joined together in a "Civil Rights Movement Solidarity," in order to oppose this ominous development in Germany. There we linked up closely with the civil rights movement of Martin Luther King, which fought for decades against racism between whites

in Peru, or the Serbs in the Balkans, committing brutalities of unbelievable dimensions, then you develop a new understanding of why the Christian notion of man is so important. Because you can see that in cultures where the Christian notion of man is lacking, it comes to these atrocities. Therefore, this Christianization was something extremely important.

Obviously also, the role of the Carolingian Renaissance and Charlemagne as, in a certain way, the father of both Germany and France, made a crucial contribution. Then the next step of development as it was achieved through the Italian Renaissance, in which the German Cardinal Nicolaus of Cusa had maybe one, if not the leading intellectual role, questions which again are of extreme relevance today, because as Nicolaus of Cusa said already in the 15th century, peace in the world (*concordantia*) is only possible through the development of all microcosms—i.e., of all countries. There can be peace only if all countries can develop.

These ideas were further developed by Leibniz, who basically developed a plan for universal development, where Germany had the role to develop the East, and France the task to develop Africa. This was all the more important because it

and blacks, and against the influence of the Ku Klux Klan in the United States.

For the restoration of internal peace in Germany, the following measures must be taken:

- The safety of those foreigners living in Germany must be protected under all circumstances. For that purpose, the local police forces need the broad support of the population. The fact that the greatest number of attacks occur in states led by the Social Democratic Party shows the bankruptcy of the "soft line" which has stood in the way of police requirements during the past years. These requirements include a functioning registration service, which can identify the still-unknown perpetrating circles and persons; protective custody; and severe punishment of deeds which involved bodily injury and murder.

- Federal legal measures and competent state legal measures must be employed to rigorously uncover, stop, and prosecute the men behind the right-radical terrorism, including the involvement of foreign intelligence services in their organization and propaganda work. The examples of the connections of neo-Nazi groups to KKK leaders and skinheads keep increasing, without the circles of these persons, who have been known for years, being prosecuted.

This is all the more important, because the huge campaign of filth, which was fomented by British and American press outlets after reunification against a supposed "resurgent Fourth Reich," only becomes effective propaganda through the bloody provocations from the neo-Nazi

and autonomist scene.

- In the longer view, however, the achievement of internal peace in Germany depends on a decisive change in course away from the failed economic and foreign policy of the federal government since reunification. In the face of the world economic crisis, the murderous policy of free trade at any price and of wholesale privatization under International Monetary Fund conditions must finally be abolished. The 7 million unemployed or underemployed people in east and west Germany must find work in large-scale Eurasian construction projects. Not shrinkage, but construction in the East and in the South of the world must determine the course of the next years. If I were in the government, I would immediately submit an appropriate construction and investment plan, and call upon the ministers to make Germany's cooperation in the international governing bodies of the European Community, the General Agreement on Tariffs and Trade, and the Group of Seven contingent upon whether the fundamental direction of world economic policy is changed in the direction of a policy of construction.

This change in course must also find expression in bringing about an end to the war in former Yugoslavia, which has robbed many people of their last hope for human kindness coming from the German people. The new "Civil Rights Movement Solidarity" intends to contribute with all its strength to restoring in Germany constitutional rights, fundamental human rights, and, first and foremost, the inviolability of life.

occurred after the destruction of the Thirty Years' War, and therefore this is why we have to go back to these ideas to look for concepts of how to overcome the crisis today.

I pointed out the continuity of this Leibnizian tradition, influencing Bach, influencing and making possible the German Classical period, from Lessing to Schiller, who had this extremely beautiful concept of a beautiful soul as the highest task of man—to develop a beautiful soul. And what could be more important, than to have such an idea?

I gave a short summary of the high points of German culture and tradition, to point on the one side to the tremendous wealth, including cultural wealth, of Germany, but to draw from there the same conclusion as Schiller did at the end of the "Universal History" presentation he gave in 1789 in Jena, where he said that if you look at the contributions of all of these generations of the past, then you have to have a noble desire to contribute with your life in the best possible way to enlarge that and give it to coming generations.

Now, it is that attitude which we must have, not only for Germany, but really for the world, which needs exactly our contribution. So from that standpoint, I defined a positive mission for Germany, to contribute to the development of

those areas which badly need it, in a similar way to how de Gaulle defined it for France, who said that Frenchmen were not some cows eating grass, but that they had a mission in the world, namely, the development especially of the Southern Hemisphere.

**EIR:** You referenced the Schleicher effort in 1932 to save Germany in the last days of the Weimar Republic. Could you tell us briefly what Schleicher's ideas were, and why he was overthrown and replaced by Hitler? Am I right in thinking that this was an operation engaging both the left and right? Like most aspects of the resistance to Nazism in Germany, this history is totally unknown to most Americans.

**Zepp-LaRouche:** Around von Schleicher there were different groups of professors, industrialists, and others, like Dregger, Leibenbach, and so forth, who developed very concrete ideas on how the depression, which was caused by the Versailles Treaty and the monetarist policies of that time—quite similar to the IMF policies today—could only be overcome through a dirigist program of productive credit generation for infrastructure.

When von Schleicher took office in December 1932, he

began to implement that program; and had he had only six months' time, Hitler could have been stopped. Unfortunately, through the treason of von Papen, who met at the beginning of January with Hitler in the house of the banker Schröder, it was decided to put Hitler into power, and therefore the von Schleicher option was defeated.

This only could function because it was the Anglo-American policy to put Hitler into power, because they admired his race policy, a scandal which must be discussed and which is described at length in the book *George Bush: The Unauthorized Biography*, by Anton Chaitkin and Webster Tarpley.

The reason why the Anglo-Americans thought it in their interests to put Hitler into power, was guided by motives similar to why the U.S. government today is tolerating the American KKK support for the neo-Nazis in Germany.

Hitler was as much against the Germans as against the Jews, and it must also be emphasized, that when the German resistance again and again tried to contact the British or the Americans or the Swiss, they normally gave the contact and the names of those immediately back to the Gestapo so that this resistance was then smashed again and again.

**EIR:** In a few days I will be addressing a conference of the Movement for Ibero-American Solidarity in Colombia, one of the nations which has been targeted for destruction by the Anglo-American oligarchy. You yourself were recently in South America and participated in a conference in Brazil celebrating the 500th anniversary of the Evangelization, and promoting Ibero-American integration. Do you have any message which you would like to convey to our collaborators in Colombia, about how best they can contribute to the world coalition for peace and development which you are organizing?

**Zepp-LaRouche:** The world coalition to overcome the global depression and to establish a just, new world economic order has already brought together a vast variety of people who, even though they come from completely different cultures, nations, and religions, all agree that this just, new world economic order must be based on the idea of man as *imago viva Dei*. Because only if you have the human dignity and inalienable rights of man defined on the highest level, namely, in the image of God, can such an alliance function.

That's my message to the people in Colombia, because the question is, the image of what? Of what God? And to think about that, and to develop a clear understanding of that, is exactly the key to the ability to develop Christian love, because it has tremendous implications for the sense of identity of each person.

I'm totally convinced that we only can win if each person develops in him or herself this sense of *agapē*. This is a very concrete question, and it starts with each of us. It starts with you. And on that basis, we have to build a movement around the world.

# Freemasons caught the neo-Nazi revival

by Umberto Pascali

The Southern Jurisdiction of the Scottish Rite, the masonic order associated with Ku Klux Klan founder Gen. Albert Pike, is in the eye of the hurricane in Europe. A confidential memorandum—known by the code name “Operation 3K” and first revealed on Nov. 30 in the Italian daily *Unità*—details a plan to destabilize Germany and Europe as a whole, using the Ku Klux Klan and the former East German communist secret services, the Stasi, to create neo-Nazi groups to provoke a wave of violence.

As regular readers of *EIR* know, Lyndon LaRouche and Rev. James Bevel launched a mobilization in September 1992 during their independent presidential campaign, to bring down the Pike statue in Washington, D.C., which is a blight upon the American capital.

Already at the beginning of 1992, observers in Europe had called attention to the problem that would be caused by waves of desperate refugees from the war in the Balkans, from the collapse of the economies of the former East bloc, and from the systematic destruction of the Third World. It was the usurious approach of the International Monetary Fund (IMF) and its pusher, Harvard University economist Jeffrey Sachs, that had led to a situation in which these refugees would flee their countries looking for some way to survive.

“There will be something similar to the invasions from the East at the end of the Roman Empire,” one observer said. “Nothing will be able to stop it. Countries that are still prosperous will be overrun. There is nothing they can do to stop that. Of course, then it will be easy to stir up racist reactions and the most intense destabilization you can imagine.”

The revelations now coming out about “Operation 3K” are a confirmation of this hypothesis.

At the same time, a book just released in Germany (*The RAF Phantom, Why Politics and Economics Need Terrorists*), approaches another aspect of the same criminal operation: the use of terrorism to enable foreign powers to control a country. The book, which draws heavily from *EIR*, also quotes extensively from an interview with Col. Fletcher Prouty that appeared in *Unità* on March 19. Prouty is the real-life model for the “Mr. X” of Oliver Stone’s movie “JFK.” The interviewer was Antonio Cipriani, co-author of the re-

# orchestrating in Germany

cent revelations.

The revelations triggered a chain reaction that is still going on. Major Italian media picked up on the charges, but even more explosive are the private reactions at all levels in European countries. From Italy, the Chief Rabbi of Rome, Elio Toaff, stated that the neo-Nazi revival is not “spontaneous” and that behind it there is one “puppet master.” This thesis is shared by Justice Minister Claudio Martelli, while the president of the Chamber of Deputies, Giorgio Napolitano, said, “Let’s not transform Germany into a devil,” but rather look into what is really behind the neo-Nazi terrorism.

We publish here a translation of quotes from these articles and interviews, which have been totally blacked out by the U.S. media.

(*Note.* It may be helpful to American readers to explain the term “Black Masonry.” In Italy, this refers not to ethnic divisions within the Masonry, which exists in the United States, but to affinities to Fascism, since Mussolini’s Fascism used the color black as its symbol, such as the “black shirts” of the Fascist private militias. The references to U.S. “Black Masonry” in the following articles clearly identifies the Klan with the Italian Fascists.)

## ‘U.S. plan to provoke the rebirth of Nazism’

*Unità*, by Antonio and Gianni Cipriani, Nov. 30:

The operation by U.S. Masonry aims to favor the creation of “gangs” and to stir up anti-German feeling in Europe. They have been using Ku Klux Klan and Stasi people.

It is called in code “Operation 3K”: to favor the formation of gangs of neo-Nazis in Germany to destabilize the country, to evoke the threat of the Reich, and to weaken Europe. An operation planned more than one year ago with the collaboration of sectors of the U.S. “Black” Masonry, which used men from the Ku Klux Klan and former Stasi agents. . . .

The operation, in code, is called 3K, where 3K stands for Ku Klux Klan, the U.S. ultra-racist organization created in 1865, at the end of the Civil War, by Gen. Albert Pike, grand masonic chief of the Ancient and Accepted Scottish Rite. An operation intended to contribute to the growth of the xenophobic and neo-Nazi wave in Germany, by favoring the aggregation of youth gangs and the spreading of the Hitlerian “credo.” Practically, as always happened in the history

of “covert operations,” a mechanism has been created to be inserted into a real, spontaneous movement—a mechanism which, because of this, becomes invisible.

The ultimate objective of the 3K plan is that of favoring the destabilization of Germany, and to make sure that the specter of the Reich becomes more and more real. The result is to stir up anti-German feelings within public opinion, to weaken, as a consequence, the image of Europe, marred by racism and ethnic rivalries, and to favor the idea of a “Pax Americana,” mediated through masonic channels, as the only possible alternative to chaos.

An ambitious project, planned more than one year ago within some U.S. circles of the so-called “Black” Masonry, is the subject of the confidential memorandum. Operation 3K also envisions the possibility of unleashing an anti-Semitic wave in Poland (where there is a favorable situation for that) and to manage the “emergency” of the eastern European refugees, above all from former Yugoslavia, to fuel intolerance.

All this, of course, does not mean that the movement of the Nazi skinheads in Germany, and to a lesser extent in Italy, has been created artificially. On the contrary, an attempt is being planned to manipulate a spontaneous phenomenon and, as a consequence, to exploit as much as possible all its destabilizing potential.

Already many months ago, the German press had exposed the presence in Germany of emissaries of the Ku Klux Klan, flown into Europe to proselytize. This was not an extemporaneous operation, because also in the United States, the Ku Klux Klan, even though it is a despised organization, has maintained, throughout the 1980s, several contact points with elements of the State Department, elements that were connected more or less organically to the Black Masonry. The presence of the U.S. racists of the Ku Klux Klan was not a casual matter. Besides, through the intelligence channels that run through the NATO lodges, someone decided to recruit some former Stasi agents, to be used in the streets in order to provoke clashes and to raise the “temperature” of the tension. Some former agents have been identified and arrested by the police during the various demonstrations. But the presence of such people has always been explained as an attempt by nostalgics from the old communist regime to do harm to the reunified and democratic Germany. No! The former Stasi agents acted on behalf of other instigators.

It is difficult to say—and after all, not even the experts are able to give an evaluation—to what extent “Operation 3K” was able to increase the wave of the neo-Nazi violence that is rocking Germany. It is, however, interesting to note that there are sectors of the pro-American Masonry that are contributing to the spread of the Hitlerian credo. Thus violence, fear of a return of Nazism are elements functional to a precise strategy—a strategy which the Catholic Church, among others, is well aware of. Against the Catholic Church, one year ago, those same circles launched the campaign of

the “Argentine archives,” aiming to show that in the immediate postwar period, the Vatican was engaged in helping Nazis to escape to South America, becoming a de facto accomplice of the people responsible for genocide and a great many cruel war crimes. In those years, the church favored the flight of several Fascists and Nazis, but at the same time, the Anglo-Americans recruited directly former SS men and members of Mussolini’s republic, into those parallel military structures that remained active for more than 40 years. And the former Nazis who “converted” to Atlanticism always kept close links with the nostalgics of the Reich.

The emergency around the Nazi skinheads seems to be here to stay, for a longer period. According to the experts, the conditions have already been created for a long period of intolerance. And unfortunately, there are signs that add to the hypothesis of a possible escalation of the phenomenon. Last March, when “Operation 3K” had already been planned, investigative circles had gathered information on a probable, major anti-Jewish action, such as violence against a synagogue. Today, the main fear is that the Jews and the immigrants could start responding to the neo-Nazi violence with similar violence, and that armed self-defense groups would be created. Of course, this would mean destabilization. And in Italy, unfortunately, the authorities have the same fears. There are clear signs indicating that some minorities or democratic political groupings that are the target of the Nazi skinheads are thinking about organizing self-defense. There are those who are talking about weapons. And it happens that in our country, the ghost of the strategy of tension and that of double extremism is resurfacing.

### ‘Strange contacts between KKK and German skinheads’

*Avvenire, the main Catholic daily in Italy, by Maurizio Blondet, Dec. 1:*

. . . The Grand Dragon of the Ku Klux Klan, one Dennis Mahon of Tulsa, Oklahoma, boasted publicly about it in several interviews: In the summer and fall of 1990, he was in Germany, where he was in contact with German “comrades” to train them in fighting techniques. The German branch of the American secret and racist organization announced its birth during a skinheads concert in Ingberg at the end of September 1991. A leaflet with the symbol of the KKK was distributed. . . .

*Unità* of Nov. 30 argued that the inauguration of the German branch of the KKK is part of a secret plan prepared “by some U.S. circles of the so-called black masonry” aimed at “destabilizing Germany.” . . . The newspaper of the PDS [*Unità*] quotes a “confidential memorandum.” One week ago, news about the same supposed destabilization plan appeared in the *Polizei-Zeitung*, the magazine of the German federal police. . . . But one fact is certain: In a park in Washington, the capital of the United States of America, stands the statue of the founder of the KKK. It is a monument

dedicated to Gen. Albert Pike, who created the racist organization in 1965. Albert Pike was a friend of Giuseppe Mazzini, and was, in his day, one of the masters of the Masonry of the Ancient and Accepted Scottish Rite, the biggest in the U.S., with more than 4 million members.

It is significant that weeks ago, when black [African-American] political groups protested in front of the Pike statue, asking for its removal, it was precisely the American Masonry (Scottish Rite) of the so-called “Southern Jurisdiction” that defended the memory of the racist general. An even more significant fact: From the investigation of the Italian magistrates on Masonry—conducted in the context of a broader investigation on the P-2 lodge—emerged the existence of an “Albert Pike” lodge in San Mango d’Aquino, in Calabria. It is a covert lodge; the names of its members are confidential.

Given these facts, the revelations of *Unità* assume an alarming importance. . . . In fact, members of the Stasi have been arrested during demonstrations of the Nazi skinheads in Rostock. An important role was indeed played by strange “neo-Nazis” with a red past, like Andreas Pohl, today chief of the National Front of the extreme right, and until the day before yesterday, a member of the KPD-ML, the German Communist Party Marxist-Leninist. . . .

### ‘Ku Klux Klan against Germany?’

*Il Giorno, Dec. 1:*

Is the neo-Nazi phenomenon aimed at weakening Germany, and maybe also Italy? Is the rage of the unemployed unleashed against the mass of the immigrants—who are escaping their martyred lands—being used as a picklock to break a future “United Europe,” which is beginning to raise its head politically, economically, and militarily? Is it just fiction? Maybe, but it was President Bush himself, only few months ago, who pointed his finger against Helmut Kohl’s Germany. . . . He did it in the most institutional of places: Congress. There, a few hours after the Los Angeles riots, Bush told the congressmen that the European “locomotive,” the engine of the rising federation [i.e., Germany], was not credible anymore, because it cannot solve its racial problems. . . .

Now, the disquieting hypothesis of an occult direction that manipulates the actions of the neo-Nazis, has surfaced again. . . . A first answer comes from *Unità*. . . . In Italy, [those involved in this plan are] members of certain masonic lodges that were dissolved months ago, such as, for example, the Colosseum Lodge. . . . [The powerful Rome-based Colosseum Lodge included among its leading members Elvio Sciubba, the “ambassador” of the Southern Jurisdiction to the eastern Europe, where he contributed to establishing new lodges affiliated with the “Pike Masonry.” Sciubba’s name was recently mentioned in the Italian Senate by Senator Brutti, during a debate on the contacts between Mafia and Masonry—ed.]

# Italians call for reopening of files on the assassination of Enrico Mattei

by Claudio Celani

On Nov. 27 in Milan, Italy, an international conference on Enrico Mattei, founder of the Italian oil company ENI who died mysteriously in 1962, took place under the sponsorship of the Schiller Institute and *Executive Intelligence Review*. The Mattei issue is a hot one, especially in the present situation, when Italy is struggling for post-Yalta political and economic independence. The conference made clear that only if a new Mattei emerges, will Italy be able to overcome the economic crisis and the Anglo-American destabilization that aims to break the country up.

Thirty years ago, on Oct. 27, 1962, Enrico Mattei's airplane crashed in Bascapè, outside Milan, in what everybody understood as a political assassination. Mattei, by building a national-owned oil cartel (first called AGIP, then ENI), and challenging the oil multinationals in seeking independent deals with producing countries, threatened to destabilize the Yalta order, or "superpower condominium," which runs world affairs. Since then, Italian leaders have preferred to cover up his assassination, and have even smeared his character, while Italy's political history has become one of destabilizations and of "limited sovereignty."

The main outcome of the conference was a resolution calling upon the Italian authorities to "reopen the Mattei file," i.e., to officially reopen the investigations to find out whether or not there was foul play in the crash of the ENI founder's aircraft.

Equally important are the economic lessons of Mattei's accomplishments, which have been the object of smear campaigns by biographers and media outlets over the years. This was discussed at the Milan conference in connection with the American economist Lyndon LaRouche's economic program for a European "Productive Triangle," as the natural continuation of Mattei's development effort.

## 'A generation of giants'

Guest of honor at the Milan conference was the Mattei family: Enrico's brother Umberto, with his wife, and Enrico's sister Maria. Umberto Mattei, who has participated in

all official ceremonies honoring his brother, but has always refused to speak, decided to appear at the Schiller-*EIR* event because, as he explained to the organizers, this conference fully respected the spirit of his brother's work. Umberto Mattei's few but moving words reminded the audience of Enrico Mattei's total dedication to his country and to his work—a dedication which the Italian nation seems to have forgotten. Especially Italians seem to have forgotten something Mattei never ceased to repeat: "A country like Italy, which has no raw materials, no gold, in reality owns the biggest wealth in the world: its brains."

Describing the figure of Enrico Mattei is a hard job, said the next speaker, Prof. Marcello Colitti. Colitti, who joined ENI in 1956 and today is manager of an ENI division called Ecofuel, explained that it is difficult to describe somebody who belonged to "a generation of giants, so big in comparison to us that they would not fit in this room." Mattei was, and still is, an example for us: a moral example, a person who conceived his work as "an expression of charity" and was able "to motivate the youth by convincing them of the leader's design." Mattei had understood a deep truth, that "the rich need the poor"; this is an economic lesson which is most valid today, said Colitti. "A capitalist economy has an unbridgeable mechanism, which can be overcome only by enlarging the basis of the economy. Since technological progress is based on production of capital goods, you can have it only if the industry has a market—that is, if capital goods are exported." This was the basic economic concept inspiring Mattei's deals with developing countries, and must inspire a recovery program to overcome today's bottleneck, "the dramatic constriction of investment in the advanced countries."

Mattei, Colitti added, was a model for his idea of the state. The state must supply capital for economic development. But during the past two decades, the Italian government has done the opposite: It has collected money to finance "income," that is, market demand in place of investments. Also in his idea of political power, Mattei must be an exam-

ple: "Power was a necessity in order to be able to do what is necessary." Mattei always abhorred power as "arrogance," something which was incompatible with his ideas, as well as despising the concept of colonialism.

### 'The world would look different'

Helga Zepp-LaRouche, president of the Schiller Institute in Germany, took the floor as next speaker. Mrs. LaRouche compared the world strategic situation at the moment when Mattei was killed, to the situation in 1989 after the fall of the Berlin Wall, and the developments following what she called a *punctum saliens*, a critical historic branching-point. In 1962, when Mattei was killed, the Anglo-Americans were determined to prevent at all cost a coming together of four Catholic leaders of the western world: German Chancellor Konrad Adenauer, U.S. President John Kennedy, French President Charles de Gaulle, and Mattei himself. Adenauer and de Gaulle had already made an alliance, and there was the "danger" that, at the end of the Algerian war, no conflicts could prevent the rapprochement of de Gaulle and Mattei, and therefore a strategic alliance for national independence of Italy, France, and Germany. "I am convinced that if Mattei had not been killed, and had Adenauer not been overthrown, today the world would look much different," said Helga LaRouche.

If we look at developments after 1989, we see how the world lost a similar chance with the elimination of a key figure who was an obstacle for the Yalta powers: the German banker Alfred Herrhausen, chairman of the Deutsche Bank. With the elimination of Herrhausen, the only person among Germany's ruling elites who dared to challenge the International Monetary Fund and World Bank dictatorship on economic policy disappeared, and the monetarists' "shock therapy" had a clear way to destroy any possibility of Eurasian development.

In 1989, Lyndon LaRouche, who was already a political prisoner of the Bush administration, proposed a development plan called the European Productive Triangle, but after the elimination of Herrhausen and of Detlev Rohwedder, the first manager of Germany's Treuhand company (responsible for the privatization of eastern Germany's agro-industrial sector), none in Germany dared to move in that direction. Today, the Productive Triangle is still the only viable economic strategy for Europe, Mrs. LaRouche said.

### 'Density of development'

EIR researcher Paolo Vitali reviewed Mattei's fight against the "free market" doctrine, which has always found support among those large private industrialists who were part of oligarchical and freemasonic dynasties. Mattei "could not accept that under such nice words as 'free market' or 'necessity for government budget cutting,' a fraud was committed by clearly identified national and international interests, who had nothing 'free' to offer at all. Luckily, Mattei's

position was not isolated, but was supported by a political and economic culture that saw in a rapid economic development the instrument of a rebirth of Italy, also morally, after the horrors of the war and the Mussolini decades."

Mattei's opponents were wrong, Vitali explained, because they considered "economic development as a linear phenomenon, as action-at-distance of particles—an absurdity in physics as well as in physical economy. And from physics, we can borrow a concept, 'critical mass,' which allows us to explain phenomena such as rapid economic development." Following Mattei's death, economic development was been denied to Third World countries, and the exceptions (Taiwan, South Korea) only prove the rule.

### 'Mattei, the Italian enemy'

Prof. Nico Perrone, teacher of modern history at Bari University, has carried out original research on the circumstances of Mattei's death, and reported on how he found declassified documents from the Pentagon and the U.S. State Department, which he published in a recent book entitled *Mattei, The Italian Enemy*. The book has been published by the major Italian publisher Mondadori, but strangely enough, only 7,000 copies were printed, half of which never went into circulation. Of the 3,500 that reached the bookstores, the publisher immediately withdrew 30% of them, and a little later, another 30%. As a result, Perrone's book cannot be found in any bookstore in Italy.

Professor Perrone recounted how, following Mattei's independent deals with oil-producing countries, the representatives of the oil multinationals in the U.S. administration began to be alarmed. Especially after Mattei's openings to China and to Moscow, the alarm reached red-alert level. In 1961, former U.S. Secretary of State Averell Harriman flew to Rome to meet the ENI president to check out his intentions. After Harriman, State Department insider George Ball came to Rome and asked Mattei, in a polite way, for an "explanation" of his economic initiatives. That meeting was very tense, but from the records it appears as if a compromise was reached, and a future meeting between Mattei and the chief of Standard Oil was mooted.

In the meantime, a press campaign against Mattei was going on. Mattei was described as "the most powerful man in Italy," who was maneuvering to drive his country out of the NATO alliance. Many articles against Mattei appeared in the U.S. press—in minor newspapers which never reach Italy—but the articles are nevertheless regularly clipped and land on the table of the President of the United States.

And then came the crisis. On Oct. 22, 1962, Kennedy announced that the U.S. Navy would blockade all Soviet ships en route to Cuba. The crisis committee at the White House (Excom) met in Kennedy's office. They discussed bombing Cuba, and the date indicated is Oct. 28 or 30. The voice of Defense Secretary Robert McNamara is heard shouting, and a Soviet retaliation is presented as certain to



come in Italy and Turkey. That same day, Mattei's plane crashed in a mysterious accident in northern Italy. "It is unpardonable," said Perrone, "that a serious investigation of that plane crash was never made."

### **LaRouche's program**

Paolo Raimondi from the Schiller Institute presented some programs which are in line with Mattei's investment plan for reviving the physical economy in the world and in Italy, and to pull the world out of depression. Raimondi presented Lyndon LaRouche's program for a Paris-Berlin-Vienna Productive Triangle, which calls for a Eurasian network of high-technology infrastructure in transport, communications, energy, and scientific research, that will transform continental Europe into the locomotive for the world recovery. He recalled that in 1980, LaRouche had already elaborated a specific program for Italy, entitled "A Gaullist Solution to the Italian Monetary Crisis," which, starting from the introduction of a so-called "heavy lira," suggested a series of actions to be undertaken against Italy's "black economy" and, through the nationalization of the central bank, the creation of new credit to realize large infrastructure projects. Such programs elaborated by LaRouche are based not on monetarist calculations or on approaches like the IMF's shock therapy, but rather on the concept of potential population density, identifying the real economic value in the development of man's creative capacities, and in the increase of population.

Marivilia Carrasco, from the Ibero-American Solidarity Movement in Mexico, spoke against those in Italy who have been proposing a "free trade pact" between eastern and western Europe. Such a proposal was recently made by Romano Prodi, an economist and former industrial manager, who has a reputation as "anti-liberal." Prodi, a senior adviser to the New York investment house Goldman Sachs, has proposed the North American Free Trade Agreement (NAFTA) as the model to be followed. Carrasco countered by reporting the ugly truth about NAFTA, which will further increase unemployment in the United States and collapse incomes in Mexico.

Maurizio Blondet, senior journalist for the Catholic newspaper *Avvenire*, reporting on a recent visit to the United States, gave a first-hand view of the effects of 15 years of U.S. deregulation policy, and of the effect of "a specific form of dirigism, called liberalism," on the Anglo-American economies. America, Blondet said, "is losing its working class. I am convinced that behind the ghettoization of the black population, there is a deliberate policy to exclude the blacks from the active labor force." This is "a deliberate brake to development." Americans elected Clinton, Blondet said, in the hope that he will an end to all this. Clinton has already promised investments, whose magnitude is insufficient; but it is important that at least a discussion has now been provoked.

### **One hand behind four murders**

The final part of the conference was devoted to the hottest theme of the day: "Is there a connection among the assassinations of Mattei, Kennedy, Italian Prime Minister Aldo Moro, and Herrhausen?" The special guest on this panel was Col. Fletcher Prouty, former chief of Special Operations at the Pentagon, and the man who inspired the character of "Mr. X" in Oliver Stone's film "JFK." Prouty could not attend in person because of illness, but sent a videotaped interview. (The quotes given here are retranslated from the Italian transcript.)

"What these men were proposing," Prouty said, "was far away from the way of doing business and politics at that time. That is why they are dead, killed by forces who opposed a change." Prouty focused on the strategic value of transportation. "He who controls transportation controls the world." An example is the oil crisis in 1973, which was triggered not by the producing countries, but by the owners of the oil tankers—i.e., the multinationals.

The interviewer also asked Prouty: "Mr. Prouty, Lyndon LaRouche is the most recent great man who is a victim of the establishment. Do you think we can do something to bring justice for LaRouche?" Prouty answered, "I think he is trying to communicate to people the great value of technology, of [Friedrich] Schiller's teachings, the basic teachings for mankind. . . . I encourage this kind of technological development that LaRouche has been pushing for years and years, to improve mankind and operations in this world."

### **The non-existent RAF terrorists**

Anno Hellenbroich, of EIR Nachrichtenagentur in Germany, put the death of German banker Alfred Herrhausen into a different light than the official accounts. Now, three years after his death, the police have still not yet found the murderers. The police thesis is that Herrhausen was killed by the "third generation" of the Red Army Faction (Baader-Meinhof) terrorists; but there is much evidence to contradict that interpretation.

Using photographs, Hellenbroich demonstrated how the dynamic of the terrorist bombing of Herrhausen's automobile proves that it must have been carried out by specialists.

Why was Herrhausen assassinated? Six weeks before, he had presented a program for a development bank for Poland, which was supposed to be a model for all of eastern Europe. Herrhausen had also wanted to substantially reduce the debt of the eastern European countries—something the World Bank and the International Monetary Fund could not tolerate.

The Italian situation was discussed by Gianni Cipriani, co-author, together with his brother Antonio, of a book entitled *Limited Sovereignty*. Cipriani drew a parallel between the left-wing terrorism which devastated Italy in the 1970s, and the currently emerging right-wing extremism, a "maneuverable mass" ready to be used to launch a new wave of terrorism, this time from the "right." The centers that steered left-wing terrorism are the same that are now preparing the

## How long will Biya be dictator in Cameroon?

On Friday, Nov. 13, Mr. Nkwain, speaking for the Foreign Affairs Ministry of Cameroon at the National Press Club in Washington, D.C., reported that opposition presidential candidate John Fru Ndi has been under house arrest for several weeks as part of a state of emergency to contain violent activities in Cameroon's North West Province, which includes the city of Bamenda. Mr. Nkwain, representing the dictatorial government of President Paul Biya, was constantly challenged by the packed room of Cameroonians from the Social Democratic Front (SDF) and the Cameroon Student Association (CAMSA) concerning the outrageous human rights abuses of the Biya government.

SDF leaders report from Cameroon that conditions inside the country are intolerable and that Biya is only able to hold onto power by the brutal use of the Army against the people. The crisis in Cameroon reached a new level when Biya declared himself the winner of the Oct. 11 presidential elections, despite evidence that John Fru Ndi, chairman and presidential candidate for the SDF, was leading in four of the eight provinces before the government ordered an end to the vote counting. On Oct. 27, in order to contain widespread anger at Biya's flouting of the election process, the government declared a state of emergency in the North West Province, had the home of

Fru Ndi surrounded by the military, cut three of his four phone lines, and placed the SDF office under surveillance.

These emergency actions remain in effect, as conditions worsen for the Cameroonian people. Due to the desperate economic straits brought about by the programs of International Monetary Fund and Biya's corrupt leadership, government workers have gone without pay for three to four months, leading to frequent impromptu demonstrations, according to reports from Cameroon. The SDF is distributing thousands of leaflets and press releases daily exposing the government's human rights violations and demanding that Cameroonians be given their basic rights, that Biya step down, and that Fru Ndi be released from house arrest.

The rights that are being denied to Cameroonians by the Biya dictatorship include the right to walk the street without a pass, the right to read a nongovernment newspaper, the right to travel from one part of the country to another, and the right to have public meetings without fear of arrest.

Recently, the United States and Germany have taken some action by suspending aid to the Biya government, and Canada and Great Britain have issued statements of condemnation. SDF leaders hope that when more international pressure is brought to bear on Biya, under the worsening economic conditions inside Cameroon, he will be forced out of office. They were very happy to hear about the founding of the Civil Rights Movement-Solidarity in Germany (story, page 30), and wanted to know how to join this new movement.—*Lawrence Freeman*

new black terrorism: intelligence, military, and political circles, connected through freemasonic networks to Anglo-American power centers.

It is astonishing, Cipriani said, how two documents cast light on the current Italian developments. One is the "Plan for Democratic Rebirth," written more than 10 years ago by Licio Gelli, Grand Master of the famous Propaganda-2 masonic lodge; the other is a letter written by Aldo Moro when he was a prisoner of the Red Brigades, before they killed him in 1978. In Moro's letter, only recently discovered, he accuses the United States (i.e., Henry Kissinger) of wanting to eliminate him because they wanted to transform the Christian Democratic Party (DC) into a more "docile" instrument of the Anglo-Americans. "A new generation of DC leaders is being bred," Moro warned.

### Productive Triangle or free trade?

During the discussion period, a trade union leader asked about the difference between LaRouche's Productive Triangle proposal and the free trade plan now being pushed for

eastern Europe. Mrs. LaRouche explained the two diametrically opposed conceptions at the root of the two plans: NAFTA and similar schemes allow investments wherever the labor force is cheaper, whereas the triangle program calls for investments precisely where the labor force costs more—i.e., where it is more productive—and the spinoffs for the entire world are greater.

A special contribution was also made by Raffaele Morini, head of the International Enrico Mattei Foundation and president of the Pavia chapter of Volontari della Libertà, the partisan formation that Mattei had led nationally during the liberation war against Fascism. Morini has announced his own independent initiative to reopen the Mattei case, having kept, for 30 years, a piece of Mattei's plane, which demonstrates that it was destroyed by a bomb.

Written greetings to the conference came from the chairman of the Christian Democratic group in the lower house of Parliament, Gerardo Bianco, along with a message from the mayor of San Donato, the city outside Milan which grew out of the ENI complex built by Mattei.

## 'A strategy of tension'

*German investigators of the neo-Nazis haven't touched the networks abroad that are steering the violence.*

**O**n Nov. 30, German police reported the arrest of two suspects in a neo-Nazi arson attack that had killed three Turks and injured nine others in the town of Mölln the week before. Found during the police search of the apartment of one of the suspects was a U.S. Confederate flag, the "Stars and Bars," symbolizing the group's link to the Ku Klux Klan in the United States.

A senior intelligence source linked to the U.S. and Israeli secret services told *EIR* that the current activation of the neo-Nazis in Germany is part of "a strategy of tension" on the part of intelligence networks of the United States, Britain, France, and Israel, aimed at weakening the unified Germany politically and economically.

As for the two arrested suspects, Michael Petersen (25) and Lars Christiansen (19), little information has been released, but what has is indicative. For example, it turns out that the home of Petersen in Gudow, a small town near Mölln, was a gathering point for neo-Nazis and skinheads. Neighbors reported that they would meet there to sing racist and Nazi songs and have beer-drinking orgies. These often took the form of rampages outside the house, and members of the group had been involved in three other arson attacks on refugee lodgings in the region in September.

The evidence demonstrates the existence of a violence-prone cult group linked to the widespread racist skinhead/neo-Nazi counterculture, rather than the "lone assassin" profile which the higher security authorities in Ger-

many keep referring to in public.

Many questions arise. Petersen's apartment was, mysteriously, left unsealed for three days after the arrest of its tenant. It would have been interesting to see what incriminating material the gang leader had in his house, but this apparently was removed. Also strange is the news that Petersen actually was to have been arrested several days before the Mölln incident, charged with arson in the early September cases. The prosecutor had filed the arrest order, but the district judge in Lübeck decided that there was no reason for any arrest. Why?

The answer to this question may shed light on why the official German probe into the role of a certain KKK Grand Dragon from Oklahoma, Dennis Mahon, in the Klan's underground recruitment activities in Germany, has not produced results, although it was launched a year ago.

Where does this slowness come from? Is it the uncooperativeness of American authorities toward German ones on certain sensitive issues? Is it because German authorities have no access to crucial data of the FBI—which, according to well-informed sources, seems to be protecting Mahon? The latter aspect is being looked into by members of the German parliament.

A well-informed source who has studied the origins and structure of neo-Nazi groups in the former East Germany told this author that an "American connection" has existed among the eastern German neo-Nazis since at least the mid-1980s. While

the KKK is very active in Berlin and environs, nowadays, the NSDAP-AO operation of Gary Lauck was the first to massively (and rather easily) penetrate eastern Germany, through its bridgehead in Hungary, the source said.

Any publication of information such as this was banned by the communist regime and its intelligence agency, the Stasi. In 1988, independent researchers at the eastern Berlin Humboldt University and Leipzig University were prevented from publishing reports on the existence of a neo-Nazi milieu in eastern Germany, upon directives from the "very top." The group was forced to disband.

Another dissident investigative group at the Education Ministry, which was looking into neo-Nazi activities at universities and public schools, was also disbanded.

What remained intact, however, was two sections of the Stasi, Sections 20 (penetration operations) and 22 (counter-terrorism), which were officially dealing with the neo-Nazi problem. Files on what they did, and how they did it, are, mysteriously, no longer available. And if there are files left over, they are now in the hands of the government in Bonn, which has a policy of declaring all data that involve sensitive aspects of East-West intelligence operations in the 1970s and 1980s "top secret, classified" material that can't be made public.

The same Stasi that had groomed left-wing terrorism in what was then West Germany, was apparently nurturing neo-Nazi groups as well. The fact that the Stasi did not intervene against an operation run by "western agent" Gary Lauck into East Germany from Hungary, does not come as a surprise, either: The Stasi was, after all, a partner in U.S. intelligence operations like Oliver North's arms-peddling affair.

## Zionist lobby is frantic over LaRouche

*What has Isi Leibler more upset: the CEC's exposure of his corruption, or its program for economic development?*

The November issue of the Australian Institute of Jewish Affairs' (AIJA) magazine *Without Prejudice* has devoted a 17-page feature to attacking the growing influence of Lyndon LaRouche in Australia, claiming that "there is no doubt that it [the LaRouche movement] has a disruptive capacity never before seen in this country."

The *Australian Jewish News* on Nov. 27 quoted AIJA Chairman Isi Leibler that "LaRouche and his followers seem to be in step with the ugly recrudescence of the right-wing extremist neo-Nazism which has recently manifested itself in Germany." The daily *Melbourne Age* on Nov. 26 joined the chorus, printing the AIJA's call for an investigation into the activities of LaRouche's Australian friends, in particular the Citizens Electoral Councils (CEC), an anti-free-trade political organization that has just set up a national headquarters in Melbourne.

Maurice Hetherington is now running a high-profile campaign under the CEC banner for a seat in the Federal Parliament, and the organization plans to run dozens more candidates in the near future, around the CEC's economic reconstruction plan called "Sovereign Australia."

CEC Secretary Craig Isherwood and Al Douglas, an American from *EIR*'s Asia-Pacific desk, held a press conference at the Melbourne Town Hall on Dec. 2. Douglas gave an overview of the *modus operandi* by which Leibler's U.S. friends in the Anti-Defamation League themselves deploy neo-Nazi provocateurs—both

from the "right" and the "left" (see *Bonn*, P. 41).

Douglas reminded the audience that Leibler's friend Edgar Bronfman, just weeks before the East German communist regime fell, was given the highest civilian honors by dictator Erich Honecker. Bronfman and Leibler are co-chairmen of the World Jewish Congress.

Isherwood reiterated his challenge to Leibler to a public debate. "As to his claims that the LaRouche movement, and by clear implication ourselves, are 'anti-Semitic' and 'neo-Nazi,'" Isherwood said, Leibler is "grossly misinformed or is just a plain liar."

Isherwood continued, "Since the charges in the AIJA piece are so obviously nonsensical, then why is Leibler so hysterical? Is it perhaps because the CEC on July 5 put in a submission regarding Isi's brother Mark into the joint Committee of Public Accounts inquiry into tax avoidance schemes, and Mark apparently felt compelled to resign all his official tax advisory positions? Or is it that Isi has some dirty little secrets in his own closet?"

Isherwood noted that the AIJA article complains that a major purpose of LaRouche's "so-called 'intelligence network' in Australia is to 'spy' on Melbourne Jewish community figure Isi Leibler and businessman Sir Peter Abeles. . . . Senior Victorian police fear . . . that confidential reports from the Internal Security Unit and the Bureau of Criminal Intelligence may have ended up in LaRouche hands. LaRouche documents seen by senior police contain a num-

ber of allegations about Australian Jewish community figures. Police believe these documents are based on Internal Security Unit and Bureau of Criminal Intelligence material."

Isherwood asks, "Have the police been investigating Leibler and Abeles, as is clearly implied by the above, and if so, for what?"

Isherwood noted that the career of Leibler's friend Bronfman is perhaps relevant in this regard. He added that an entire chapter of the international bestseller *Dope, Inc.*, written by the editors of *EIR*, is devoted to the Bronfman family.

Isherwood detailed the political history of David Greason, the author of the AIJA article commissioned by Leibler. "Talk about 'neo-Nazism'!" Isherwood laughed. "Greason founded the violence-prone neo-Nazi National Action group in the early 1980s, while at the same time being a member of the Australia-U.S.S.R. Society. Upon quitting National Action, Greason joined the far-left International Socialist Organization."

"So who is Greason, really?" Isherwood asked. "Is he still secretly a neo-Nazi? Is he a radical leftist? Is he a police agent-provocateur? Or is he just a general all-around sleaze, whom Leibler finds useful for dirty jobs?"

Isherwood insisted that the real problem with "this bluster about neo-Nazism" is that there are essential policy issues that are being obscured. "This country is in a bottomless economic collapse!" He added that, as the AIJA article fearfully noted, the CEC and *EIR* magazine will cosponsor an international conference in Melbourne on March 12-13, entitled "Economic Reconstruction for Sovereign Nation States, Post-International Monetary Fund." At this conference, he said, the CEC will detail its economic reconstruction program, "Sovereign Australia."

## Another Kissinger rip-off

*Besides making Panama safe for drugs, the invasion has given Kissinger and his cronies a chance to make a buck.*

The Washington law firm of Arnold and Porter has been retained by the U.S.-installed government to advise on the foreign debt, it was announced in Panama in November. Arnold and Porter is the law firm of William D. Rogers, a partner in Kissinger Associates and the lawyer for Henry Kissinger and for Acting Secretary of State Lawrence Eagleburger, formerly of Kissinger Associates.

Arnold and Porter is expected to take millions of dollars for its advice. The local law firm of Treasury Minister Mario Galindo, which reportedly has also been retained, is expected to rake in up to 10%, Panama's Radio Ancón reported on Nov. 27. Even 1% of the debt service would be a considerable amount, since public debt is well over \$6 billion and fast growing, despite the fact that this year alone Panama has paid out about \$1 billion to the International Monetary Fund and other supranational financial institutions, while receiving virtually no new money.

Rogers and his law firm played a key role in creating the crisis that installed the current government of drug bankers, all the while making money at each step of the disaster. It was from Rogers's office in Washington that Panamanian banker Gabriel Lewis Galindo, business partner of Colombia's former President and cocaine cartel ally, Alfonso López Michelsen, ran the opposition to Gen. Manuel Noriega. Rogers designed the economic sanctions applied by the Reagan and Bush administrations to squeeze Panama in the two years pre-

ceding the invasion, for which job the law firm collected hefty fees through a fictitious "Panamanian government" set up by the United States in Coconut Grove, Florida.

After the invasion, Arnold and Porter picked up another \$1 million from the U.S.-installed government of drug banker Guillermo Endara, to lift the same sanctions designed by senior partner Rogers. These days, besides running destabilization operations against the Peruvian military and trying to keep Venezuela's Carlos Andrés Pérez in power, Rogers is running around Ibero-America with Kissinger selling the North American Free Trade Agreement. He is also pushing the nations of the hemisphere to do away with their armies and to instead pay the debt, much of it owed to Chase Manhattan Bank, a Kissinger client.

Their protégés have learned well. The U.S.-installed government is offering to settle ongoing strikes for back pay at the Social Security administration, the postal system, the National University, and other agencies, by giving the workers interest-bearing bonds that mature in 10 years. If they agree but cannot wait 10 years for their money (and most can't), the drug bankers that run the government will buy up the bonds at a hefty 40% discount, making millions in profits.

But the government does have more than enough cash to settle the workers' claims, says Panama's Second Vice President Guillermo "Billy" Ford, according to *El Panama América* of Nov. 29. "It is a crime to keep the money in the banks" while

poverty grows, said Ford, a former co-owner of the drug money-laundering Dadeland Bank of Florida.

While the government has accumulated significant savings this year, that money is to pay the banks, said Comptroller General Rubén Darío Carles, an alumnus of Chase Manhattan Bank. He and Treasury Minister Mario Galindo, another Chase alumnus, are engaged in a factional dispute with Ford over the presidential nomination of their party, Molirena.

The two are also engaged in a running dispute with Attorney General Rogelio Cruz, who tried to fire Customs Chief Rodrigo Arosemena for aiding and abetting smuggling. Among other things, Arosemena, a protégé of Galindo, is accused of helping Haim Yazuri, currently detained in New York, launder millions of dollars in Panama.

The Nov. 28 *Washington Post* reported that the attorney general is now under fire for releasing money from frozen cartel accounts. "Even before the invasion the Bush administration had concerns about possible links between Cruz and the Cali Cartel," it said, reporting what *EIR* readers have known for nearly six years: that Cruz was on the board of First Interamericas bank, co-owned by Cali Cartel kingpin Gilberto Rodríguez Orejuela and (a detail omitted by the *Post*) Jorge Luís Ochoa, of the supposedly rival Medellín cocaine cartel.

Roberto Eisenmann is quoted saying that Cruz is "one of our major tragedies." Eisenmann is identified only as "publisher of *La Prensa*," without reference to his co-ownership of Dadeland Bank. The *Post* reported that the Supreme Court reprimanded Cruz for unfreezing the accounts, but it does not mention that Chief Justice Carlos Lucas López sat with Cruz on the board of First Interamericas, as did Galindo.

# International Intelligence

## **Cambodia charges U.N. with appeasement**

The Cambodian government on Nov. 24 criticized the United Nations for its failure to impose sanctions on the Khmer Rouge. A high-level spokesman of the government in Phnom Penh, which includes both Prince Sihanouk as head of state and Prime Minister Hun Sen, stated in a press conference that sanctions are the only way to get the Khmer Rouge to drop its resistance to the U.N. peace plan.

The Khmer Rouge, backed by the Chinese communists, killed an estimated 3 million people during their brief rule (1975-79).

The Cambodian spokesman also attacked as "outrageous" the statement by U.N. Secretary General Boutros Boutros-Ghali, claiming that the Cambodian government, as well as the Khmer Rouge, is violating the cease-fire. As it does in former Yugoslavia, the U.N. is taking an "even-handed" approach, blaming both sides for the increasing violations of the cease-fire, rather than condemning the genocidal Khmer Rouge.

On Nov. 25, Yasushi Akashi, the head of the U.N. operations in Cambodia, warned of rising military tensions after touring several provinces of the country. He said these might lead to an outbreak of fighting when the dry season comes, and said that the situation is "particularly tense" in the three northern provinces.

## **U.N., Britain side with Serbia against Bosnia**

The United Nations and British forces in the Tuzla area of northeastern Bosnia are refusing to open the Tuzla air base, because it would legitimize the Bosnian government's control over the Tuzla region, according to a report by Paul Jenkins in the London *Guardian* on Nov. 21. The facility is a huge, fully equipped military air base with a 10,000-foot runway, the second-largest in former Yugoslavia, near roads and rail lines. It has hardened shelters to protect

vehicles, fuel, and warehoused goods.

Among the lame excuses given by spokesmen for the U.N. and the British forces in Bosnia: The Serbians would shoot down any plane using the base; airlifting food to Bosnia would cost too much; the Iranians would deliver arms to the Bosnians; the U.N. has a policy of land convoys.

An American special forces expert, Giles Pace, said in a program prepared by Jenkins and shown in October on British television, that were Tuzla to be opened, relief would no longer have to snake through the arduous land route from Split. Pace told Jenkins that he met with the British ambassador in Zagreb to press him to open the Tuzla base, and was given "short shrift." "If they were to use the airport at Tuzla," said Pace, "it would change the whole complexion of the situation. They don't want the world to see a functioning Bosnian government."

Jenkins concludes his article: "Is it on the grounds of cost, or out of a desire to withhold legitimacy from the Bosnian government as anything more than a caretaker for refugees, that the U.N. persists in ignoring the Tuzla airport? . . . As winter closes in on the estimated 600,000 people stranded in the Tuzla region, the U.N. and the Ministry of Defense have an urgent case to answer."

## **Argentine officials implicated in drug trade**

A scandal has erupted involving the head of the Argentine government office for combating drug trafficking, Alberto Lestelle. A "former" drug trafficker and informant, Mario Noguera Vega, who is now being held in Brazil, has charged Lestelle with involvement in drug trafficking and money laundering, and says that Lestelle sent him to Brazil to assassinate another Argentine drug trafficker, Sergio Di Fiore. Di Fiore allegedly stole documents in Buenos Aires which implicate several Argentine government officials in drug trafficking and money laundering. Noguera claims he was to have been paid up to \$50,000 for carrying out the "contract."

The revelations have caused panic and embarrassment in Buenos Aires, since Lestelle works closely with the U.S. Drug Enforcement Administration and the U.S. embassy, and was named last year to the presidency of the regional anti-drug organization IDEC, with U.S. backing. While the Argentine government of President Carlos Menem claims that Noguera Vega is insane, Brazilian anti-drug authorities say they have found his information useful and coherent and have used it to make important drug arrests. Noguera told the daily *La Nacion* that he has only revealed "1% of what I know."

President Menem is said to be worried about the scandal and has ordered the state intelligence agency to carry out a thorough investigation.

## **Egyptian press signals shift toward Iraq**

The Egyptian government-backed daily *Al Gamhuriya* has published a number of articles showing a shift in Cairo's anti-Iraq policy, according to the Palestinian daily *Al Quds* on Nov. 25.

In an editorial commentary, the Egyptian paper attacks the "anti-Iraq paranoia" of the Persian Gulf states, saying "it is no longer useful for Arab nations to continue the punishment of Iraq and the Iraqi people. . . . It is not true that Iraq is a danger to the Gulf states. The danger now comes from the eastern gate," i.e., Iran, "from the Turkish soldiers who are still staying in northern Iraq," and from the United Nations inspectors still in Baghdad. The commentary also warns of plans to cut off the southern part of Iraq, and asserts that "it is not enough to have a security agreement between Kuwait and the United States, Great Britain, and France in order to give protection from the fictional danger of Iraq. . . . It is time to open a new page in Arab relations."

The Egyptian daily gave favorable coverage to a recent speech by Jordan's King Hussein in which he called for Arab unity and attacked the Gulf states for their "high-handed" policies.

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## ***Spain seeks satellite to spy on Africa***

Spain is interested in purchasing an American spy satellite, the *International Herald Tribune* reported on Nov. 24. European military sources have told *EIR* that Spain's interest in such technology is directed at North Africa.

Spain is one of several NATO countries, along with Italy and France, which have set up a special committee to monitor the political situation in North Africa in anticipation of North-South conflicts. An article in the Nov. 24 London daily the *Guardian* reports that "European intelligence agencies and U.S. analysts" fear that the Algerian military junta could fall to the Islamic fundamentalists and that European and American observers are "concerned about the potential impact on Morocco, Tunisia, and Egypt" as well as the Middle East.

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## ***European countries move to restrict immigration***

European Community immigration ministers are planning to create a "fortress Europe policy" to restrict refugees and asylum-seekers coming into Europe, the London *Guardian* reported on Nov. 25, citing "confidential draft documents" that have been circulated to EC member-states. Immigration ministers were scheduled to meet in London on Nov. 30.

The drafts reportedly show that guidelines will be set up that will allow for classifying tens or even hundreds of thousands of applications as "manifestly unfounded," thereby expediting the ejection of asylum-seekers after a speedy review process.

The policy package is similar to the draconian immigration rules which Britain intends to accompany the Asylum Bill that is soon to come before the House of Commons. But under the new guidelines, such policies would be applied to Europe more generally. "When the new system is in place, it will establish a fortress Europe policy with a severe reduction in the number of

asylum seekers allowed to stay," according to the newspaper.

The document proclaims: "Individuals are not entitled to protection under the Geneva Convention merely because they come from countries in which levels of security, economic opportunity or individual liberty are below those of the (EC) member states.

. . . Those who genuinely feel compelled to leave their own countries should seek protection in the first safe country to which they come."

Applications can be deemed "manifestly unfounded" if there is "satisfactory protection for the applicant in another country," or "clearly no substance to the applicant's claim to fear of persecution," or if "the claim is based on deliberate deception or is an abuse of asylum procedure."

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## ***Australia in uproar over homosexuals in military***

The Australian government's recent decision to allow homosexuals to serve in the Armed Forces has created a storm of controversy. The principal opposition party says it may overturn the decision, if it comes to power in the next election.

"I don't believe in general homosexuals should be discriminated against," Alexander Downer, the Liberal-National coalition's defense spokesman, told reporters. "But . . . if the service chiefs tell me that they want to reverse the decision . . . then we'll act on the advice of the service chiefs," he said.

Australia's defense chiefs had opposed lifting the ban on homosexuals, saying this would affect morale and threaten discipline. Labor Party Prime Minister Paul Keating called the move "in line with the tolerant attitudes of Australians generally."

Fred Nile, a leader of the Christian party Call to Australia, condemned "the disgusting, limp-wristed decision" of the Keating cabinet and predicted a voter backlash against Labor in the next general elections. "Homosexuals should receive counseling and help, not training on how to kill people," he said.

# *Briefly*

● **THE ORGANIZATION** of the Islamic Conference, consisting of 47 Islamic countries, has vowed to put pressure on the U.N. Security Council to intervene militarily to end Serbian aggression against Bosnian Muslims. OIC foreign ministers met in Saudi Arabia on Dec. 1. According to the group's secretary general, they are requesting an end to the military embargo on Bosnia "so the Muslims can have weapons."

● **ISRAELI** soldiers were killed in a recent military exercise whose purpose was to plan the assassination of Hezbollah chief Sheikh Hassan Nasrallah, according to a report in the *Miami Herald* on Nov. 25. Although the death of the soldiers had been widely reported, this fact was never revealed.

● **NEO-NAZI** groups from around the world were scheduled to meet in secret near Stockholm, Sweden, during the last weekend in November, under the banner of the World Anti-Zionist Congress. After reports of the conference appeared in the German press, the place was abruptly changed to a secret location outside Sweden.

● **SPAIN'S** Catholic Church is organizing Spanish families to take Bosnian refugees into their homes, and 20,000 have done so, sources report. The church arranged for several trainloads of supplies to be dispatched to Bosnia and Croatia, and is holding parish meetings where families are solicited to take refugees into their homes.

● **COCOM**, the Coordinating Committee for Multilateral Export Controls, which was formed during the Cold War to deny advanced technology to communist countries, has been dissolved. In its place, a 42-nation COCOM Cooperation Forum has been created, to impose a regime of technological apartheid against Iran, Iraq, Libya, and other countries that are on the outs with the "new world order."

## U.S. put terrorists in power in El Salvador; Colombia next

by Gretchen Small

For several years now, *EIR* has charged that in the hypocritical name of "democracy," it is *the active policy of the United States government to foment and bring to power communist narco-terrorist forces in Ibero-America*, as the most efficient means to eliminate those institutions and cultural traditions which have guided national development in the region throughout its history. We warned that unless this policy is denounced for what it is, no effective means can be found to stop it.

Many dismissed *EIR*'s evaluation as an "exaggeration," the result of "extremism."

Recent revelations regarding El Salvador demonstrate that we have been right, and the skeptics, dead wrong. What is happening under the U.N.-run "peace accord" in that country is that the military is being dismantled and the country handed over to the Farabundo Martí Liberation Front (FMLN), the Marxist insurgency of the Americas most closely allied with the Castro dictatorship for the past 12 years. FMLN leaders, even as they now sip liqueur at U.S. embassy parties, join the Cuban Communist Party in the leadership the São Paulo Forum, a sort of New Age regional "Comintern" tailored to the "post-Cold War" fantasies of Washington.

### Caught red-handed

This could not have happened without the intervention of the United States, as participants in the Salvadoran supranational accord now acknowledge freely. In the pages that follow, we publish a shocking report on the discussions which took place during a three-day "International Seminar

on Peace Negotiations" organized by the Jesuit-run Center for Research and Popular Education (CINEP) in Bogotá, Colombia over Nov. 24-26. Featured speakers at the seminar included several officials of the Central American University in San Salvador and others who played key roles in implementing the supranational "peace" accord now being imposed upon El Salvador.

The topic under discussion was how the FMLN's friends in Colombia could repeat the success in El Salvador. Modifications would be required, but the CINEP conspirators identified the following factors as crucial features of the "peace" fraud operation:

- El Salvador served as a "laboratory" to establish the principle of limited sovereignty as global law. While the U.N. operation in El Salvador is unprecedented, and in violation of the U.N. Charter which prohibits it from intervening in internal conflicts, conference participants cheered at the news that the U.N. Charter is to be changed this year, to eliminate "unconditional respect for national sovereignty."

- The U.N. accord is designed to build up the FMLN as a political force, by providing the FMLN land and money to hand out to the peasantry. "This will mean . . . votes, many votes," one Salvadoran participant grinned. (No wonder that the FMLN has just requested the United Nations keep its mission in El Salvador until the 1994 national elections are held!)

- The United States was, and is, "key to force the [Salvadoran] government to obey the accords." U.S. pressure can be direct—as it was in November when U.S. Gen. George



Joulwan, head of the Southern Command, and Joint Chiefs Chairman Gen. Colin Powell delivered an ultimatum to the Salvadoran military—or applied through fronts, such as the Group of Four, which threatened economic blackmail against El Salvador on behalf of the United States. President-elect Bill Clinton has already informed the Salvadorans that his administration will continue the Bush administration policy full force, participants reported.

- Press coverage favorable to the terrorists is so crucial to selling “peace accords,” both internationally and to a hostile local population, that the press must  *censor*  reports of guerrilla atrocities, participants insisted—a tactic well-used in El Salvador, where the international media promoted the FMLN as “fighters for justice” against a military painted as brutal and owned by the “oligarchy.”

Thus, the question today in Colombia, the CINEP conferees stated, is that if the FMLN military offensive of November 1989 served to bring in the international “mediators,” cannot the current bloody warfare of the Simón Bolívar Guerrilla Coordinator in Colombia bring about the same result? Already, the leading Colombian group in the FMLN/Cuban São Paulo Forum, the M-19, has called for the United Nations or an “independent commission” to replicate the Salvadoran experience with supranational negotiations.

In Colombia, the guerrillas have gone on a rampage since October, bombing the oil pipeline repeatedly. The M-19 pulled out of the government, the better to position itself for an international “mediation” effort.

### **On balance, a disaster**

The peace accord is nearing its final stage in El Salvador. Following ultimatums delivered by U.S. military and diplomatic officials in November, the government of El Salvador has presented plans to purge the Armed Forces of all officers unwilling to accept the takeover of the country by the communist FMLN. According to a list released by the Non-Governmental Commission of Human Rights of El Salvador on Nov. 30, some 223 *officers* are to be purged by the end of the year, beginning with Defense Minister Gen. René Emilio Ponce and his deputy Gen. Orlando Zepeda.

The list was prepared by a commission appointed by the United Nations with the approval of the FMLN, and given the task of “purifying” the Salvadoran military of officers *accused* of human rights abuses or deemed “incapable of living under democracy.” Its deliberations were carried out in secrecy, no justifications were provided for its decisions, and no appeals were allowed.

*EIR*'s Bogotá correspondent talked to one military officer just back from a tour of duty in El Salvador with the United Nations mission. He summarized the situation, saying, “The peace [which] the U.N. has imposed consists of the gradual delivery of power to the Marxists. The United States and the U.N. decided to give power to the FMLN.”

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## Documentation

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### U.S. gave the FMLN its greatest victory

*Jesuit priest Rodolfo Cardenal, assistant dean to El Salvador's Central American University, who was in Colombia to give a series of presentations on the Salvadoran peace process, participated in the International Seminar on Peace Negotiations held on Nov. 24, 25, and 26 in Bogotá which was organized by the Center for Research and Popular Education (CINEP).*

“The peace agreement in El Salvador would not have been possible without the backing of the United States. Nothing can be done in Central America without taking into account the approval of the United States,” Cardenal declared in response to a question from *EIR* during the CINEP seminar.

“The United States wanted to negotiate since the end of the Cold War. The United States suggested the formation of a group of ‘friends’ of the U.N. secretary general, made up of Colombia, Mexico, Spain, and Venezuela, to avoid resistance to the direct participation of the United States. I want to say, as I have said in all my presentations, that the pressure of the group of four friends has been fundamental in resolving the three crises that have emerged during the peace process.

“On these three occasions, the Salvadoran government had refused to comply with the agreements and the group of four friends economically blackmailed the Salvadoran government. Venezuela and Mexico threatened to suspend subsidized oil sales, Colombia and Spain threatened to begin a trade blockade, and the United States threatened to stop buying coffee from El Salvador.

“The participation of the United States has been key to forcing the government to comply. For example, in the last crisis, the military officers who, according to the agreements, had to leave the Armed Forces for having violated human rights or because they were incapable of living under a democracy, were ready to make a coup d'état. I'm talking about a few days ago. They thought that Bush no longer governed the United States and that Clinton was not yet President, and so that this was the moment to make a coup d'état. But Bush and Clinton jointly informed the government that both supported the agreements, and forced it to comply. At the same time, the chief of the Southern Command [Gen. George Joulwan] and the chief of the U.S. Joint Chiefs of Staff [Gen. Colin Powell] went to El Salvador and met with the officers,



*Atrocities committed by the Shining Path terrorists in Peru, the friends of El Salvador's FMLN. When the Salvadoran guerrillas launched their famous 1989 "offensive," Shining Path fighters joined them. This was the first step toward the phony "peace accords" imposed on El Salvador by the United States. Peru, Colombia, and other nations are now targeted for the same treatment.*

and warned them that the United States would not permit a coup d'état in El Salvador. In that way, a coup was prevented.

"On numerous occasions when the U.N. secretary general could not resolve some problem, he called on the four friends. If the four friends could not resolve the matter, or it was considered more a matter for the United States, then the U.S. intervened."

During his public conference, Cardenal stated that the most important victory of the FMLN in the peace negotiations has been winning the distribution of 200,000 manzanas (approximately 180,000 hectares), "which is going to be viewed as the FMLN's most important social triumph, since that figure represents more lands than have been distributed under the agrarian reform in all of [El Salvador's] history." These lands were distributed under the command of the FMLN, and will be administered through cooperatives that will receive official government credit. "Of course, this in the future is going to mean votes, a lot of votes."

The most critical point leading to the rescheduling of the agreements was the "purging" and restructuring of the Armed Forces, said Cardenal. The crisis occurred at precisely this point. The government at one point argued that it had already demobilized its rapid-deployment battalions. But in truth, what they had done was transfer the personnel to other battal-

ions. The most serious crisis came on Oct. 31, when the FMLN threatened to withdraw from the agreements because the purging of the Armed Forces had not been carried out. "The United States and the 'friends' intervened, and the rescheduling was carried out."

A committee of three famous lawyers was set up to carry out the purge by indicating which were the officers who had violated human rights or who were "incapable of living in a democracy." In the beginning, people didn't give two cents for the success of this commission, since they were civilians without any apparent power. But "when the commission delivered its report and the scandal broke out and the reaction of the military was made known, then the success of that commission was evident," he said.

According to the report, some 115 military officers are to be relieved of duty, meaning the entirety of the military command would be changed, he explained. The defense minister, all the generals, and all the lieutenant colonels would have to go.

When *EIR* asked if the FMLN expected to win the next elections, Cardenal responded: "In my opinion, the FMLN shouldn't win the presidency and shouldn't have this as its immediate objective. The FMLN is not prepared to win the presidency. I have talked with them, and the majority are in

agreement. Many FMLN leaders think that it were better now to consolidate forces, in the towns, in the assembly, and to allow the right wing to take the presidency and discredit itself by trying to solve the economic crisis. I think the FMLN has learned the lesson of Nicaragua well."

Cardenal also said that the agreement in El Salvador was possible because "the FMLN acquired the status of a belligerent force," and because the first agreement that was signed between the FMLN and the government was "that of human rights," with very precise clauses and with international supervision by the United Nations "which prevented either of the parties from evading their commitments."

### **U.N. official: El Salvador is our laboratory**

*EIR's Bogotá bureau filed the following report on the discussion which occurred during the Nov. 25 panel on "The United Nations and Its Role in Non-International Armed Conflicts," part of the International Seminar on Peace Negotiations organized in Bogotá, Colombia by the Center for Research and Popular Education (CINEP).*

"The intervention of the Organization of the United Nations in El Salvador is highly novel and unprecedented. It is the first time that the U.N. has a mission in which it intervenes in an internal conflict," stated Angel Escudero Paz, a U.N. official representing that organization in Colombia. This intervention, he stated, "corresponds to the new role the United Nations has played since the end of the Cold War."

The official said that although Article 2 of the U.N. founding charter establishes that there should be no intervention in member nations without the approval of the nation subject to the intervention, and establishes unconditional respect for national sovereignty, "there is a new orientation in the United Nations that will lead to a change in its charter next year, despite the fact that the charter is not changeable every year."

"This new orientation has been expressed both by [former Secretary General Javier] Pérez de Cuellar and by [Secretary General Boutros] Boutros-Ghali," who have defended the idea that "when there is systematic violation of human rights, national sovereignty cannot be used as a shield to prevent U.N. intervention." Thus, a change in the United Nations is expected this year "to address this new reality."

Another of the changes that is going to be carried out, he said, has to do with the U.N. Security Council. There will be more permanent members of the security council and the right to veto will be eliminated. "This is the context in which the United Nations took charge of the peace mediation in El Salvador."

Afterwards, Carlos Guillermo Ramos, director of a study center at the Central American University in El Salvador, stated that "El Salvador is a kind of laboratory for the United Nations, a sort of experiment, these are words that I like to use, but they are the truth, a laboratory which, if it works,

will begin to be applied to other countries in the world."

Ramos, however, criticized the double role of the Onusal mission as cease-fire verifier and supervisor of the human rights situation on the one hand, and at the same time the diplomatic negotiator. According to Ramos, this dual role has prevented Onusal from truly denouncing human rights violations for fear of creating diplomatic problems with the Salvadoran government.

Mrs. Myriam Meléndez, from the El Salvador office of national reconstruction, continued with a report on all the agreements signed with the FMLN under the supervision of the United Nations since 1989: the San José Accord, the pacts of Geneva, Caracas, Costa Rica, Mexico, and New York, in addition to the Chapultepec agreement signed in January 1992. Meléndez revealed that with international support, some \$250 million had been obtained for national reconstruction—of which \$120 million was given directly to former FMLN combatants to obtain housing.

Jesús Antonio Bejarano, Colombia's ambassador to El Salvador and former government negotiator with the FARC and ELN guerrillas, also spoke at the forum. There are major differences between the peace process in El Salvador and Colombia, he stated. He began with the fact that the U.N. directly entered El Salvador because the United States wanted it to, and El Salvador depended—and still depends—on the United States, beginning with the Salvadoran military's dependence on U.S. handouts. In the second place, he said, the conflict in Colombia is not "generalized and polarized" as it was in El Salvador. Thirdly, the conflict in Colombia is not an East-West conflict as it was in El Salvador.

"Coercion by the United States was key to the El Salvador peace process. The formation of the group of four friends was also at the U.S.'s request," said Bejarano.

In El Salvador, the mutual lack of confidence between contending forces was resolved through coercion. There are 1,000 U.N. officials in El Salvador supervising the cease-fire. Of these, 700 are military personnel, 150 are police, and the rest are human rights specialists. In the Colombian case, the only solution for resolving the mutual distrust of the conflicting parties is the government's proposal that the FARC and ELN establish themselves in delimited geographic areas. In the case of El Salvador, when there was a violent incident, there were only two hypotheses: It was either the FMLN or the Army. In Colombia, there are at least 12 hypotheses: It could be any one of the different guerrilla groups, the paramilitary squads, the drug traffickers, the common criminals, etc. Only if the guerrilla is established in very specific and controlled geographic territories, argued Bejarano, could a cease-fire be verified in Colombia.

Alejandro Valencia Villa, University of the Andes professor and CINEP collaborator, followed Bejarano. "One asks oneself if a comparison could be made between November 1989 in El Salvador and November 1992 in Colombia.

One could say that one of the conditions missing [in Colombia] is a generalized guerrilla offensive like that which occurred in 1989 El Salvador. We would have to wait until March 1993 to know if here, too, the conditions exist for a peace intervention by the U.N.”

He added that the Salvadoran process has yielded several lessons for Colombia. The first is that in El Salvador, the negotiations were never interrupted by military actions on either side, as has happened in Colombia. The second is that the negotiations and dialogue were never restricted as to subject matter, nor was any theme considered postponable, while in Colombia the government did not want to discuss certain issues. The third lesson is that a human rights agreement was signed well before the cease-fire was signed.

Colombian Ambassador Bejarano intervened at this point to insist that in Colombia, human rights protection agreements had indeed been signed and that international observers had been accepted, but that the problems of violence in Colombia were much more complex than in El Salvador, while at the same time they corresponded more to internal factors that had to be resolved by the Colombians themselves.

### **The press must censor terrorist atrocities**

*During the Nov. 24 presentation, CINEP collaborator and “independent” television journalist Ramón Jimeno spoke about “The Media in the Peace Negotiations.” Jimeno is the author of a book on the M-19 terrorist assault on the Colombian Justice Palace in November 1985 entitled The Two Occupations (Las Dos Tomas), which presents the terrorist takeover and the military “seizure” of the palace as comparable.*

Jimeno complained of the way in which the press covers military confrontations during peace talks. He complained that on various occasions, guerrilla actions were used as a pretext to suspend dialogue and that neither the journalists nor the owners of the media understand that during a dialogue process where there has been no cease-fire yet declared, “what the military forces of both sides try to do is express themselves with a show of force and to position themselves better for the negotiations.” He criticized the press for describing the guerrillas as common criminals, and protested that the government had put a price on the heads of the guerrilla chieftains.

He stated that the press had shown its weakness vis-à-vis negotiations with the drug traffickers and guerrillas following the kidnappings of such famous journalists as Francisco Santos, son of *El Tiempo*'s director, and Diana Turbay. According to Jimeno, before those kidnappings, *El Tiempo* had opposed negotiations but that afterwards, the newspaper had changed its line and granted space to the demands of the traffickers in its pages. Thanks to that, said Jimeno, there were negotiations with the narcos and that focus of violence ended.

According to Jimeno, when the military operation cur-

## **U.N. military intelligence says FMLN has no backing**

*A military intelligence source from the United Nations Organization in El Salvador (Onusal) offered the following on-the-ground observations of the situation in El Salvador to EIR following the Nov. 25 conference in Bogotá, Colombia organized by the Center for Research and Popular Education (CINEP):*

I have had the opportunity to talk with peasants, with the guerrillas, and with Salvadoran Army officers. The peasants did not support the FMLN. Rather, they feared the FMLN because if they didn't collaborate, they could be killed. The FMLN was never a large organization, nor did it have a chance of winning a military victory.

The FMLN's actions were only massive in 1989, when they announced their great offensive to take power. In fact, they always carried out very small attacks with mortars, which could be carried out with three people in a Renault-4 who later fled. These small attacks were magnified by the international press. Their actions were simply terrorist. A few people could plunge a city or a population into darkness, and these were the great attacks.

The FMLN's famous 1989 offensive, which was in fact the beginning of the peace accords imposed by the United States, was really no such thing. That offensive was carried out by men lent from Nicaragua. Nicaragua sent 7,000 men, and the offensive was carried out with 12,000. The other 5,000 were squads of children under 15 years of age, headed by some “internationalists.” These “internationalists” were Cubans, Colombians, and Peruvians who went to support the FMLN offensive. That is, they were from the FARC, ELN, Shining Path, the

rently ongoing has failed, “the example of the M-19 will become more important. Its legalization demonstrated that it did not pose any threat to the institutions and to democracy. No matter how many concessions are granted to the guerrilla coordinator [FARC-ELN], this will not pose any threat to the institutions.”

At the conclusion of Jimeno's presentation, CINEP director and Jesuit priest Francisco de Roux complained of the bloc formed by the Colombian media association Andarios, whose members published a joint declaration accepting the press censorship established by the state of emergency, which prohibits the press from giving publicity to the terrorist groups. De Roux said that only *El Colombiano* criticized the Andarios position, and that later both *El Tiempo* and *El Mundo* editorial-

MRTA. . . . To give an example of how important the role of these "internationalists" is, the director of [the FMLN's] Radio Venceremos is a Colombian.

That offensive was a military failure, and afterwards it was very difficult for them to recoup. But at that moment, the idea of "the peace" and the idea that nobody could win was sold. . . . At the same time, the FMLN could only operate with international support. Apart from Nicaraguan backing, there were the refugee camps in Honduras administered by the International Red Cross. In those camps, the family members of the guerrillas received food, health care, and housing, while the other victims of the conflict who were not guerrillas remained without any kind of assistance.

But the guerrillas also went there to rest and recover from their wounds. When they were on Salvadoran territory and the Army chased them, the guerrillas would go to these sanctuaries [no-man's lands along the disputed border between El Salvador and Honduras] and there the Army was restricted. Honduras never dismantled the guerrilla camps for fear of international reaction. . . . In the Red Cross sanctuaries, there were also "Doctors without Borders," who cared for the health of the guerrillas and their families. All of them were Europeans, primarily French. There, recently graduated doctors did their rural internship.

On numerous occasions, the Red Cross intervened to assist the guerrillas logistically. Sometimes the guerrillas were besieged and the Red Cross would enter, allegedly to assist the wounded, but in reality it was to re-supply them.

The most important military victories of the guerrillas were in the diplomatic negotiations and on the streets of U.S. cities, and not on the battlefield. The first thing they demanded was the dismantling of the rapid-deployment battalions. These were a few battalions with their own

aerial capability which enabled them to immediately respond to any FMLN action. This capability, for example, doesn't exist in Colombia, where soldiers have to be transported by land with the serious threat of being ambushed.

The guerrillas today are the ones who are judging the military, to determine who will be promoted and who will not. Three years ago one saw an army in combat. Today one sees a headless, demoralized army, which is going to be reduced by half and which in time will be completely infiltrated by subversion, because it is subversion which is determining the promotions.

Thus, one can summarize the peace the U.N. has imposed as consisting of the gradual delivery of power to the Marxists. The United States and the U.N. decided to give power to the FMLN.

Now the guerrillas are going to have land, cooperatives, administration of credit, and they are going to obtain the votes that they never had before. They are also going to have money from the state, while the only obligation of the guerrilla is to demobilize. They can say they are handing in all their weapons, they can present the same guerrillas over and over again and receive new identification to legalize themselves. Since there is no control, the guerrillas can receive two or three different identifications, and the FMLN can claim that it has already demobilized all its men. Within three years, the state is not going to have any defense, because that has already been destroyed by the peace agreements, and any little group can overthrow a decapitated, demoralized, and infiltrated army.

The guerrillas which before mortified the people by demanding their quotas of money, their collaboration, and who used serious threats to get it, will continue to threaten and demand; only now they will be wearing police uniforms, and now they will receive their quota not only from the citizens, but also from the state itself.

ly attacked *El Colombiano* for having done so.

De Roux accused the owners of the media who signed the Andarrios communiqué of "negotiating the consciences of their journalists." Immediately, one of De Roux's collaborators reported that in the city of Cali, the political studies department of the Jesuit Javeriana University conducted a poll in September which claimed that 73% of the population favored dialogue with the guerrillas, while a second poll conducted in November showed that 83% of the people favored a military solution.

According to De Roux, the guerrillas had done nothing extraordinary to make the people change their minds. The only thing that had happened was that the press decided to oppose the dialogues and to seek the military option. "Thus

is demonstrated the press' ability to manipulate, and how they consider themselves the owners of public opinion."

During the question and answer period, an incensed journalist denounced the terrorist actions of the guerrillas during the negotiations, and asked if CINEP was asking the press not to report on "*boleteo* [a form of protection money], extortion, kidnapings, assassinations, and *vacuna*," a variant of extortion. Jimeno responded that it was a fact that the official army financed itself with taxes, which were a kind of *vacuna*, and that all of these guerrilla actions were simply methods of tax collection to maintain themselves. "If one wants to be objective, one must unify one's language. Either you call the army's being financed by taxes *vacuna*, extortion, and *boleteo*, or you call these guerrilla actions tax collection."

## What the British taught the Nazis about eugenics

by Mark Burdman

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### **Eugenics, Human Genetics and Human Failings: The Eugenics Society, Its Sources and Its Critics in Britain**

by Pauline M.H. Mazumdar  
Routledge, New York, 1992  
373 pages, hardbound, \$74.50

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Pauline Mazumdar's book is written in an objective, academic manner, often with technical sections that would tend to appeal only to someone with a professional interest in genetics, and her objectivity often makes it impossible to know what her moral attitude is toward the subjects she is describing. While these three elements conspire to make *Eugenics, Human Genetics and Human Failings* tedious reading at times, this problem is more than balanced by the fact that the book is dense with explosive material about one important trend in the thinking of British political, scientific, and intellectual elites from the period of the 1880s until the Second World War. Paradoxically, the dry, objective tone has the effect of making such material all the more shocking, and her devotion to her subject-matter has produced a lot of useful research. Mazumdar has written a book that is required reading for those seeking to understand crucial features of the last 100 years of history, particularly the period from roughly 1880 to the Second World War, and to counter the simplistic notions of this period purveyed in our media and university textbooks.

For all the voluminously documented crimes of the Nazis, the fact is, leading British circles were the earliest

proponents and developers of eugenics, a pseudo-science that these British influentials—including Charles Darwin's cousin Sir Francis Galton and various sons of Darwin, members of the Huxley family, International Monetary Fund founder John Maynard Keynes, and others—concocted to promote the reduction in numbers, if not the eventual elimination, of categories of people whose existence was undesired by them. Such undesirables were, in the earliest years of the history of the Eugenics Education Society (the name of the group at the time of its founding in 1907), referred to dismissively as “the residuum” and later as “the paupers”; in order to study them, the eugenics mob sponsored so-called “Pauper Pedigree Projects,” to reinforce the notion of “social class biologically defined.” Eventually, the name “social problem group” was used, to describe what is today often termed “the underclass.”

According to Mazumdar, “from its beginning in Britain, eugenics spread to many other countries,” creating a kind of “eugenics international.” It was the British eugenists who, years before the Nazis existed, synthesized the philosophical ravings of the late 19th century's Friedrich Nietzsche about the *Übermensch* (“Superman” in English) into a coherent thought-matrix, to justify measures against what Nietzsche labeled “the inferior race.” It was these same Britons who, starting about 1930, together with the Rockefeller Foundation and related circles in the United States, promoted the work of the notorious German race scientist Ernst Rüdin, including into the 1933 period when Rüdin's work provided the basis for the Nazis' compulsory sterilization law, and then used his work to promote eugenics measures in Britain. Beginning in 1929, the same individuals launched the institutions of the neo-malthusian population control movement. It

was Sir Francis Galton, the proponent of “hereditarianism,” who declared in 1883 that the “Age of Eugenics” had begun (the name of the Eugenics Society today is the Galton Institute).

While it was likely not her intention to do so, Mazumdar has provided confirmation for, and added crucial features to, the findings reported in publications associated with Lyndon LaRouche over the past 15 years. Her account complements various researchers’ documentation of the activities of the eugenics movement in the United States, such as the Cold Springs Harbor/Eugenics Record Office group, whose collaboration with their British counterparts Mazumdar mentions, although she omits the Harriman family’s funding of such activities.\* Mazumdar gives crucial leads on the *British origin of and inspiration for* such trends in the U.S.

The book is particularly topical, in a historical period where eugenics thinking is being revived. Under conditions of worsening economic depression in the U.S., Britain, and other “advanced sector” countries, the recent years’ propaganda about “the underclass” can rapidly evolve into an overt racist genocidalist belief-structure, aimed at minority groups. This evolution is discernible in aspects of the propaganda of the American “neo-conservative” movement and in the popularization of the writings of such quacks as the late William Shockley, whose racialist theories were promoted by George Bush when he was a congressman. On a global scale, the same trend is perceptible in the ideology underlying the so-called new world order, a racialist malthusianism that seeks the elimination of “inferior” non-white peoples, under the guise of concern about “overpopulation” and “the ecology.”

Regrettably, Mazumdar doesn’t address this continuity into the postwar era—except for some hints in the concluding pages that the eugenics movement has shifted attention to the Third World—but rather stops at asserting that the classical eugenics movement died out after World War II, mostly because of the emergence of the “welfare state,” and also because the Nazis had so discredited eugenics in the public mind. She doesn’t take up the issue of its reemergence in new forms and guises. Also, in making what seems to be the correct claim that the British version of eugenics expressed a concern with *class* much more than the American and German versions, which were more concerned with *race*, she goes too far in downplaying the racialist element in the British case.

But, hopefully, a debate on this point is now beginning in Britain. On June 20, the London *Guardian* reported the findings of British researcher Clive Ponting, on the late Winston Churchill’s support for sterilization and forced detention of “mental degenerates” and “the feeble-minded,” in order to prevent the weakening of the “British race,” especially in light of the growing economic-industrial threat represented

by the U.S. and Germany. The *Guardian* piece is entitled, “Churchill’s Plan for Race Purity.” One of the *dramatis personae* in Ponting’s account, eugenicist Dr. Alfred Tredgold, also features prominently in Mazumdar’s book. Ponting’s biography of Churchill will be published in 1993.

### **‘They should be shipped off to uninhabited isles’**

What Mazumdar shows is that the British eugenicists sought frenetically to document the biological-hereditary determinants of poverty, to provide ostensible scientific proof for the proposition that “pauperism is hereditary” and that “the poor were pathologically different from the rest of the population,” so as to be able to argue that there would be no alternative to dealing with this “class,” than to practice sterilization, involuntary confinement, or other draconian means of control. The “assumed inheritance” of negative qualities made it seem to the Eugenics Society that “if the prolific breeding of this class were not controlled, pauperism and its associated undesirable qualities must necessarily keep on increasing until the direction of evolution of the human race was reversed,” she writes.

“Associated undesirable qualities” could mean just about anything to the British eugenics priesthood, depending on their tastes. They could range from the supposedly inherited quality of “feeble-mindedness,” to alcoholism, criminality, carelessness, improvidence, indifference, unlimited selfishness, unemployment, slum-dwelling, etc. Mazumdar cites the characteristic view of Eugenics Society General Secretary Charles Blacker, that “people who are below average in intelligence should be sterilized, even if they are not actually defectives.” It was this Blacker who actively promoted the ideas of Germany’s Ernst Rüdin. The two regularly corresponded, and Rüdin “sent Blacker a copy of the Proceedings of the Prussian *Landesgesundheitsrat* [state health council] announcing that eugenic sterilization was to be permitted there upon a voluntary basis. This pre-Nazi legislation was the first step towards the compulsory sterilization law, the *Gesetz zur Verhütung erbkranken Nachwuchses*, that was to be passed in July 1933, almost immediately after the Nazi accession. Rüdin is said to have had it already prepared in his desk drawer.”

As Mazumdar shows, many of the studies that were supposed to prove the phenomenon of inherited “undesirable qualities” never discovered very much in reality, and the hard-core eugenicists came under severe attack from certain leading geneticists and others. But nonetheless, the scientific patina that was given to class bias and racism conformed to the *policy intent* of British elites, such that eugenicists often contributed to government advisory committees. For example, Eugenics Society ideas were incorporated in the 1909 “Report of the Royal Commission on the Care and Control of the Feeble-Minded,” which was prepared by a joint committee of members of the Society and the National Association for the Care and Protection of the Feeble-Minded, in-

\* See *George Bush: The Unauthorized Biography*, by Webster G. Tarpley and Anton Chaitkin, Washington, D.C.: EIR, 1992, Chapter 3; and also *EIR Special Report* on “The Genocidal Roots of Bush’s ‘New World Order.’”

cluding Churchill adviser Tredgold. Also, when the "Mental Deficiency Act" came into force in 1914, the Eugenics Society called it "the only piece of English social law extant in which the influence of heredity has been treated as a practical factor in determining its provisions."

More often than not, the eugenists' point was made rudely and crudely, and the most shocking parts of Mazumdar's account appear in her quotes from some of the more candid spokesmen. In 1908, one Dr. Ettie Sayer told the (misnamed) Moral Education Congress, on the subject of "real moral

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*As Mazumdar writes, Rüdin's group in Munich had developed a method of "empirical hereditary prognosis," the "practical result" of which "was to be the selection of diagnostic categories that would require sterilization for the elimination of pathological genes from the population. . . . In 1930, needing more data to support its sterilization campaign, the British Society turned to Rüdin."*

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degenerates": "If diagnosed as so actively anti-social and morally indirigible as to be unfit ever to live among a pure, honest, unselfish and public-spirited people, they should be classified and shipped off to various uninhabited isles." Or, Eugenics Society President Leonard Darwin (one of Charles Darwin's several sons to be involved in the society's work) described the kinship relationships shown in the Pauper Pedigree Projects, as being like "rivers, flowing steadily on wide fronts, carrying on their surface patches of refuse."

From Cambridge, which Mazumdar identifies as a hotbed of eugenics sentiment in the pre-World War I period, the Rev. William R. Inge, Dean of St. Paul's, made a speech on "Some Social and Religious Aspects of Eugenics," in which he stated: "I cannot say I am hopeful about the near future. I am afraid that the urban proletariat may cripple our civilization as it destroyed that of ancient Rome. These degenerates, who have no qualities that confer survival value, will probably live as long as they can by 'robbing hen roosts,' as Mr. Lloyd-George truthfully describes modern taxation, and will then disappear. . . ." One C.S. Stock, in a 1912 document published in Cambridge, praised eugenics research as "likely in the near future to provide us with the knowledge of how to rid society of a great incubus of disease, crime, deformity

and many other 'ills the flesh is heir to.' "

To accomplish its goals, the society formed a "Committee for Legalizing Eugenic Sterilization," with which Julian Huxley was associated, and which was the vehicle through which the Eugenics Society first made contact with Ernst Rüdin in 1930. As Mazumdar writes, Rüdin's group in Munich had developed a method of "empirical hereditary prognosis," the "practical result" of which "was to be the selection of diagnostic categories that would require sterilization for the elimination of pathological genes from the population. . . . In 1930, needing more data to support its sterilization campaign, the British Society turned to Rüdin."

### 'Control of the excessive fertility'

As Mazumdar shows, the eugenics movement, while an outgrowth of the emerging science of genetics, was rooted in the writings of Parson Thomas Malthus, who had been obsessed with the "uncontrolled fertility of the poor and especially the paupers." In 1916, Society President Leonard Darwin stated that the works of Malthus "unquestionably form the starting-point for all speculation on population, and are still valid in substance."

In the last quarter of the 19th century, malthusianism was reinforced by the ideology of "social Darwinism." Mazumdar presents evidence of an interesting shift in British social policy, consolidated during the period from 1859, when Charles Darwin's *Origin of Species* was published, to 1886, when riots by poor people in London terrified "the propertied classes." During this period, the British upper-crust progressively dropped Christian terminology in describing the problem of the poor. There had been a propensity to use the word "charity" in dealing with the poor, even if the *content* defined by that word had less to do with the Christian teachings of St. Paul than with promoting a form of "soft" social engineering, based on the notion that the existence of the "residuum" resulted from lack of sufficient "morals" or "character."

But in the 1880s, "the emphasis changed from demoralization to degeneration, as the growth of social Darwinism added a biological side to the picture of the casual poor." So, while the Charity Organization Society saw "lack of character of the residuum as the underlying cause of all their problems," the Eugenics Education Society felt that "inherited defect in turn underlay the lack of character, and that control of the excessive fertility of these people would get to the root of the matter. The fertility control method that they preferred was that of compulsory detention in state institutions; campaigns for the detention of inebriates, of those with venereal disease and of the feeble-minded were all carried on vigorously in the Society's first few years." As Mazumdar shows, several leading eugenists, such as Churchill's favorite Dr. Tredgold, like Malthus before them, were adamantly against charity, since this would just perpetuate the "residuum." Malthus had warned that charity "would minimize whatever prudential check the poor were prepared to put



upon their fecundity,” and thereby advised against provision of housing to the poor.

In sum, the eugenicists argued that the primary causes of destitution were defects either inherited or transmitted *in utero*, and what emerged, as the elements that came together to form the eugenics movement in the beginning of the 20th century, was a mélange of Malthus, Darwin, and the specific ideas of “hereditarianism” put forward by Darwin’s cousin Sir Francis Galton, the guru of the eugenics movement.

In 1929, such ideas branched out to encompass the issue of population control, with the formation of the British Population Society, which had 20 members, 14 of whom were members of the Eugenics Society, including Sir Bernard Mallet, president of the Royal Statistical Society and president of the Eugenics Society; Julian Huxley; John Maynard Keynes. The British Population Society had its offices within the Eugenics Society’s rooms and was affiliated with the International Union for the Scientific Investigation of Population Problems, headquartered at the Institute for Biological Research at Johns Hopkins University. Economist Keynes, who later was to found the International Monetary Fund, portrayed unemployment as a sign of overpopulation, Mazumdar points out.

### ‘Pernicious doctrine of the equality of man’

Malthusianism and social Darwinism were reinforced in the early 20th century by the influence of the English translations of the writings of Friedrich Nietzsche. The library of the Eugenics Society in London contains the early series of Nietzsche translations, and several books on his work. As Mazumdar notes, “The commentators at this time generally saw Nietzsche as the philosopher of Darwinism and evolution, whose *Übermensch* was the forerunner of a new human race, a master-race.”

Hence, top Eugenics Society figures Havelock Ellis and R.A. Fisher were heavily influenced by Nietzsche, with the latter searching for “a new natural nobility of worth and birth.” Also Maximilian Muegge, a founding member who occasionally lectured for the Eugenics Education Society, wrote in 1909 in the first volume of the *Eugenics Review* that Sir Francis Galton had founded a racial religion: the ideal of the super-man would supply the religious feeling of responsibility which would give the science its popular support. Similarly, there was Georges Chatterton-Hill, a Nietzschean commentator who wrote an article in the *Eugenics Review* in 1912, directly quoting Nietzsche: “In the whole of Europe, the inferior race has now triumphed, in regard alike to their color and their brachycephalic features and perhaps even in regard to their intellectual and social instincts. . . . The race of the Masters and Conquerors is decaying even in a physiological sense.”

Nietzschean ideas were also reflected in the ideas of Ernest W. MacBride, professor of zoology at Imperial College, who organized Eugenics Society courses after 1914. Mac-

Bride had written in 1913: “The lessons which the eugenicist seeks to enforce are written out in flame across every page of zoology: The wiping out of the less perfectly developed and less adaptive tribes is going on daily before our very eyes. If this sort of mental pabulum were supplied to those who are likely to become our public men and leaders instead of the exclusively classical education on which the last generation has been reared, the eugenicists would not preach to deaf ears.” In 1924, the same MacBride railed against the “pernicious doctrine of the equality of man,” because of which, he claimed, the doors of immigration were opened wide and North America had become filled with a vast crowd of Mediterranean peoples, who were “outbreeding” their Nordic neighbors.

From such Nietzschean inputs, it is not difficult to see that the British eugenicists would be attracted to Nazi race science as per Rüdin, nor that one branch of the movement, the “Positive Eugenics Committee,” would, in 1934, be particularly interested in the political measures taken by the fascist governments in Italy and in Germany.

### And the Fabians?

There are two other aspects to Mazumdar’s book that require comment. One is the matter of the field of genetics itself. Mazumdar is a professional in this domain, and because this reviewer is a layman, many details flew by him. From the overall evidence presented, however, it is not so easy to tell what the difference is between genetics as such, and some version of eugenics thinking, and Mazumdar occasionally seems to equate the two. Even those geneticists opposed to the hard-core social eugenics view, favored some notion of social engineering, using genetics research to “improve the race.” From other epistemological and philosophical musings in the book, it would seem that genetics itself is rooted in a kind of deterministic materialism and radical positivism, almost a kind of Gnosticism. Much to the point here, is the comment of T. H. Huxley, one of the main philosophical-scientific inspirers of the eugenics movement, who in 1889 stated his “untiring opposition to that ecclesiastical spirit, which in England as everywhere else, and to whatever denomination it may belong, is the deadly enemy of science.”

The last point, and a somewhat distressing one, is Mazumdar’s ambiguous attitude toward the Fabian and Marxian left in Britain. She seems to sympathize with their critique of the class-based eugenics propaganda, while admitting that the Fabians had their own quite well-thought-out eugenics philosophy, as expressed in some atrocious views quoted by her from Sidney Webb and J.B.S. Haldane, both of whom saw a classless socialist society as a more effective vehicle for introducing policies like compulsory sterilization. However, she omits some of the wildest eugenics views expressed by H.G. Wells, George Bernard Shaw, and others of their ilk. The reader would have to have recourse to others’ researches to fill in this gap in Mazumdar’s otherwise exhaustive work.

# A look at anti-human ecologism's forebear

by Stuart K. Lewis

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## The Life of a Tormented Evolutionist: Darwin

by Adrian Desmond and James Moore  
Warner Books, New York, 1991  
808 pages, hardbound, \$35

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For anyone who's suspected that the Charles Darwin, author of the dominant atheistic modern theory of evolution called "natural selection," had a political and ideological rather than a scientific agenda, this book provides a massive compilation of facts to prove it.

In some 700 pages of text, the authors show that Darwin, who published his *On the Origin of Species by Means of Natural Selection, or the Preservation of Favoured Races in the Struggle for Life* in 1859, was an avid follower of the economic theory of Parson Thomas Malthus (natural resources can't keep up with population) and based his entire theory on malthusian tenets.

The book portrays Darwin's hostility to the concept of *imago viva Dei*, or man made in the living image of God as the crown of creation, which is shared by Jews and Christians. The authors say: "Apes failed to frighten him; the brutalization threat passed harmlessly overhead. What angered him was quite the reverse, the arrogance of those who put mankind on a pedestal," or "Darwin became more and more frustrated by an arrogant theology. 'People often talk of the wonderful event of intellectual Man appearing,' he sniffed, smashing another idol, yet 'the appearance of insects with other senses is more wonderful.' Human chauvinism [sic] now outraged him."

Darwin's disbelief in any spark of the divine nature in man is also evident in the malthusian mechanics of how he thought evolution functions. Instead of a negentropic universe where natural law guides events to a higher state of perfection, Darwin believed the hand of evolution is guided by mechanistic forces, like the magic workings of the "invisible hand" in the economic theories of Malthus and Adam Smith:

"More and more he realized the irony of perfection arising from cutthroat competition. The perfect adaptive nuance was 'the surviving one of 10,000 thousand trials—each step being

perfect or nearly so . . . to the then-existing conditions.' Out of the millions that perish comes the one perfect being."

## Darwin's tradition today

It is also interesting to see how Darwin's anti-scientific tradition persists today. In the forthcoming Spring 1993 issue of the Schiller Institute quarterly *Fidelio* in an article entitled "On the Subject of God," Lyndon LaRouche criticized a recent address by Oxford's Richard Dawkins, which had labeled belief in God a disorder of the brain analogous to a "computer virus." The address had included the formulation: "These are arbitrary, hereditary beliefs which people are told at a critical age, passed on from your parents rather like a virus." Dawkins had added "that 'evolutionary theory' has removed any scientific basis for arguing the existence of God, and said that people who believe in a God who is responsible for the order and beauty of the universe are 'stupid.'"

Dawkins's attack on the coherence of science and faith is just a printout from the beliefs of Darwin, paraphrased by Desmond and Moore as follows: "Habits and beliefs had evolved, inextricably linked to the mental machinery, every instinct, every desire could be located here, each and evolutionary inheritance—even the adoration of God; 'love of the deity [is the] effect of such organization.'" Darwin thought that "instincts pass from generation to generation, coded somehow in the brain." He even thought that "anti-social behavior can be inherited"—a belief later codified by the Nazis.

What kind of person held such views? According to the authors, "Darwin was living on a family fortune, and thrusting a bitter competition on a starving world for its own good." He was a petty English squire who never worked a day in his life and associated himself with the atheistic freethinkers of his day—although he himself was too scared to publicly admit much of their anti-Christian bias. He took over 20 years to publish his theories of evolution because he feared for his reputation. Throughout his life he associated with those who went to séances and those who believed in phrenology (judging people by the shape of their heads) and claimed the "European aristocracy is handsomer than the middle classes."

Darwin collected specimens—worms, barnacles, beetles—his major occupation. He declared, "I am a withered leaf for every subject except Science," and "Orchids moved him more than pipe organs, corals more than the Hallelujah Chorus." He suffered from a severe stomach ailment, the cause of which no one could figure out—to the point of taking quack remedies. His ailments kept him from traveling so much that in 1870s when he went visiting, it was "the first time in 25 years that Charles had been anyone's house guest outside the immediate family." While the great detail was certainly welcome, when the authors described the period to put his life in historical context, or his travels on the *Beagle*, it became a bit much in the last chapter in endless descriptions of Darwin's final days. Who cares about brandy trickling down his beard onto his nightdress, or how many times he vomited?

# Hitler, Stalin, and the nature of tyranny

by Molly Hammett Kronberg

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## **Hitler and Stalin: Parallel Lives**

by Alan Bullock

Alfred A. Knopf, New York, 1992

1,081 pages, hardbound, \$35

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Alan Bullock has modeled this fascinating book in some respects on *Plutarch's Lives*, the classic of the 1st century A.D. in which the Graeco-Roman historian attempted to point up the morals he saw inherent in the study of history, through the device of writing "parallel lives" of the great conquerors and warlords of the age.

Here, Bullock arranges and portrays, through lengthy twin biographies, an incredible scope of 20th-century history, and succeeds in making it a moral history, of the type the ancients often wrote, and most moderns avoid.

The moral and morality which Bullock conveys above all are the value of the individual human person; the inestimable importance of the individual's right to freedom, as expressed best in the remarkable assertion of the Declaration of Independence that all men "are created equal and are endowed by their Creator with certain inalienable rights, that among these are Life, Liberty, and the Pursuit of Happiness." The genius of that phrase lies in the words "Pursuit of Happiness"—the individual's God-given right to a conscience and personality, and thoughts, and happiness, of his own.

Directly drawn from the lives of Bullock's two subjects is the corollary insight that all ideologies which deny the importance of the individual are identical—no matter how opposed they superficially seem.

In the middle decades of the 20th century, the inalienable rights of millions of people were stripped away, and with their rights, their lives. There erupted enormous organized evil in which masses of people participated, and masses of people died; ideologies of death and destruction which were explicitly philosophically opposed to the truths the Declaration of Independence calls self-evident. This 20th-century eruption culminated, like classical tragedy, in cataclysm—War and Holocaust.

Countless books have been written on the Second World War. This one sets out to illuminate the world views that made it possible, the outlook of the two men who, more than any others, made that terrible history.

## **The approach**

Probably the most fundamental way in which we learn, and then may come to understand, history is through biography. What is too vast—and, as with Nazism and Bolshevism, too hideous—to fathom in a mass of fact, can best be seen through study of the lives of the individual actors. Even when history's outcome is radically different from what its makers purposed, it is those individual men who made it, and not impersonal forces.

Therefore, this double biography of Hitler and Stalin, two "great bad men," in Carlyle's phrase, contributes enormously to our efforts to understand what happened in our century.

Comparison of historical figures is usually shallow, at best, but not in this case.

For one thing, the personalities of Hitler and Stalin—born together, like twins, from the irrationalist and monstrous delusions of twin ideologies of the end of the 19th century—collided in the greatest war mankind has ever known. They were each other's Nemeses.

The personalities were very different, in fact, as Bullock shows; so were the ideologies of National Socialism and Bolshevism—and yet, in their effect of terror and misery, remarkably similar, because they shared the premises of utter contempt for human beings' lives and happiness, and hatred for the Judeo-Christian culture that each vowed to destroy. Hitler and Stalin were authentic heirs of the late 19th century's radical rejection of past European civilization based on notions of reason and progress; radical rejection of the civilization which had led to the American Revolution and its assertions about Man.

The two men's commonality is crystallized in the Hitler-Stalin Pact of 1939—that prelude to their shared "great adventure" (as Hitler called it), of blasting Old Europe out of history. Their collision, of course, was the Second World War on the Eastern Front, ultimately destroying Hitler and Nazi Germany, and bringing into the center of Europe the Soviet colossus.

Bullock wrote this book as the Soviet power was vanishing, probably the first major work on Stalin to be written in the aftermath of the Soviet empire. Thus, he was in the position of being able to look back on the Soviet Union, and to write from an intellectual distance which strengthens his insights.

## **The ideologies**

In *Hitler and Stalin*, we are confronted with one man whom we might call the ultimate Romantic, and another whom we might call the quintessential Materialist.

The ideology of Nazism derived from the currents of racist, *volkische* Romanticism best represented at the close of the 19th century by Richard Wagner, the composer of a pagan body of work whose central premise was Un-Reason—or, as Wagner expressed it, the salvific role of the unconscious impulses to destruction (“cleansing”) and re-creation, which he believed were carried as biological properties of the “Germanic peoples.” Exaltation of the “Aryan” (Nietzsche’s “blond beast”), and debasement and hatred for the “inferior peoples,” above all, the Jews. Combined with this, love of Death as being the deepest expression of every true emotion.

This was racial mysticism, found in Wagner, Dostoevsky, and countless lesser figures—and it became Hitler’s particular variant of the ancient heresy of Gnosticism. Hitlerism was, as Bullock says in his 1952 biography, *Hitler: A Study in Tyranny*, the philosophy of the Viennese gutter, the crudest kind of social Darwinism, made into transcendent religious experience. Hitler absorbed its components as a young man in *fin de siècle* Vienna. To this ideology he contributed one thing new: his utter, radical *literalness*. He *practiced* what all the others, from Wagner to the Count de Gobineau, had only preached. A “terrible simplifier,” he put together the bits and pieces of racial villainy and adulation of war which he had imbibed, into a ferocious and systematic world view, at the core of which stood what Hitler called the “saving doctrine of the absolute insignificance of the individual” (and its complement, the infinite value of the “Race”).

Now turn to Stalin’s Materialism. Marxism had had a long theoretical existence when Stalin came to it. “Dialectical materialism,” Vladimir Lenin’s own brand, lay ready-made to Stalin’s hand. Where Hitler was the theoretician of a Nazi movement he himself had hallucinated, Stalin never laid claim to having developed the theory, nor founded the movement, that became the Bolsheviks. His role was as its only “interpreter,” particularly after he had seen to it that all his rivals were dead.

Materialism taught that human beings were socially determined, by physiology, class, economic reality, means of production; and that all history is the product of inexorable forces, economic and material, moving inevitably from one stage in organization to another. In this world view of Stalin’s, the individual is of no consequence at all, certainly not (as for Hitler) as hero or devil. The only real personality is that of the Historical Forces; the human beings are just History’s more or less effective handmaidens, and hence entirely expendable.

### The personalities

Hitler’s god was the race, but more than that, the pagan deity he usually called Providence, whom he believed commanded him to purify the world; a god of war and blood, the god of the “Aryan race,” to whom the ultimate propitiatory

sacrifice was the slaughter of a people chosen by the *other God*, the God of the Bible. And thus, Hitler killed *out of principle*. The extermination of the Jews was not expedient; far from it—the huge machinery involved in the Holocaust was diverted, deliberately, from the effort of “total war.” But the extermination of the Jews was the fundamental statement of Hitler’s beliefs about his god, his universe, and his mission.

Stalin killed for different reasons; for expediency, to remove obstacles—because he could think of no other way to deal with opposition, except to drown it in blood. He killed to slake his paranoia, as well, for he was always terrified, as Hitler was not, that the men around him were plotting against him; that whole classes of people, or regions of the Soviet Union, were secretly scheming his downfall, and that of the grim, inhuman doctrine he represented.

Stalin was a sinister shadow, the paradigmatic *éminence grise* who haunted his country and his countrymen. The ultimate bureaucrat, Stalin achieved and operated his unlimited power through the organizations of the Bolshevik Party and the state institutions which flowed from that party in power. Rarely did he step out before the Soviet public; at bottom, there was no Soviet public. He ran a prisonhouse carefully sealed off from the West, a “workers’ state” in which every worker and peasant was an atom, isolated from all others, fragmented, dehumanized by the crushing power of the state.

That crushing power was expressed by Stalin in 1936 in chilling terms: “Do you know how much our state weighs, with all the factories, machines, the army, with all the armaments and the navy? . . . And can one man withstand the pressure of that astronomical weight?”

Thus, from 1924 onwards, through the 1930s, Stalin starved millions in Ukraine, lest they oppose his devastation of agriculture. He purged the Communist Party repeatedly, killing virtually every party leader who had participated in the Bolshevik coup of 1917, and using the Purge Trials of the mid-1930s to extend his deadly reach into the second, and third, and further levels. He used the mechanism of the Purge Trial to wipe out most of the leadership of the Red Army. In sum: a reign of terror that consumed millions, and fed Stalin’s thirst to murder more.

Although, as Bullock says, it is unprofitable for laymen to debate whether Hitler and Stalin were legally or clinically insane—“for whatever their psychological condition, in neither case did it disable them from functioning as masterly politicians”—there is no question that the core of Stalin’s personality was pathological paranoia. Every other human consciousness was a threat to Stalin; every mind capable of entertaining a thought—even if a thought *in agreement* with Stalin’s own dictates—was an “enemy of the people.” Thus Stalin murdered virtually everyone he ever worked with; slavish obedience and doglike loyalty guaranteed no one’s life. Not only did he kill off all the Leninist leadership of the Bolshevik Party; he killed off the men whom he used to kill

off his colleagues.

Stalin committed breathtaking perfidies with no sign of emotion, not even anger or hatred. There is something unspeakably horrifying about the mood of black humor in which he acted. Just as mind-destroying Marxist-Leninist “dialectical materialism” was the theoretical and cultural expression of absence of humanity, so his own character had the quality of mechanical force, glacial, deliberate, irresistible.

And, as other human consciousnesses threatened Stalin, so they threatened his Materialist world view, in which there were no people, only classes and forces.

How different was Hitler! His whole political career was an unrelenting courtship of the crowd. No bureaucrat, no gray eminence—but the absolute demagogue, the man of the people, always in the public eye, always interacting with his masses, continually stimulated and energized by the swirling mob. Awkward and even shy in private, but supremely confident in the midst of the mass.

In Hitler, we see a man prey to emotional upheaval, from rage and hatred to ecstatic self-identification with his god, a man whose whole life is a battle to impose his monstrous will to power on his *own* personality, first, and only then on the world. Stalin stands before us as a man with no internal conflicts; Hitler, as a man who is entirely conflict, held in check by a drastic effort of Kantian will. Hitler achieved a kind of glacial self-control, himself; a state of remoteness in which, as Hjalmar Schacht once said, “He never let slip an unconsidered word.” But that achievement was hard won; an artificial imposition, by Hitler on Hitler, of his conception of what a world-historical figure must be. At the end of his life, we see in him the psychological wreckage left behind by such a “triumph of the will.”

Like Stalin, he functioned with a horrible efficiency, for which his opponents were no match. But with Hitler, one is conscious of never being very far from the kind of madness the ancient Greeks described as Dionysian: A rigid self-control was required to keep in check an imagination that vaulted so high, it threatened to smash its possessor to pieces, as at last it did.

Where Stalin, with his soulless shark’s eyes, flat and empty, killed untroubled by any emotion, Hitler was a man whose emotions drove him to kill—because it answered compulsions religious in nature, of a religion altogether barbaric. Stalin murdered his closest collaborators, on the off-chance that some day they might threaten him. For most of his life, Hitler turned a blind eye to opposition among the men around him; he murdered people he had never seen or known—men, women, children, babes in arms—because his principles told him to. Stalin was a cynic, Hitler a visionary. Stalin never bothers to justify himself to his intimates; Hitler does so incessantly, to himself as much as to anyone (as in this characteristic remark from September 1941: “I would prefer not to see anyone suffer, not to do harm to anyone. But when I realize that the species [the Race—ed.] is in danger, senti-

ment gives way to coldest reason”).

Of the two, Hitler is more human, strangely—and more terrifying. Stalin is the man without a soul; Hitler, the man who sold his soul to the Devil. That is why, half a century later, when our culture requires an ultimate expression of evil, Hitler is that symbol.

### The meaning

What are we left with? Their likeness lies in their devotion to diabolical views of the world which have made of the 20th century precisely what Nietzsche exultantly foresaw: the age in which God is dead, or marked out to be killed, by the Satanic figures who would storm heaven and make themselves gods.

Among Nietzsche’s hallucinatory writings on this topic is *Ecce Homo* (“Behold the Man”), in which he takes the phrase with which Pontius Pilate refers to Christ, and makes it refer instead to himself—Nietzsche/Lucifer, or perhaps Superman, in the age without God. That godless pride is *the* disease of the second half of the 19th century, and the whole of the 20th; above all, of Hitler and Stalin.

It is to such Luciferian rebellion that Bullock refers when he writes of Hitler’s “commit[ting] the sin that the Greeks called *hybris*, of believing himself to be more than a man.”

Harking back to Greek tragedy, Bullock adds, “No man was ever more surely destroyed by the image he created than Adolf Hitler.” This is more obviously true of Hitler than Stalin. Stalin won the war and died in his bed; Hitler lost on a staggering scale and died by his own hand, confronted by the shipwreck, not only of party and Reich, but of his own personality. Stalin’s shipwreck did not come till many years later, as Bullock writes, when there appeared, scrawled on the Berlin Wall just before it was demolished, “Stalin is dead; Europe lives.”

Of this book, Bullock commented, “Looking back, I cannot think of a better preparation for writing about Hitler and Stalin than a close study of Thucydides, Tacitus, and those sections of Aristotle’s *Politics* that deal with the Greek experience of tyranny.” One should add the great classical tragedians, Aeschylus, Shakespeare, and Schiller. Their plays explore tyranny and its destruction of Man; and tyrants’ self-destruction. In their tragedies we see the effects of that fatal flaw of *hybris*, of overweening pride, in which the tyrant believes himself more than a man, while other men are correspondingly devalued to nothing.

Perhaps the horrors of the Second World War, the demonism of Hitler and Stalin, demand a great playwright to tell their stories; our century has produced none. Still, using this book to look back at the terrible 20th century, we are prodded to understand the central importance of the assertion that God created Man in His image, and each man’s life is sacred to God. The horrors of our century are the result of the rejection of that truth, in favor of a renewed onslaught of paganism.

## Claims of U.S. recovery are a political hoax

by H. Graham Lowry

As the U.S. economic depression continues to deepen, the only noticeable upturn of late has been in the amount of babbling about an emerging recovery. Brought to you by many of the same idiot economists whose policies created the mess, such claims are simply a political hoax, intended to check any inclinations the new Clinton administration might have to undertake any fundamental policy shift.

The latest tea-leaf reader purporting to see prosperity around the corner is economist Robert J. Samuelson, who informed Bill Clinton in a *Washington Post* commentary on Dec. 2 that the economy "is stronger than your campaign rhetoric indicated." Employing the insane logic of the "post-industrial society," Samuelson claimed that waves of bankruptcies and mass layoffs have given U.S. companies "the foundation for sustained growth and higher living standards." Thus "Clinton starts with a strong economic base," Samuelson insisted. "Trying to do too much too soon could backfire. Carter was so itchy to create jobs that he torpedoed the economy with high inflation."

Carter, of course, does not deserve full credit for any such accomplishment. Paul A. Volcker, his chairman of the Federal Reserve Board and the London *Financial Times'* nominee for secretary of the treasury in the Clinton administration, jacked up interest rates to 22% and blew out huge chunks of U.S. industrial and agricultural production. There are already mutterings, from some Wall Street circles, that what the country needs is a new regime of tight money and high interest rates.

Publicly, at least, the Clinton team is reserving judgment on the alleged economic upturn. Robert Reich, the head of Clinton's economic transition team, declared in a Cable News Network television interview Oct. 28, "There's very little evidence that jobs are coming back." Reich also noted

what hundreds of thousands of Americans know first-hand: "Big companies, even to this day, are announcing layoffs."

### Bullish on pink slips

Even the computer and electronics industry, the supposed flagship of the "post-industrial society," is churning out pink slips at an unprecedented rate. Digital Equipment Corp., the nation's second largest computer manufacturer, has cut its work force by almost 30,000 since 1989. Robert B. Palmer, Digital's president and chief executive officer, announced in October that the company might lay off as many as 25,000 more workers over the next two years. During the third quarter of this year, Digital laid off another 4,400 and eliminated 900 more jobs through attrition. Employees told the *New York Times* of Nov. 27 that as many as 8,800 more layoffs would be announced in December. And International Business Machines, the nation's largest computer company, expects to eliminate 40,000 jobs this year alone.

The U.S. aerospace industry, the most crucial concentration of America's modern machine-tool capacity, is virtually going down in flames. On top of massive cutbacks in defense contracts, the industry is reeling from the collapse in commercial orders from the deregulated and increasingly bankrupt airline industry. Pratt and Whitney, one of the leading manufacturers of jet engines, declared six weeks ago that it would eliminate 4,800 jobs—more than 10% of its work force.

General Dynamics soon followed with the announcement that it was laying off 1,680 employees during November and December—40% of the work force producing aircraft fuselages at its Convair Division. In late November, Boeing announced that it would eliminate another 2,500 jobs next year. Hughes Aircraft announced earlier that it planned to

lay off 16,000 workers. McDonnell Douglas, which has laid off 17,000 workers in the last two years at its commercial aircraft division in Long Beach, California, recently announced further production cutbacks for next year.

Waves of already-announced mass layoffs will begin hitting as soon as Bill Clinton takes office, and no sector of the economy will be spared—not even the “magical” marketplace, where employment levels in banking, insurance, and financial services are collapsing rapidly. A dozen major corporations in the last six weeks have announced layoffs in the four-figure range, including a total of 15,000 by just three companies: American Express, Borden, and Bristol-Meyer Squibb. When you add the devastating cutbacks announced by the auto industry, the evidence is more than sufficient to define a national economic emergency. General Motors plans to lay off 23,000 workers in Michigan alone, and nearly 12,000 of those are scheduled for January.

### **The books won't balance**

Another hoax widely peddled by supposed economic policymakers is that the economy will improve if deep cuts are made in the government deficit. After three years of juggling with ballooning budget deficits, California has become the nation's leading demonstration that this economy's books can't be balanced under prevailing policies.

State Controller Gray Davis and Treasurer Kathleen Brown announced in late November that the declining rate of revenue collections could leave the state flat broke as early as April. “There is a distinct possibility that we'll run out of cash before April 15,” Davis told the *San Francisco Examiner* of Nov. 20. “We'd need to borrow money to tide us over until our tax receipts normally arrive.”

But there is no evidence that anything “normal” will happen in depression-wracked California. The threat of running out of cash next spring is underscored by the fact that California already has 120,000 fewer jobs than were envisioned when the current budget was adopted Sept. 2. During the last two years, the state has lost over 800,000 jobs, and currently has more than 1.5 million officially unemployed. Legislative analyst Elizabeth Hill estimated Nov. 19 that California's tax revenues will fall \$5 billion short of the level expected through June 1994.

Deficit projections continue to shoot toward the stratosphere. Already staring at nearly a \$3 billion shortfall for the current year, the state now projects another \$7.5 billion deficit for fiscal 1993-94. Coming on top of a \$25 billion deficit for the previous two years, the latest forecasts bring the four-year total to over \$35 billion! The entire budget for this year is less than \$41 billion. Merely on the basis of past performance, an additional \$10-15 billion shortfall is likely to appear by June 1994. When Gov. Pete Wilson took office in 1991, for example, he estimated that year's deficit at \$7 billion. Within months, the shortfall more than doubled to \$14.3 billion.

The ongoing orgy of budget cuts, intended to cover the deficit, has only accelerated the collapse of California's revenue base. A recent private forecast, for example, projected the elimination of 37,000 public employees by next June, as a result of spending cuts adopted in September. Two months ago, a state commission estimated that cuts in federal defense spending, which cost California 180,000 jobs the last two years, will force another 60,000 aerospace layoffs by 1994. Outright shutdowns and cutbacks at U.S. military bases in the state are expected to eliminate 21,000 civilian jobs as well.

### **The NAFTA menace**

If the next administration is to do anything to reverse this imminent and massive surge in unemployment, it must also discard another hoax—one that Bill Clinton currently embraces. That is the North American Free Trade Agreement, the feverish project of the Bush administration to open up Mexico for the exploitation of Mexican and American workers alike at slave-labor wages. Despite the official claims that NAFTA will bring a bonanza in new jobs, even Lynn Martin, Bush's secretary of labor, conceded in a Senate hearing this fall that NAFTA might eliminate 150,000 U.S. jobs over 10 years.

The AFL-CIO puts the figure at 500,000; and there is abundant evidence that the actual number would run into the millions, as U.S. companies accelerate their relocation to Mexico to take unrestricted advantage of cheap labor. According to a study commissioned by Rep. Marcy Kaptur (D-Ohio), such plant relocations have already cost the state of Ohio alone as many as 43,700 jobs. One automotive parts plant, formerly based in Toledo and paying unionized workers an average of \$13 an hour, now pays Mexicans in Matamoros just \$2.50.

Clinton is already under fire from large sections of the United Auto Workers for recommending union “givebacks” as a way to keep plants open. His continuing support for NAFTA gives the lie to his claims that he intends to launch a major jobs program. At last month's convention of the International Electronics Workers, union president William Bywater called on Clinton to scrap NAFTA, calling the proposed treaty the single greatest threat to what remains of the U.S. electronics industry.

“It's bye-bye to our jobs if we buy this crap,” Bywater declared at the meeting. “The vast majority of Mexican workers will see few, if any, benefits from this agreement,” he added, noting that Mexican workers are currently paid “starvation wages” of 60¢ to \$1 an hour.

If not scrapped, NAFTA must be renegotiated, the IEWU says. It calls on Clinton to insist on a Mexican minimum wage of \$4.25 an hour, the same as the current one in the United States. The union believes that would discourage U.S. manufacturers from relocating south of the border, and further the treaty's alleged goal of enabling Mexican consumers to buy more U.S. goods.

# It's all on tape: 'Kidnapers, Inc.' plot to nab Lewis du Pont Smith

by Warren A.J. Hamerman

On Dec. 14, the trial is scheduled to begin in federal court in Alexandria, Virginia of five men charged with conspiracy to kidnap Lewis du Pont Smith and his wife, Andrea Diano Smith, and to "deprogram" them from their political association with Lyndon LaRouche. In pre-trial hearings at the end of November, Judge Timothy Ellis issued the following rulings:

1) He denied the defense's multiple motions for a delay in trial, more time for discovery, and requests for more discovery from the government.

2) He denied defendant Don Moore's requests to loosen his pre-trial release conditions.

3) He ruled on a government *in limine* (limiting) motion with the following words: "The motion *in limine* is granted with respect to evidence concerning the nature of the Lyndon LaRouche organization insofar as such evidence relates to establishing a motive for the alleged kidnapping. This Court has ruled that motive is not a material element of a kidnapping offense. The motion *in limine* is denied insofar as such evidence may be used to refute the conspiracy charge or to provide an innocent explanation for conduct or statements relied on by the government to prove the elements of the conspiracy to kidnap charge."

The defendants in the case include:

**E. Newbold Smith**, a millionaire from Radnor, Pennsylvania, and father of 36-year-old heir to the du Pont family fortune Lewis du Pont Smith. The elder Smith has collaborated for years with the Cult Awareness Network (CAN), Henry Kissinger, the Anti-Defamation League of B'nai B'rith (ADL), and others in a "Get LaRouche" task force. Eight years ago, Newbold Smith initiated proceedings which led to his son being declared mentally incompetent by a rigged Pennsylvania court.

**Donald Moore**, one of the principal figures in the judicial frameup that imprisoned Lyndon LaRouche. Moore is a former lieutenant of the Loudoun County, Virginia Sheriff's Office.

**Galen Kelly**, of Esopus, New York, a self-proclaimed "cult deprogrammer" associated with the Cult Awareness Network.

**Robert "Biker Bob" Point**, a New Jersey lawyer.

**Anthony Russo**, a former New York City police officer.

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## Documentation

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### Excerpts from the tapes

As part of the public record in the federal case against Newbold Smith, Galen Kelly, Donald Moore, et al., portions of the more than 60 hours of government electronic surveillance have been submitted along with the pre-trial proceedings. We publish a selection of these here, without alteration, from the court transcript. The following abbreviations are used:

**DP**=Douglas Poppa (a government informant),

**DM**=Donald Moore, Jr.

**GK**=Galen Kelly

**UI**=unintelligible

**IA**=inaudible

#### 'Get crazy people to do it'

*From a recorded conversation which took place on Sept. 30, 1992 in Lovettsville, Virginia, shortly before the arrest of Moore and Kelly:*

**GK**: . . . My current state of thinking on it [how to do the physical kidnapping of Smith—ed.] is uh . . . get crazy people to do it. My current thinking of crazy people would be uh. . . .

**DM**: (UI)

**GK**: No. Crazier, ah crazier than that. Either (UI). . . .

**DM**: Is there such an animal that can still breath air?

**GK**: Well, either two, two types of people. One might be bikers.

**DP**: Uh, hum.

**DM**: (laughing) oh, yeah.

**DP**: What's the advantage of using them over what you normally use?

**GK**: I would like to you know divorce myself, uh. . . . I'd like to, I'd like to find Lewis in some safe and secure place.

**DP**: Right.

**GK**: Uh. . . .

**DP**: (UI)



**GK:** I'd, I'd like, I'd like to contract it out somehow and say, look, here's the deal, you go get this guy and deliver him to such and such a place, and let me know, and . . . uh . . . have no part in the in the conspiracy.

**DP:** Right.

**GK:** (UI) you know, involved in the conspiracy, so I would like to just simply contract it out and no have, no role in this or no management uh, involvement in it whatsoever.

**DP:** Right.

**GK:** Now, so you need people who have an organization.

**DP:** Right.

**GK:** And, uh, I think they're even difficult to prosecute, I think they'd be difficult to get a handle on.

**DP:** Right.

**GK:** They all look alike.

**DP:** Right.

**GK:** They disappear, (UI) disappear, they don't talk.

**DP:** Right.

**GK:** Like organized crime, they talk they're crazy.

**DP:** Right, right.

**GK:** Biker (UI) are.

**DP:** Right.

**GK:** It be hard to get a handle on them.

**DP:** Um, hum.

**GK:** I think its in left field but uh, Newbold's suddenly become (UI) with bikers.

**DP:** Uh, huh.

**GK:** The other thing would be if, if I was in such (UI) which I'm not, some military wanna be's that are skilled.

**DP:** Soldiers of fortune people?

**GK:** Yeah, I guess (UI) enough, uh, go after the SAS, and they're pretty talented guys, and they have a limited amount experience, more in the last couple years than usual, thank you, but they want to do something. They're all dressed and I remember talking to . . .

**DM:** All dressed up and no place to go. Right?

**GK:** yeah. They loved the Falklands Islands because, man we've been training for years and we ain't. . . .

**DP:** Right.

**GK:** We never did shit.

**DP:** Right.

**GK:** Maybe, you know, the, the there are guys that really want the glamour and excitement, maybe it's time to direct soldier of Fortune Magazine.

**DM:** Yeah, but we (UI) run the chance of taking one up the stern.

**GK:** Well, that, that, that bothers me with that.

**DM:** Soldier of Fortune thing, now they're startin' to monitor those ads (UI).

**GK:** I'm afraid of that but if I could find a para military operation someplace, so I don't really want to kidnap Lewis myself, I think it's a mistake uh, I think it's a lot of problems. It might just work though, so if it might just work, and i think Newbold is entitled to the shot at it, if you can get some

people that perhaps have the talent, and the wherewithal to grab him, I would like to contract it out and say you guys go do it.

**DM:** That generally fits in with what I have to say about it, because, you know the issue that I made clear from the beginning was you know, I can't obviously in my situation at least right now, uh, stand up and have somebody point that finger at me, you know, the situation and quite frankly, such that, you know I have more than reasonable chance of getting elected [sheriff of Loudoun County—ed.] and if that's the case, we may be able to revisit one of the

**DP:** What

**DM:** Reasonable chance of getting elected

**DP:** Oh, yeah

**DM:** And then, then um,

**DP:** Somebody comes knocking in your door in the middle of uh,

**DM:** Yeah, with a Loudoun County Sheriff's badge and says come with me. So, I think a lot of things can be accomplished as I told Doug and I mentioned to you. you know the sheriff's office does have a black budget. . . .

**GK:** . . . I'm afraid of the Soldier of Fortune, both on a competence level. . .

**DP:** Um hum.

**GK:** and uh, getting stung.

**DP:** Um.

**GK:** Bikers are a different story.

**DP:** Um hum.

**GK:** I could see the (UI) doing something like this.

**DP:** Pagans?

**GK:** Or, you know bike people. Um. I just use them as an example, um, what do you think of their capability of doing, of doing (UI).

**DP:** For money, usually they'll do anything, and the other thing is, are they going to be (UI) what happens if he resists.

**GK:** Oh, he's going to resist.

**DP:** What are they gonna do, they gonna kill him.

**GK:** Felony murder doesn't go down (UI) wrong way.

**DP:** Right.

**DM:** That's a bad resolution, let's put it that way.

### 'It's gonna be messy'

*From a telephone conversation between Poppa and Moore recorded on Aug. 11, 1992:*

**DM:** . . . What, the, the problem that he's got, the problem that I've had all along is especially right now, uh, if kidnapping, and let's call it what it is.

**DP:** Right.

**DM:** Goes Sour.

**DP:** Right.

**DM:** It's gonna be very messy and too this is a big ass dude.

**DP:** Right.

**DM:** And so the chances of it being messy are, are extreme.

**DP:** Right.

**DM:** Are extreme. Uh, you know, if, if, if it would be easier to assassinate him than it would be to kidnap him. . . .

### 'A murder rap'

*From a conversation of Sept. 30, 1992:*

**GK:** Right. So I think we're in agreement as to what Newbold wants.

**DM:** Yes.

**GK:** And therefore, if I was in England (IA) England these days (IA) I would talk to them. I'm a fan of the Soldier of Fortune both on the confidence level and getting fucked. So I think there's a different story.

**DM:** Mm-hmm.

**GK:** I can see the (IA) doing something like this.

**DM:** Pagans?

**GK:** Or, you know, bike people. I just use them as an example. What do you think of their capability of doing this? For money usually they'll do anything. The other thing is are they going to be so gone what happens if they resist?

**GK:** Oh, he's going to resist.

**DP:** What are they going to do? Pick up the phone?

**GK:** Probably murder them black or white. . . .

**DM:** When I say call it quits I guess the thing I'm saying at that point very simply is calling it quits defines itself as a down and dirty this is what, you know. And it may just come down to calling Galen or I'll try and give him a warning of when it's going to blow up and we'll see, you know. In the meantime Galen may or may not make contact with some heavy duty bikers, dah, dah, dah, dah, dah, dah, or a third party.

**GK:** That's the one fear that I have with the biker routine or the mercenary routine, is that something could go wrong and you could wind up with a—

**DM:** Those guys pointing the finger at you.

**GK:** No.

**DP:** No? (IA)

**DM:** Oh, all right. you mean sneakers up in a ditch.

**DP:** Yeah.

**GK:** Yeah. Which my conscience would have a problem with but also scares me.

**DM:** Yeah.

**GK:** I don't get scared of too many things, but that scares me.

**DM:** Oh, yeah.

**GK:** because I can talk my way out of almost any grand jury regarding abduction (IA)

**DM:** Regarding a murder rap or—

**GK:** That's (IA) go right up. . . .

*After further conversation the meeting ends, followed by the following comment from government informant Poppa:*

## Previous victims testify on violent abductions

*Attached to the pre-trial motions in this case is evidence presented by previous victims of Galen Kelly and the Cult Awareness Network. We print verbatim, unedited excerpts from these reports, which are now in the public record:*

### Victim 'A'

On May 5, 1992, at approximately 11:50 p.m., I was walking to my car. . . . While I was walking to my car, I did notice a white van parked along the left curb of 18th Street. The van had markings on its right side, a maroonish red "TR" and then the rest of whatever was there had been painted over with a dull, beige-colored paint.

I walked to the car I was driving, a red Dodge hatchback. I opened the back of the hatch and put in a few bags. At that point two men started walking towards me. They were both dressed in "jungle khaki"—that is, green military garb with "leaves" and other camouflage-type coverings. They had "jungle" pants and boots. One man was approximately 40-45 years old, about 6' (?) tall, with dark, wirey type hair and a slim frame. He had a moustache, rather long and slightly curling at the ends and a beard. The other was also approximately 45-50 years old, about 5'8" (?), with a more stocky build. He had a grey/white/brownish multicolored beard. I think he had blue eyes (determined later from the van ride). Both men were white, the taller one had a more olive complexion (though

**DP:** Adios. (IA)

**GK:** See you later.

**DP:** (door closing) (beep) 1425 hours. I never heard so much bullshit in all my life. Unbelievable. Unbelievable. Yeah, a felony murder's going to be on my conscience. Sick bastard. AMF. Turning off the machine.

### 'We could make a name for ourselves'

*From a tape made on Sept. 30, 1992:*

**DM:** (IA) dollars. You know, even if I (IA) \$1,000 a day kind of deal, \$50 an hour, he (IA). I mean, my phone bill. He [Newbold Smith—ed.] said he was going to help with the phone bill and yet he's never, you know, I guess I've never given him a bill actually as yet. . . . You know, I need to do some of the mechanical things such as I'm going to have to pay for phone bills as well as start the business or something that I need a business account or something like that. There's two packages, the Newbold package and it's a

really it was hard to tell cause it was dark).

As the two men walked towards me, the stocky one started to talk as if to ask me a question. I immediately went to slam the hatch to the car and run to get in the car. At my movements, the two men rushed towards me. I panicked, thinking I was being robbed or murdered and screamed at the top of my lungs. They both grabbed me and threw me to the hood of the car. The taller one had hold of my legs, which he spread apart, at this point I thought I was going to be raped. I felt his crouch up against mine. The other guy grabbed my upper body, twisting my arm and banging me against the car. I was thrashing and screaming as loud as I could: "H-E-L-P! NO-O-O-O! H-E-L-P! NO-O-O-O! . . ."

Next I remember on guy was brutally squeezing my wrist and twisting my arm in a contorted manner and the other guy grabbed my ankles, dragging me across to the van. I tried to grab the sides of the van with my arms to keep from going in. My right leg got caught under the van. Finally, they forced me in, quickly slammed the door and started to drive away. . . . At some point towards the beginning of the ride, I asked the stocky one who he was and he said "Kelly." I said "Kelly who?" and he said "Galen Kelly." . . .

### Victim 'B'

On Tuesday, September 17, 1991, shortly before 12:00 p.m., S\_\_\_ and her friend J\_\_\_ were about to leave their apartment at \_\_\_ Street, Apartment \_\_\_, NY, NY, when she was grabbed by several men. These men were strangers to her and they knocked her to the ground. She did not know what was going on and began to scream

"help", "rape", and "who are you". As one of the men grabbed her, she bit him on the wrist. the men were yelling at her to "shut up". S\_\_\_ was held down on the ground by the men and they pushed her head down. One of the men was saying this was a drug bust and that they had evidence that she was selling drugs. the man said that they were going down to the precinct. S\_\_\_ could not get a good look at their faces because when she was knocked to the ground her glasses were knocked off. She saw one of the men flash a badge at her. S\_\_\_ said that she could not see it and asked to see it again. The man said that that was enough and he did not have to show it to her anymore. S\_\_\_ gave up resisting because she believed she was under arrest and might be charged with resisting arrest. The men picked her up and she continued screaming. . . . S\_\_\_ was held with her hands behind her back and was being dragged out towards a van. . . . Inside the van, in the rear of the van, was her mother. . . . As the van went on, she realized that the man driving the van was her father. . . . Later, when she was at a house in New Jersey (NJ), S\_\_\_ observed the name GALEN KELLY written down on a piece of paper. GALEN KELLY was the same man that S\_\_\_ had observed outside the window of her apartment several months ago. This man was trying to enter their apartment through the fire escape window. . . . GALEN KELLY was the man that S\_\_\_ bit when she was being dragged from her apartment. . . . Once they were at the cabin, the security guards, especially GALEN, kept telling her that she had to stay there. GALEN kept saying, "You're here. Tough. You're going to stay here." . . . One of the captors referred to this process as "deprogramming." . . .

package if we're going to do something then we need to kind of put this thing on, you know, go out and get some business. We're lucky at the other business—I think we could make a name for ourselves relatively quickly.

**DP:** Excuse me, I think you've got to go out and make a name. you've got the name. All you've got to do is market it.

**DM:** yeah, and I think if 60 Minutes could do something, I don't want 60 Minutes to do something six months from now because they'll do it locally. I mean, locally and then 60 Minutes can pick it up nationally when you (IA)

**DP:** Right.

**DM:** Dave Stat is willing to go out and do something in the next couple of weeks and they could get his camera crew out and watch them come out of a building at 11:30 at night, you know? Getting, you know, just get the shot, with the bag, throwing it into the back of the car, looking around, getting in the car and driving off, a couple of shots like that, a couple of long distance shots. . . . You know, that's a

pretty story you can put together in two weeks and you've got a nationally busting story. And then CBS can pick it up later. . . .

### Moore: If LaRouche dies . . .

*From a tape of unknown date:*

**DM:** Yeah, basically that (IA) you know before, well, here's what I think as of this moment. I think that, like you, it's very dangerous to try to pull that stunt. I also say that I don't think we have all the information necessary to make the complete decision. Moreover, even if we decide it's a 'no-go' on kidnapping Lewis, I believe, and as I put the expression to Newbold, we need an off-the-shelf plan in case chaos erupts. Define chaos. Chaos could be everything from a search warrant and a blowout with the FBI, and to stake out Wilmington, Delaware, to stake out the house, to Lyndon LaRouche dying and Lewis is out on the streets so to speak, the organization dies.

# Senate 'October Surprise' report confirms EIR's allegations

by Edward Spannaus

The first of two congressional reports on the so-called "October Surprise" affair has been issued by the Senate Foreign Relations Committee. Despite the misleading impression given by much of the press, the report by no means clears the 1980 Reagan-Bush campaign of involvement in efforts to manipulate the Iran hostage crisis. On the contrary, the carefully worded report in fact supports much of the evidence previously presented on the "October Surprise," and particularly that developed by *EIR*.

In large part, the Senate report, entitled "The 'October Surprise' Allegations and the Circumstances Surrounding the Release of the American Hostages Held in Iran," which was prepared by the special counsel of the Subcommittee on Near Eastern and South Asian Affairs and released on Nov. 19, is a sweeping confirmation of *EIR*'s groundbreaking coverage of this matter going back to 1979-80. As both proponents and critics of the "October Surprise" allegations acknowledge, *EIR* was the first to break the story, and we presented the most thorough investigation of the role of the Hashemi brothers and former Justice Department official (and friend of George Bush) J. Stanley Pottinger. It is obvious that the *EIR Special Report* on the "October Surprise," published last February, was utilized extensively for background and leads by the Senate investigators. The *EIR Special Report*, entitled "Treason in Washington: New Evidence on the 'October Surprise,'" is cited in the first footnote of the Senate report, which is a listing of the most important sources of the "October Surprise" allegations.

At the same time, the Senate report is a striking refutation of the efforts to debunk the "October Surprise" allegations by kept "investigative journalists" and by congressional Republicans. Two examples will suffice. First, the report concludes that William Casey, then the campaign director for Ronald Reagan, "was intensively involved in the hostage crisis and likely was dealing with Cyrus Hashemi, either directly or indirectly." Further, it states, the weight of the evidence shows that Casey "conducted informal, clandestine, and potentially dangerous efforts on behalf of the Reagan campaign" in gathering intelligence on the ongoing hostage negotiations between the Carter administration and Iran.

Secondly, the report notes in its "Final Remarks": "The evidence strongly suggests that Cyrus Hashemi was at least

attempting to play the role of double agent by acting as an intermediary for both the Carter administration and the Republicans." The vigorous denial of Hashemi's double agency has been a key point of attacks on the "October Surprise" theory, especially those published by *Newsweek*, *New Republic*, and by former CIA agent Frank Snepp in the *Village Voice*.

## 'Impossible task'

Senate investigators were operating under severe constraints, both financial and political, which they readily admit "handicapped" their investigation. Their conclusions, which they stress are only "preliminary," must be viewed in that light.

The central conclusion of the report is that "there is not sufficient credible evidence" to support the allegation that there was a secret agreement between the Reagan campaign and representatives of the Ayatollah Khomeini to delay the release of the hostages until after the 1980 election.

The report emphasizes that this is a preliminary conclusion, because reaching a final conclusion was "an almost impossible task." Among the factors handicapping their investigation was the unavailability of certain evidence, and what they describe as "possible efforts to obstruct the investigation." In fact, in commenting on the FBI's "curious" handling of the Hashemi evidence, the special counsel states: "It is conceivable that as yet unreviewed FBI evidence could change those conclusions we are now able to reach."

The financial constraints on the special counsel's investigation were enormous, and were obviously intended to curtail his ability to conduct a thorough investigation. In October 1991, a resolution was introduced into the Senate authorizing almost \$600,000 for an "October Surprise" investigation. Senate Republicans managed to kill the appropriation at the end of November, with Sen. Mitch McConnell (R-Ky.) declaring that "the Senate should not finance a fantasy." As a result, the entire investigation had to be conducted with only \$75,000 of regularly allotted subcommittee funds. (In contrast, the House of Representatives has appropriated \$1.35 million for its investigation, the final report of which will be issued on Jan. 3, 1993.)

In December 1991, attorney Reid Weingarten was designated as special counsel to the subcommittee. He was provided only a small staff, and was not given independent authority

to subpoena witnesses. His request for authorization to travel to Europe to interview former Iranian President Abul Hassan Bani-Sadr and other witnesses was blocked by Sen. Jesse Helms (R-N.C.). Key evidence was either missing (such as Casey's calendars and passport for 1980) or was delayed (such as FBI tapes and transcripts of the Hashemi surveillance in 1980).

The combined effect of the narrow definition of the investigation's scope, plus the obstruction of its conduct, means that the fundamental issues of the treason committed during 1979-80 by Kissingerians in *both* parties who were supporting the Khomeini terrorists, were never addressed in the Senate probe.

As *EIR* warned, many of the "October Surprise" allegations were deliberate disinformation designed to discredit all serious investigation of what happened in 1980. The *EIR Special Report* said that "many of the 'sources' have been deployed for the express purpose of sowing confusion and setting up straw men that can be easily knocked down," and it cautioned that "most, if not all, of the stories about whether George Bush was in Paris in October 1980 seem to fall in this category."

### Useful lines of inquiry

We proposed three lines of inquiry which Congress should pursue: 1) Why did the Iranian leadership reject the offers made by the Carter administration in September-October 1980, and why did they conclude they were better off with a Republican administration? 2) What were Stanley Pottinger and Cyrus Hashemi doing during 1980-81, particularly with respect to the issue of the Iranian assets? 3) Why were Hashemi and Pottinger then protected from prosecution by the Reagan administration for their illegal military shipments to Iran?

The Senate investigation did focus to an extent on the first two lines of inquiry, but also expended a great deal of effort investigating the politically "hot" issue of whether or not Bush was in Paris in 1980. One entire chapter and portions of other chapters deal with the role of the Hashemi brothers and Pottinger, but the crucial issue of the obstruction of justice around the Hashemi and Pottinger cases, of how and *why* the Reagan-Bush administration protected them during the 1980s, was excluded from the special counsel's investigation.

Had the effort that was expended on the wild goose chase of proving or disproving whether Bush was in Paris, been devoted instead to more important issues, the Senate investigation could have been far more productive.

### The assets negotiations

Based upon a review of FBI records released to *EIR* one year ago, *EIR* analysts reached the conclusion that the principal means by which Cyrus Hashemi and his lawyer and business partner Pottinger had sabotaged Carter's hostage

negotiations was on the issue of the \$12 billion in frozen Iranian assets, plus the estimated \$12 billion of the late Shah's wealth. Whereas most other investigators had focused on arms and spare parts, *EIR* showed that Hashemi and Pottinger had conducted an extensive study on the Iranian assets held in the United States, and had provided a report of this to the revolutionary Iranian leadership. At the same time, they were giving contradictory advice to the Carter administration and the Iranians, which would have seriously undermined the Carter administration's negotiating position with the Iranians.

Internal evidence in the Senate report suggests that Pottinger himself may still be continuing this course, by misleading Senate investigators on this issue. When interviewed by Senate investigators on Aug. 17, 1992, Pottinger told them that a trip which Hashemi made to Paris in late November 1980 was to deal with arms procurement issues. However, an FBI report from that period states the following: "On the weekend of November 22 or November 23 Cyrus Hashemi will be traveling to Europe to specifically meet with Iranian officials concerning the Shah's assets and the frozen Iranian assets still remaining in United States banks."

That statement on the reasons for Hashemi's trip is preceded by this: "Hashemi and [deleted] feel that ever thing hinges on the report Hashemi and [deleted] made to the Iranian government on the Shah's assets. Hashemi believes that Iranian government is basing everything on this report. In this report Hashemi had advised the Iranian government that it was his belief that the United States government could do more than they are doing in regards to putting pressure on the United States banks."

Pottinger undoubtedly does not fear focusing attention on the arms issue, because he has successfully evaded prosecution for his involvement in illegally shipping arms and military equipment to Iran—including bombs and explosives capable of terrorist utilization.

In 1984, just as he was about to be indicted, the FBI discovered that it had "lost" crucial surveillance tapes of conversations involving Pottinger and Hashemi. FBI files obtained by *EIR* showed that the FBI had conducted an extensive administrative investigation on the "Pottinger tapes," which apparently ended in mid-1986.

The Senate report adds a curious twist to this strange tale of the "Pottinger tapes." In February 1992, during their second search of a government storage facility in Newburgh, New York, FBI officials located 450 Hashemi surveillance tapes. Included were the four missing Pottinger tapes. The FBI says said that the FBI case agent had found the missing tapes in 1986, and had put them back with the other tapes in storage. The Senate report states that he did this "without informing his supervisor or anyone else at the FBI or the Department of Justice that he had done so." Thus, if the FBI is to be believed, for six years, while the controversy grew around the issue of the missing tapes, they were no longer missing.

## Clinton advisers head for Europe

*EIR* has learned that a number of key economic policy advisers to President-elect Bill Clinton will almost certainly travel to Europe in mid-January for discussions with European and Japanese financial leaders. The venue will be the annual meeting of the Group of Seven Council which, with funding from private banks and other financial institutions, serves as the unofficial secretariat to the G-7.

*Washington Post* financial affairs scribbler Hobart Rowen reported on Oct. 29 (a week before the U.S. presidential election) that the G-7 council meeting would provide Clinton advisers with "the opportunity to dispel any global worries about Clintonomics and to convey Clinton's personal assurances that continued cooperation among the Group of Seven powers has a high spot on the Clinton agenda."

The G-7 council's president, Jay Collins, confirmed that assessment in a recent discussion. "A lot of people in Clinton's camp are telling him that he has to do something regarding the G-7 very soon, especially on currency and trade issues," he said. "This will be the first chance the Clinton people will get after the election to meet with the top European and Japanese finance people." According to Collins, "five or six of the top economics people around Clinton" are expected to attend the meeting, which will take place in Frankfurt, Germany over Jan. 12-13.

Although Collins was reluctant to say which Clinton advisers will participate, he implied that Lawrence Summers, Robert Reich, and Jeffrey Gartner will be among them. Summers, in fact, was one of the council's original founders.

Sponsored by Germany's three largest private banks, the conference

is expected to draw "hundreds of top current and former central bank and government finance officials from Europe, Japan, and the United States," Collins said.

Keynote speakers will include the French finance minister and the president of the German Bundesbank. The agenda will deal with the dollar specifically, and the turmoil in the international currency markets generally, along with the General Agreement on Tariffs and Trade (GATT) and other controversial trade issues.

Collins also indicated that the European infrastructure plan put forward recently by European Commission president Jacques Delors will be discussed.

The meeting will be moderated by Robert Hormats of Goldman Sachs, the Wall Street investment bank which has been the primary financial and political power behind Clinton's candidacy, and which may provide the new administration's treasury secretary—firm co-chairman Robert Rubin.

Hormats told Rowen that the conference will be "timely," since "there has been such a power vacuum on international issues."

## Willie's socialist connection

Clinton's extensive contacts within the Socialist International, especially its European affiliates, are ecstatic over his electoral victory, and are taking it as a sign that their own political stars are rising.

According to Dieter Dettke, who runs the German Social Democratic Party's (SPD) Friedrich Ebert Foundation in Washington, the SPD is "extremely happy" about Clinton's elec-

tion, and foresees working with him closely on such schemes as "worker coparticipation."

Clinton's victory "is a very positive development for the SPD," he said. "This kind of generational change is the same kind of process we saw happening in the Federal Republic in the 1960s, which led to a change of government and a whole new kind of leadership" for the country, he said. He predicted that Clinton's victory "means that we will experience the same thing in Germany by 1994"—i.e., an SPD government.

Dettke said that the "key issue" both in the United States and Europe is "the question of economic policy." He expressed confidence that Clinton "will put an emphasis on investment and infrastructure," and in this context, pointed to Jacques Delors' recent infrastructure proposal as "a very positive development for Europe that creates a parallel to Clinton's program, and will bring the global economy out of recession."

The Delors and Clinton programs are particularly significant in that they represent a revival of "Keynesianism, and if Europe and the U.S. carry out this program in concert, it will be great."

Dettke revealed that the Friedrich Ebert Foundation has had a close working relationship with key Clinton adviser Robert Reich, and that they see in both Reich's writings and in Clinton's program many reflections of the SPD's own economic policy.

"We're basically in sync [with the Clinton camp] on a lot of things," Dettke said, "and we think we can give some good advice to the Clinton administration." The SPD will send a top-level delegation to Washington shortly after the inauguration to meet with Clinton and his advisers, he said.

## Original instruments cantabile

*The Hyperion Haydn Edition "Complete Symphonies";*  
Vol. 9 Nos. 101-2, CDA 66528  
Vol. 10 Nos. 9-12, CDA 66529  
Vol. 11 Nos. 42-44, CDA 66530

*Nimbus Records*

*"Beethoven: The Complete Symphonies on Original Instruments";*  
NI 5144-8 (five CDs), and singly

*"The Hanover Band Plays Haydn," Symphonies Nos. 31, 94, 95, 100, and 104, Horn Concerto No. 1 in D, and works of Michael Haydn and Leopold Mozart; NI 1789 (three CDs), and singly*

The Hanover Band, one of today's best orchestras playing original classical instruments tuned at the Mozart pitch of C=256 (A=430), made a U.S. concert tour Nov. 1-13. *EIR*'s Howard Giske was able to hear them, and speak with conductor Roy Goodman.

*EIR* asked Goodman about the relationship between his childhood experience as a boy soprano, and the "cantabile" (singing) line of his orchestra. This is unusual in original instrument performances, most of which are so fixated on "authenticity" that they produce a strict metronomic "play back" of all the right notes—with no poetry.

Goodman said that while he had no formal voice training as a boy in the Cambridge King's College Choir, singing has moved him to try to bring a "singing style" to his orchestra. For example, he has the string instruments "breathe" between musical phrases, and pause as a human singer would at new ideas, to make each entrance clear.

He also had the fascinating news that Giuseppe Verdi will finally get the A=432 he demanded in the law

Verdi himself drafted in 1884 for the Italian government, still preserved at Verdi Conservatory in Milan. Conductor Christopher Hogwood, Goodman said, will perform Verdi's great "Requiem" in London during December at the Verdi pitch on original instruments.

## The performance

The concert, Giske reports, certainly showed off the capabilities of the instruments. As Goodman told *EIR* afterward, he is "quite conscious" of the distinct registers (different qualities of voice in lower, middle, and high ranges) that his instruments have. Here they are very different from modern ones, which have a homogenized sound, because Wagner and others who "rebuilt" the instruments for the higher pitch deliberately removed much of the registration.

Goodman said it is important to know exactly where the instruments shift register, and to bring out these different registers in the orchestra clearly, to understand a composer's musical idea. In concert, the most clearly audible difference was the wind instruments, especially apparent in the flute and oboe solos and, in the ensemble, the distinct registral voices of the French horns.

Most interesting was the Flute Concerto in G major by Mozart, with Rachel Brown as flute soloist. The "original instrument" flute really showed off its distinct qualities with its deep lower register, its slightly fuzzy middle register, and its bright third register. This added another dimension to the beautiful solo, which Brown used well to give a poetic voicing.

An oboe concerto in C major by LeBrun was a special treat. This piece was only recently unearthed from European archives, Goodman told the audience. The oboe solo by Frank de

Bruine was played with such enthusiasm and an easy "looseness" in phrasing, that it sounded as though he were improvising. Although this was a lighter piece, it really highlighted the registration and sweet tone of the Mozart-era oboe.

## Hanover Band recordings

The Hanover Band, named for the instruments of the Hanover era 1714-1830, when an orchestra was still a "band," has a growing discography. The Hyperion Haydn Edition's "Complete Haydn Symphonies" by the Hanover Band has two releases for the tour, Vol. 10, Symphonies Nos. 9-12 (CDA 66529) and Vol. 11, Symphonies Nos. 42, 43, and 44 (CDA 66530), played with great sparkle.

Because Haydn's later works after the 1782 Haydn-Mozart "musical revolution" are so much more complex, my Haydn favorite remains Hyperion's Vol. 9, with Symphonies Nos. 101 and 102 (CDA 66528), reviewed in *EIR* on Aug. 14.

Of great interest are the Hanover Band's Beethoven "Complete Symphonies on Original Instruments" on Nimbus Records (NI 5144-8), all nine symphonies on five CDs. Beethoven is rarely done this well on original instruments, because he requires much backbone, to be polite, and much humor. This collection proves we can have both Beethoven's instrumental voices, and his great musical ideas—that original instrument Beethoven need not be brain dead.

Also for the U.S. tour, Nimbus has just re-issued a three-CD collection, "The Hanover Band Plays Haydn," including Symphonies Nos. 31, 94, 95, 100, and 104, the Horn Concerto No. 1, and works of Michael Haydn and Leopold Mozart (NI 1789).

# National News

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## Bounty offered for kidnapers of Americans

The U.S. government has offered up to \$2 million for anyone who helps capture pro-Iranian kidnapers allegedly responsible for killing three American hostages in Lebanon. The offer was made in a State Department advertisement in the Saudi-owned, London-based Arabic newspaper *al-Hayat* of Nov. 30.

"There Is a Price We Pay as a Result of Terrorism, and a Price We Will Pay to Stop Terrorism" read the ad's headline. The text, accompanied by photos of Beirut CIA station chief William Buckley, U.S. Col. William Higgins, and a third American, Peter Kilburn, said in part: "There were three American hostages who did not return from Lebanon. Their terrible ordeal did not end in freedom, but ended in their savage execution on the hands of their captors. And to present these criminals to justice, the American government offers rewards up to \$2 million."

The ad is signed by the State Department's Diplomatic Security Service.

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## Who wants casinos on Indian lands?

The presidential campaign of Lyndon LaRouche and the Rev. James Bevel, which has backed Indians' efforts to block establishment of casino gambling on the Standing Rock Reservation in North Dakota, released an exposé of the Swiss, South African, and Israeli organized crime and intelligence interests behind the casinos.

A Dec. 1 statement by campaign spokesman Philip Valenti said: "The Standing Rock Tribal Council is considering a casino contract with Seven Circle Resorts, a subsidiary of Tivolino of Switzerland. The president of Seven Circle is one Brian David McMullan." Valenti said that McMullan worked for Sun International of South Africa from May 1986 until April 1992, and, McMullan's resumé lists him as "responsible for the entire gaming operations" of a

total of 29 resorts, hotels, and casinos located in Botswana, Lesotho, Namibia, South Africa, Swaziland, and four "tribal homelands."

According to Valenti: "One of Kerzner's business partners was Shabtai Kalmanowitch, who was known as the 'white president' of [homeland] Bophuthatswana. . . . Kalmanowitch was heavily involved in Israeli and U.S. intelligence operations through his Bophuthatswana-based 'B International.' One Solomon Schwartz of B International was arrested for weapons smuggling by U.S. Customs in 1984, and claimed that the operation was sanctioned by Oliver North. Kalmanowitch also worked with Swiss-based commodities trader Marc Rich to illegally ship Iranian oil to South Africa. Rich was indicted in New York in 1983 for violating the Trading With the Enemy Act, and remains a fugitive in Switzerland. Kalmanowitch was arrested in Britain in May 1987 for passing \$2 million in forged checks. Later that year, while out on bail, he was arrested in Israel, accused of being an agent of the Soviet KGB, and convicted of espionage."

Valenti has called for a congressional investigation into the underworld behind the campaign to establish casino gambling on Indian lands.

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## U.S., Vietnam continue POW-MIA coverup

While Sen. John Kerry (D-Mass.) and most of his colleagues are rushing to "to slam the book shut" on the investigation into Vietnam-era prisoners of war and missing in action (POW-MIAs), only Senators Bob Smith (R-N.H.) and Charles Grassley (R-Iowa) are trying to find out the whole painful truth, said Fort Worth, Texas *Star-Telegram* columnist Tommy Denton in a syndicated column on Nov. 29. He wrote: "Too much damning information has come from formerly classified intelligence files for [Senate] committee members and the American people to deny that governments in both Washington and Hanoi have lied to protect the dark, ugly secret: Prisoners were knowingly abandoned to avoid political complications."

The current rush to end the inquiry

smacks of a coverup, he said, and "the latest chapter of what has been an almost 20-year train of lies and deceptions fed to families and the rest of the public about the status of the missing Americans."

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## Insurance co. funds euthanasia conference

Club of Life spokesman Linda Everett blasted FHP International Co. for being the major backer of a Dec. 3-5 conference in Minneapolis on "Managing Mortality: Ethics, Euthanasia, and the Termination of Medical Treatment."

Everett said: "The conference, which promotes murder as the solution for everything from 'poor' quality of life to cost overruns, is bankrolled by a grant from the FHP Foundation, whose major donor, the FHP International Corp., is a for-profit managed care company that owns 58 health maintenance organizations, hospitals, nursing homes, employee health plans and insurance companies. FHP, like any insurance company or managed care plan, makes its profits on services *not* delivered."

FHP, she continued, "will certainly profit by this conference's message: Triage patients, don't treat them."

She stressed that, until recently, "the Hemlock Society and the Euthanasia Council lobby brainwashed the public to believe that terminating life-sustaining treatment and so-called 'physician-assisted suicide' are compassionate acts that relieve human suffering. But, at this conference, the death mob has no such pretense, as they join the authors of Minnesota's murderous 'Health-Right' rationing plan, malthusian academics, and insurance companies in their aim to terminate human life to cut costs."

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## Daily echoes LaRouche maglev concept

The Nov. 26 issue of the *International Herald Tribune* ran a front-page feature, "America Gets Working on the Railroads," which details moves in the United States to bring about



government spending for high-speed rail projects in America. While much of the article tried to portray Bill Clinton, Sen. Daniel Moynihan (D-N.Y.), and others as the driving force behind such proposals, *EIR* readers are familiar with the emphasis that physical economist Lyndon LaRouche put on this aspect of infrastructure creation during his presidential campaign.

Accompanying the article was a map of "Tomorrow's High-Speed Connections" (the source is the Pittsburgh-based High Speed Rail/Maglev Association), which is very similar to one from *EIR*'s in-depth study by Christopher White on magnetic levitation technology for inter-urban transport ("The Case for Maglev: Paying More Is Cheaper," *EIR*, Nov. 6).

The *International Herald Tribune* is an English-language daily jointly published by the *Washington Post* and the *New York Times* in Paris.

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## D.C. to cut teachers and close schools

The latest version of the proposed Washington, D.C. school budget that passed Nov. 19 would cut 430 teaching jobs, close 8 schools, cut another 283 staff positions, and slash school-based programs by \$8.5 million. Officials admitted that this will require some teacher layoffs, in addition to reduction by attrition.

The budget would also cut programs for dropout prevention and to encourage candidates for the National Merit Scholarship.

In addition, the plan calls for closing eight more city schools and includes no money for pay raises for teachers who only a week earlier signed a contract for \$15 million worth of increases.

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## New book exposes CIA ties to BCCI

A Nov. 27 *Wall Street Journal* column, "How BCCI Bought Washington," excerpting from the book *False Profits*, pointed to the increasingly undeniable ties

of the Bank of Credit and Commerce International to the CIA and a variety of agency covert operations.

The excerpts from the newly released book by Peter Truell and Larry Gurwin pointed out that BCCI was an "equal opportunity employer" in the political and intelligence demi-monde. For example, Jackson Stephens, the investment banker from Arkansas who brought the bank into the U.S., sent millions of dollars of legal work to Hillary Clinton's law firm, gave support to others in the Clinton machine, and contributed to George Bush's campaign.

GOP potentate Craig Fuller and Bush press spokesman James Lake were also heavily rewarded by their ties to BCCI, and the Pakistani founder of BCCI, Agha Hasan Abedi, openly spoke of the involvement of onetime CIA director Richard Helms and other CIA officials in the bank, according to the reports.

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## U.N. environmentalists want Presidio Army base

In an affront to what remains of U.S. sovereignty, the United Nations has asked President-elect Bill Clinton to turn over the U.S. Army base on Presidio Island in San Francisco, as the site for the planning and training headquarters for the U.N. Environmental Program.

The *San Francisco Examiner* reported on Nov. 23 that a U.N. official has written to Clinton proposing that the United States donate the base, scheduled to be closed soon as part of cuts in the defense budget. The letter expressed the hope that the base could be turned over to the "green helmets" in time for the U.N. to open its environmental "global headquarters" in 1995, the 50th anniversary of the signing of the U.N. Charter in San Francisco.

The U.N. claims it would use the complex to draw up "solutions" to the pollution of "modern mega-cities," train "environmental engineers," and design plans for "cleaning up major military sites." So far, the UNEP's solutions, for which member countries are supposed to pay, have usually involved drastically cutting living standards or population—or both.

# Briefly

● **TRADE UNIONISTS** who support the formation of a third political party met Dec. 5-6 in Detroit. The conference, organized by Labor Party Advocates of Detroit and Cleveland, featured both trade union leaders who support the idea of a new labor-led political party and those who support the two-party system. LPA organizers plan to sign up 100,000 members, and hold a founding convention in 1994.

● **LAWRENCE EAGLEBURGER** has less than a month left as acting secretary of state, according to State Department spokesman Richard Boucher. The term for the acting secretary is set at 120 days. When reporters asked what will happen after that, Boucher said, "Then we'll see."

● **ROSS PEROT** came in second in Maine and Utah, according to final election returns that overturn the omnipresent "media projections." Clinton won Maine with 39%. Bush and Perot both had 30% of the Maine total, but Perot had slightly more votes. Bush took Utah with 41%, followed by Perot with 26% and Clinton with 24%.

● **SEN. LLOYD BENTSEN** met with Bill Clinton on Nov. 24 to discuss the possibility of Bentsen becoming treasury secretary. The Texas Democrat is chairman of the Senate Finance Committee.

● **NEW ORLEANS'** city council unanimously passed a resolution on Dec. 1 calling on the President of the United States to "remove the statue of Albert Pike, Grand Dragon of the Ku Klux Klan," in Washington, D.C., "as requested in the resolution of D.C. councilmember William P. Lightfoot."

● **THE CIA** has drafted a report which claims that Iran is attempting to build a nuclear bomb, and could develop one by the year 2000, according to the *New York Times* of Nov. 30. The report is believed to have resulted in a State Department order for a review of U.S. policy toward Iran.

## Editorial

### *Fifty years later*

This month marks the 50th year of the achievement of a nuclear chain reaction. There are many lessons to be drawn from the history of the Manhattan Project, the promise realized and aborted of nuclear energy, and so on; but one generally overlooked point in this connection has been raised again by Manhattan Project veteran Dr. Edward Teller.

He has resurrected his campaign against the imposition of secrecy restrictions on basic science. We wholeheartedly support Dr. Teller on this. A strong nation guarantees its preeminence by fostering scientific research in order to lead the field with new discoveries, not by hoarding its secrets.

In the "Forum" section of the National Academy of Sciences magazine *Issues in Science and Technology* dated Fall 1992, Dr. Teller wrote on this point:

"Our keeping of secrets has often misled and confused our own people but has been ineffective in denying information to our enemies or competitors. I make a proposal hoping that it may help to start a fruitful discussion. Let us pass a law requiring all secret documents to be published one year after their issuance. This would of course eliminate long-term secrecy and might also deter unnecessary classification of documents, because the original invocation of secrecy might be subject to criticism and even ridicule when the documents are published. There might be very special cases where secrecy of longer duration is needed. I suggest that an extension, in turn, might be given on a year-to-year basis in order to make sure that long-term secrecy not be applied except for truly important reasons."

On Nov. 17, as a featured speaker at a meeting of the American Nuclear Society held to commemorate the 50th anniversary of the first nuclear chain reaction (on Dec. 2, 1942), Dr. Teller raised the same theme before an audience of several hundred scientists and engineers.

The crux of the matter is that the people who suffer most from the U.S. secrecy rule are America's scientific community, since classification creates stultification. Not only does it cause a preordained breakdown in the kind of fruitful collaboration which drives science

forward, but because of this, many top-rank scientists refuse to work in military-related research. The futility of secrecy was seen time and again in the Cold War, when important breakthroughs had a way of becoming known to Soviet scientists, usually within six months of their discovery.

Recently, according to a report in the *New York Times* of last Sept. 28, the U.S. government finally decided to lift some of the secrecy restrictions preventing American laser fusion scientists from sharing their work with their non-security-cleared counterparts at home, and most foreign scientists as well. Such a move is long overdue.

The *New York Times* article noted that the reason for the U.S. declassification of laser fusion was "foreign competition." According to author William Broad, "Scientists in Japan, Germany, Spain, and Italy, striving to harness the power of tiny, repeated hydrogen bomb-like blasts for the generation of electrical energy, have openly published the 'secrets' for years. Continued secrecy for similar research in the United States was seen as stifling the exchange of ideas, inhibiting progress, and limiting international cooperation. At times American scientists have been ordered not to attend meetings with foreign scientists."

Even where classification is not at issue, the American scientific establishment, in tandem with the U.S. Department of Energy, has moved to suppress advances in nuclear science. The most recent example is the shameful treatment of cold fusion. The U.S. government has yet to grant Martin Fleischmann and Stanley Pons a patent for the discovery of this remarkable phenomenon, and the hostile climate generated against them in the United States was so severe that they left the country and are pursuing their researches in France.

The reported Department of Energy move to raise the curtain slightly on secrecy, by allowing laser fusion scientists to request the right to publish their results, is a step in the right direction, but it is still little more than a gesture. What is needed is a complete policy overhaul.

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# COLD FUSION

## Challenge to U.S. Science Policy

The ground-breaking discovery announced by Martin Fleischman and Stanley Pons on March 23, 1989 has been received, not with scientific debate, but with a crude political witch-hunt. Compare what the anti-science mob is saying, with what Lyndon LaRouche writes in a 173-page science policy memorandum issued by the Schiller Institute.

### Lyndon LaRouche



*"These cold fusion experiments, taken together with other experiments exhibiting related kinds of anomalous results, should become featured elements of a special research project—a 'mini-crash program' of fundamental research—enjoying the moral and material support of appropriate public and private institutions of the United States and other nations."*

### Paul Ehrlich

*Given society's record in managing technology, the prospect of cheap, inexhaustible power from fusion is "like giving a machine gun to an idiot child."*



### Jeremy Rifkin

*"It's the worst thing that could happen to our planet."*



### Nature magazine

*"The Utah phenomenon is literally unsupported by the evidence, could be an artifact, and given its improbability, is most likely to be one."*



### The New York Times

*"Given the present state of evidence for cold fusion, the government would do better to put the money on a horse."*



LaRouche's memorandum is available for \$25 postpaid from

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