

# EIR

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## From the Managing Editor

**O**ur cover story presents the first of several in-depth reports on the exciting and challenging conference of the Schiller Institute in Bonn, Germany on June 4-5.

Admittedly, the reports on the Balkans war presented by speakers from several nations do not make for pleasant reading. But when 100 political leaders from 18 nations, with greatly varied opinions among them, meet to consider seriously the reasons for the current descent into a Thirty Years' War, and to discuss what to do about it, on the foundation of certain indispensable moral principles, it is evident that solutions and agreement can be found. This gives us a basis for optimism. It provides hope, furthermore, that the way can be found to achieve the goal that all participants in the conference shared: the release from prison of Lyndon LaRouche, whose ideas are so crucial to saving mankind today.

A more complete report on the conference has been published by our friends at the weekly newspaper *New Federalist*, in a special eight-page pullout that is being circulated far and wide, both in the "corridors of power" and on the streetcorners. Forty-thousand "extras" have also been printed, to ensure maximum exposure for these ideas, and to light a fire under those policymakers who should be taking action, but are not.

Both from the *Feature* and from our report on the bombing of Somalia, you will see graphic confirmation of *EIR's* oft-repeated attacks on the role of the United Nations. As Bosnian professor Lamija Tanović put it most starkly in an open letter read to the Bonn conference, "Sarajevo is the biggest concentration camp since the siege of Leningrad, run by United Nations forces and the Chetniks."

It is no surprise that *EIR's* latest Special Report, "Why U.N. Plans for World Government Must Be Stopped," is attracting great interest, at press conferences in Washington and New York City. The report sells for \$250. You should read it, and so should your congressman.

Finally, let me draw your attention to the interview on page 61 with one of this century's greatest operatic singers, Carlo Bergonzi, and others, on the Schiller Institute's campaign to reinstitute the natural musical tuning of C-256 Hz. The program was broadcast on New York City's largest Classical music station, WQXR.

*Susan Welsh*

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**Correction:** In our report on the Schiller Institute's Bonn conference last week (page 24), we mistakenly reported that Valeri Pavlov of the Russian Supreme Economic Council was a speaker at the conference; also, on page 26, the figures for U.S. financial transfers per day, and for U.S. GNP, should be in trillions, not billions.

## Global grain harvests drop as depression worsens

by Marcia Merry

As of the end of June, when the U.S. harvest begins in the Midwest wheat belt, the picture of grain crops worldwide is grim. The decade of the 1990s, instead of ushering in an age when people were well-fed the world over, is marking the advent of malnutrition, disease, and starvation on the scale of global output breakdown and genocide.

The latest estimates project an absolute decline in 1993 world grain production compared to last year. The U.S. Department of Agriculture (USDA) estimates a drop of 2%. The International World Wheat Council in London also projects a decline of that order. These calculations presume ideal growing conditions until the harvests come in, so the end-of-harvest volumes could be even lower.

In the United States and other important wheat-exporting nations, including Argentina and Australia, wheat harvests are expected to be up (although the southern hemisphere projections are long-range and unreliable). However, these increases are offset on a world basis, by declines in other wheat-producing regions. Lower harvests are anticipated in the Community of Independent States, China, and North Africa. In Canada, the European Community, and Saudi Arabia, which are exporters of wheat on the world market, wheat harvests will also be lower than last year.

Apart from grain itself, the volume of food output overall, in tonnage terms, is declining as of the decade of the 1990s. The Rome-based U.N. Food and Agriculture Organization (FAO), whose statistics, though frequently self-serving, are the most reliable global figures apart from those of the USDA, has published a world review of the food situation for 1991, which shows that total world food production declined overall for the first time since 1983. According to the FAO, the immediate reasons for this 1991 decline were smaller harvests in North America, Australia, eastern Europe, and in the former Soviet Union. Also, the developing

countries could not expand their food production significantly. In most parts of South America and the Mideast, food production declined.

For the crop year 1991-92, the world output of grain of all types was estimated by the FAO to have been 1,891 million metric tons—fully 4% less than the previous crop year of 1990-91 of 1,952 million metric tons. The main reasons cited by the FAO for this dramatic decline were reduced area planted and lower yield per unit area. The latest FAO estimates show that the 1992-93 grain harvest was around 1,948 million metric tons, and so it also did not equal the 1990-91 crop year.

Since the early 1980s, the annual world grain output, taking into account losses from handling and spoilage, has been below levels required to provide adequate amounts for consumption, direct and indirect (through the livestock chain). Therefore, the conditions for today's mass food shortages have been building for over ten years. As of the 1990s, we are not even providing the minimum staff of life for the world's people.

### No emergency measures taken

What has been done? Next to nothing, or worse. What is required is a combination of infrastructure building—water supplies, land improvements—and mechanization, strategic locations of intensive “protected agriculture” (hydroponics, aeroponics, greenhouses), improved seed and genetic stocks available to all, continuing education in scientific farming, and food processing.

These measures, in turn, require a stop to the practices now undermining physical production, such as the derivatives speculation bubble and the free trade swindles, and a return to policies of economic development by sovereign nation-states.

Instead, the farmbelt areas of the world are disintegrating. That is what even the gross global food production figures of the FAO now manifest. Look at some of the farming regions around the globe:

- **Europe.** Total cereal production last year dropped dramatically from the two previous years, to a level of 258.9 million metric tons (1992), down from 307.2 million metric tons in 1991, and under 284.9 million in 1990. This is the combined output of the European Community, plus Austria, Bulgaria, Hungary, Poland, Romania, and Sweden.

- **Southern Africa.** Total cereals production in this corn belt fell from 20.5 million metric tons (1990) to 19.7 million (1991) to 9.6 million metric tons in 1992—the year of a “drought of the century.”

- **All Africa.** Total cereals output ranged from 88.5 million metric tons in 1990, up the next year to 99.2 million, then down to 82.2 million metric tons in 1992.

- **Community of Independent States.** A dramatic fall in cereals output went from 209.1 million metric tons (1990) to 149.3 million (1991), and down to 183.3 million (1990).

- **Canada.** Cereals output has gone from 57.1 million metric tons in 1990, to 53.8 million metric tons the next year, and 50.8 million last year, in this grain exporter.

- **United States.** Cereals output ranged from 312.5 million metric tons in 1990, to 279.8 million in 1991, and 353 million metric tons last year—all of which bounty is being used by a tight cartel of food companies (Cargill and others) to take advantage of nations desperate for food.

The above patterns do not just apply to grain. The picture is similar for other food staples.

In the latest scandal of food policy in foreign affairs, the food cartels—on behalf of Anglo-American geopolitical designs—have succeeded in having France and the European Community acquiesce to cutting back EC farmland used for oilseed production, in deference to the cartel demand that the EC buy from cartel-controlled U.S.-produced oilseed stocks.

The impact of years of acreage cutbacks, and impoverishment and dispossession of farmers worldwide, has led to food shortages and starvation on genocidal levels. In the forefront are those without food in Bosnia, and large areas in Africa.

### Let them eat roots

In a travesty of agriculture practice, the rosy production figures for the root vegetable cassava (also called manioc) show the immoral economic policies now dooming the world to hunger and despair.

World cassava production in 1992 is estimated to have risen by about 7% to a record of 161 million tons in root equivalent. This mainly reflects a large increase in plantings and production in Africa. While food output and nutrition levels overall in Africa have been falling over the past 15 years, the output of cassava has been rising. Last year cassava production hit an estimated 81 million tons, 17% above

1991's output of 69.3 million tons, and above 1990's level of 67 million tons. Nigeria alone produced a record 32 million tons—55% over 1991.

Along with a variety of green vegetables, fish, meat, dairy, fruit, and nuts, cassava has a special place in the cuisine of West Africa and other regions of the world. However, the spectacular increase in cassava production in Africa over the recent years reflects a forced reliance on the root vegetable as a monoculture, heavy-bearing crop, on which people can subsist. On its own, the tuber is one of the least nutritious, though most filling, members of the plant kingdom.

Increased yields in Africa have been furthered by technical improvements devised at the cartel-backed International Institute for Tropical Agriculture. This institute has provided relatively pest-resistant high-yielding varieties. However, just as in the case of other much-touted green “revolutions” in crops, the issue is: Will fertilizers and other inputs be used, or not? Already, Nigeria anticipates a fall in production because of scarcity of fertilizer.

Moreover, the push for cassava in Africa has been part of the cartel scheme to use African-produced cassava pellets as cheap livestock feed in Europe. This does nothing at all to benefit the hungry people of Africa. The FAO praised this scheme in a report on world cassava in its April *Food Outlook* publication from Rome.

### Hunger in the United States

While these needless atrocities are perpetrated by world governments and the cartels, in the United States itself, hunger is spreading widely.

Fully 18% of U.S. children go hungry, according to a new study by Tufts University. The study says that about 12 million American children experience hunger, most pronounced in some southern states, where 25% or more of the children don't get enough nourishment.

An AP wire from June 15 stated: “The study from the Center on Hunger, Poverty, and Nutrition Policy at Tufts University estimated that 18% of U.S. children under age 18 experienced hunger in 1991.

“Mississippi had the highest rate at 34%. Louisiana, West Virginia, Arkansas, Kentucky, Alabama and Texas placed in the top 10.

“The report's author said child hunger is not just a problem in the South, which historically has been burdened with high poverty. New York, California, South Dakota, New Mexico, and Michigan had child hunger rates above 18%. The Virginia figure was 13.3%.”

Since 1991, the situation has worsened. AP adds: “The Tufts report is based on Census Bureau data and data from food assistance programs. Last year the Tufts center estimated that 30 million Americans experience hunger, defined as a condition in which a person repeatedly doesn't consume enough nutrients.”

# Gonzalez attacks derivatives dealers as 'malefactors of great wealth'

*In two speeches on June 8 and June 10 on the floor of the House of Representatives, Rep. Henry Gonzalez (D-Tex.), chairman of the House Committee on Banking, Finance and Urban Affairs, issued a broadside attack against the stupidity and immorality of the U.S. Federal Reserve, speculation in financial derivatives, and usury by the mega-banks, whose activities have brought the world to a brink of the biggest financial collapse in world history. The congressman's remarks were broadcast by C-Span. Representative Gonzalez also entered into the Congressional Record a number of news articles, including one from the May 7 EIR, entitled "They're Not Banks Anymore." Below are selected passages from Representative Gonzalez's two speeches. Subheads have been added.*

*From Representative Gonzalez's June 8 speech:*

. . . [W]ith the emergence of the European Community and with the European monetary system and its currency known as the ECU . . . the American banks are going to have to more and more do what our principal banks and some of those right underneath the level of principal banks are doing, and that is not banking, but speculating.

They are really gambling. In fact, I would have more confidence in Las Vegas professionals than I would in these, and I will refer to that a little bit later.

But when we see the close to \$1 trillion, if not \$1 trillion by now, of this kind of foreign money, if you want to call it that, in our country, circulating through the arterial system of our financial, banking, and other systems, and do not have our main regulators, and in the case of international banking it would have to be the Federal Reserve Board, actually knowing exactly what is going on, because we are the only country in the industrialized world that does not have such things as a screening board or regulatory control of the activities of this huge amount of money.

This is why our committee has recently held and resumed hearings, very important ones, on this so-called, to use a popular word, drug money-laundering business.

## **\$1 trillion in money laundering**

Just from official gatherings from our law enforcement agencies and other agencies, the official estimate would be

that there is more than \$300 billion of this drug money-laundering activity. But it is far more than that. I still say and repeat today that it is closer to \$1 trillion, because if you take into account the offshore activities that impact back on our domestic activities, then you have to make allowance for another equally huge amount of money that will circulate through this arterial system known as the American banking and financial system. . . .

[A]ny time you have these financial institutions that are headquartered in areas in which there is no accountability, no regulation, like Luxembourg or the Cayman Islands or the Bahamas or over the Indian Ocean or, in the first one, the Island of Man near Ireland, that started back in the late 1960s and 1970s. That was the father of them all, where you have these offshore facilities that all they have is a nameplate on the door. And then through this miracle of electronic instantaneous communication, they become corporations of great wealth, I say, malefactors of great wealth, because they are not interested in the public interest of our own country, where they are supposed to be headquartered.

They got greedy. It is greed at the bottom of all of this. And what happened is that they would use these facilities offshore to launder money, to keep from paying taxes.

I was the only one to report what I called the Latin dollar market when Panama started a more secret banking system than the Swiss famous banking system.

By 1972, I estimated that the Latin dollar market had gone up to over \$75 billion just in the Caribbean and the Panamanian areas because these corporations could use those facilities to keep from paying their taxes in America and also to launder money that perhaps, as it is today in Panama, obviously is connected with these huge drug cartels that have so victimized everybody.

But then we also have a domestic problem that is the basic cause. And as long as you have a demand, you are going to have this drug thing. But I do not think that it is right to imperil the safety and soundness of our banking system in order to let these greedy interests, these illegal interests, these modern-day robber barons, these malefactors of great wealth to undo the public interest of this country.

Now, the BCCI [Bank of Commerce and Credit International] is being prosecuted by not the federal government, not our attorney general of the last regime, a Justice Depart-



ment that I say and repeat has been the most corrupt, unbelievably corrupt justice system that I have seen in the 32 years I have been in the Congress or even read about before I came to the Congress, but it is being prosecuted by the Manhattan district attorney. And we do not know where that will end. . . .

How in the world can we ever stop drug traffic, if it pays so handsomely in enormous profits, and then in our culture, our subculture, in our areas such as in our depressed areas and our ghettos where a 15-year-old kid thinks it is crazy to talk about doing anything but helping the peddler with the drugs because he can make \$1,000 a week, where is he going to do that? Going to school, or going to work anywhere, shining shoes? Of course not.

### The rot at the top

It is all interlocked. . . . We cannot have these malefactors of great wealth making \$5 million in salaries because they have succeeded in banking, without also mandating that we have a rat-infested tenement with these neglected brother Americans, for which we will all have to pay a price sooner or later. That is the lesson of all history, not what I am saying.

When we had such elements as some of the top leaders, the National Security Adviser of the past administration, tied in with Henry Kissinger and Kissinger and Associates, and Henry Kissinger being on the board of advisers of the Italian Bank [of Commerce and Credit International] in Rome, and getting furious because I reported that in a special order, and then getting lawyers to write to me saying, "How dare you mention Henry Kissinger," and all I said was, was he or was he not on that board?

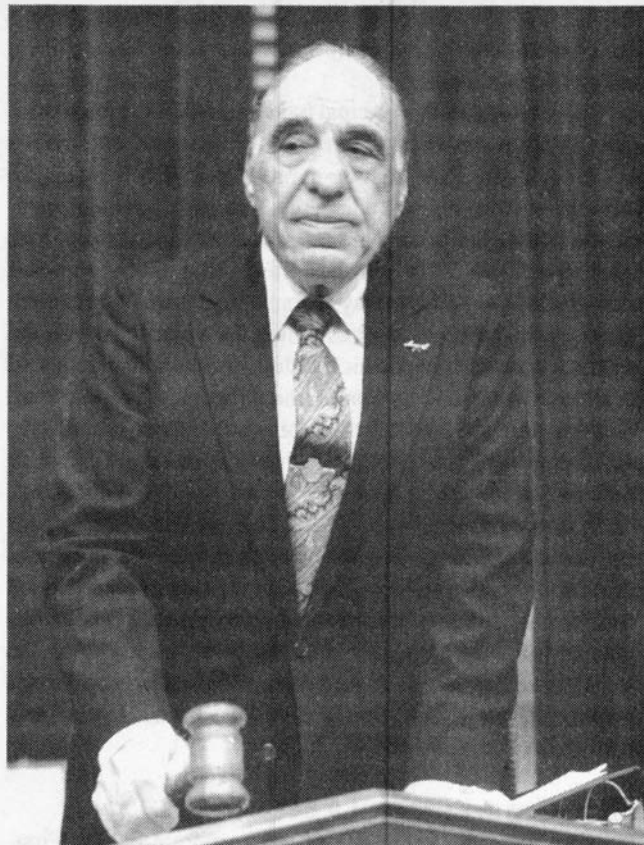
If he was on the board, was he being paid \$20,000 every time he sat down for a meeting in Rome just because of his looks or his fame? Was it not Henry Kissinger and Associates executive assistant who organized 80 of the leading corporations in America to go and do business in Baghdad in Iraq? It is all in the *Record*, my colleagues if you ever want to look it up. . . .

We are about to enter into another catastrophe, the so-called North American Free Trade Treaty. One of the most important sections of that so-called agreement is banking and finance, and yet you have not seen any voice but mine ask questions about what does this mean, and what it means has been horrible. I brought it out on Feb. 21 in a special order I made here.

So we have learned nothing. We are like they used to say of the Bourbon kings, "learned nothing and forgot nothing," and here we are a democracy. Well, for how long? . . .

*From Representative Gonzalez's remarks on June 10:*

. . . In 1929 in the late spring, President Hoover had appointed a commission who reported and said, "We see nothing



*Rep. Henry Gonzalez (D-Tex.): "We are like they used to say of the Bourbon kings, 'learned nothing and forgot nothing,' and here we are a democracy. Well, for how long?"*

for the great foreseeable future but continuing and rising prosperity." That was in May of 1929.

At that point the U.S. banks could borrow money from the Fed at 6% and then turn around and loan it at 12% to the highly speculative market on Wall Street which was floating bonds from the imperial government of Japan, the rising and restoring German government that was trying to raise money by floating these bonds at high interest yields; so that the banks were sending that money that they were borrowing from the Fed and getting a spread of 7% because they were lending it out at 12% to the speculators on Wall Street.

Today the only difference is that the Federal Reserve Board lends to the banks, or the banks can borrow money at 3%. Maybe now and then even under 3%. With that, they buy U.S. government-guaranteed securities, which pay at this point not less than 7% and on average more than that.

Now, that is a subsidy by the taxpayer. They do not want to call it that. . . .

So here we have these banks, subsidized by the taxpayer, born from the Fed, investing in government-guaranteed securities, having this spread, having that money, turning around, and where are they putting it?

Well, that plus other subsidies that they get through the Fed has led to what I consider to be the most dangerous situation confronting us today as far as soundness, stability, and equity in our system.

The United States principal banks and their notional principal holdings, or what are known as derivatives, derivatives is a fancy name for a written contract between two parties; derivatives cover a multitude, a plethora of different arrangements, but basically they are a contract in which two parties agree that they will bet on the future value of some market activity, futures, all the way from some commodity to such things as the currency futures which are volatile, which are highly speculative and which today, in this modern day of electronic instantaneous communication, and even as I am speaking you will have a trillion or more of these speculative clicks chasing from London to New York to Frankfurt to Paris to Tokyo.

Is it money out there in these international markets for the procurement of goods, for firing the engines of manufacturing and production? No. It is paper chasing paper, reduced to highly speculative and instantaneous transactions of billions of dollars in an instant in an electronic blip.

So that the holdings of our principal banks in these derivatives rose from \$2.3 trillion in 1986 to \$8.3 trillion in 1989 and \$15.3 trillion in 1991.

### High wire act without a net

Now, here are some of our top corporate banks. First, Citicorp. It has a total of \$1,426 billion in derivatives. Now, that is about seven times what it has on its capitalization or its \$213 billion in assets. Remember, these are what they call technically off-balance sheet activities for which they do not have to have reserves.

Now, let us take No. 2, Chemical Banking Corp., \$1,296 billion in these national derivatives, nine times its \$103 billion asset value.

Then Chase Manhattan, \$837 billion in these derivatives, in this speculation, in this gambling. It is gambling. It is nothing else. Nine times its \$96 billion in assets. . . .

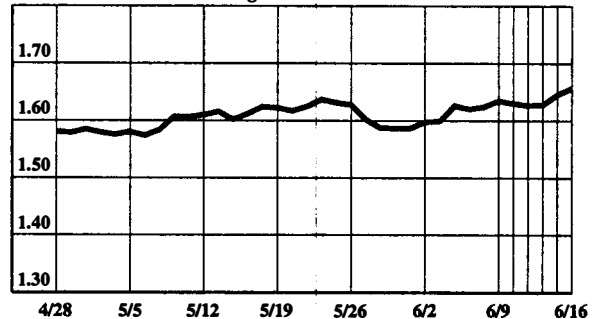
But the truth is that sooner or later, and I believe it will be sooner, but only because of the development of an unwanted crisis, and was all of this necessary? Of course not. This was not an act of God. This was man-made, and it was avoidable, and I have said so since more than 20 years ago.

Are we going to continue without addressing this, for fear of what? Who do we fear? The voter? Well, my experience is that the constituents want truth, that they have enough intestinal fortitude and moral courage to accept, even though at the moment they may not want to because of its unpalatability, a truth that hurts. But they would rather have the truth than a sugar-coated lie that temporarily keeps them lulled until the day of rude awakening, when suddenly they find themselves homeless and refugees in their own homeland. . . .

## Currency Rates

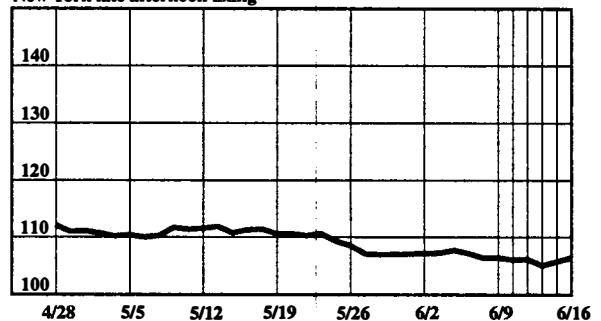
### The dollar in deutschemarks

New York late afternoon fixing



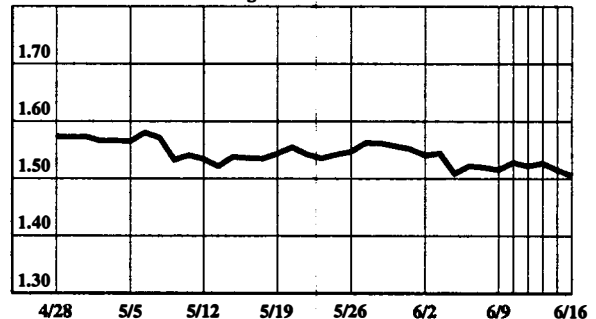
### The dollar in yen

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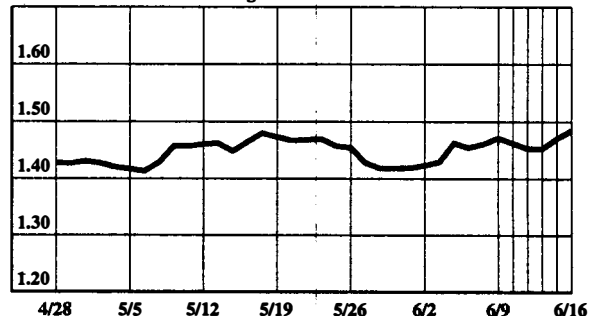
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### The dollar in Swiss francs

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# China liquidity crisis destroying peasantry

by Michael O. Billington

The May 31 weekly edition of the Anglo-American financial newspaper of record in Asia, the *Asian Wall Street Journal*, carried a dramatic exposé of the emerging collapse of the “Chinese miracle,” only weeks after a western media blitz touting China as the emerging “superpower.” Quoting at length from a phone interview with Yang Peixin, a leading State Council economist in Beijing, the paper reviewed the imminent collapse of the banking system of the People’s Republic of China, and ridiculed the simplistic “emergency measures” set in motion in May to attempt to contain the crisis.

Then, on June 2, a speech by President Jiang Zemin, which had been delivered on April 1, was printed on the front pages of every major newspaper in China, warning of the imminent collapse. Jiang’s two-month-old speech said that the threat of uncontrolled inflation, massive corruption, and the growing disparity between the coast and the interior must be stopped or the consequences would be dire.

Since the beginning of Deng Xiaoping’s “reforms” in the late 1970s, Beijing has repeatedly shown itself willing to sponsor a “yin-yang” cycle of boom and bust in the Chinese economy, encouraging massive expansion of uncoordinated investment in labor-intensive, export-oriented, low-technology processing industries, followed by draconian austerity when the resulting inflation gets out of hand. What remains constant in both phases of the cycle is the exploitation of the nearly 200 million unemployed peasants, and the willingness to send the tanks in to crush any opposition.

The May demonstrations in Tibet, suppressed by the Chinese Army, began not as independence rallies, but as protests against inflation and the introduction of fees for previously free medical services. The June 3 *Far Eastern Economic Review* reported that “localities all over China are experiencing similar cycles of rapid economic growth, inflation, corruption, disenchantment, protest, and repression.”

## Peasantry ready to explode

The destruction of the peasantry has reached the point of explosion. Zhao Renwei, a professor at the Institute of Economics of the Chinese Academy of Social Sciences, told UPI in Hong Kong in May that the disparity between rural income and urban income has collapsed to levels worse than the early 1960s. Between 1979 and 1984, when the reform effort was directed to saving the agricultural sector from the ravages of the Cultural Revolution, rural income moved up from 42% to 54% of urban income. This relatively sane

approach was dropped after 1984 in favor of the revival of colonial-style free trade “concessions” to foreign investors along the coast. One result has been that rural income has fallen to 38% of urban income, with peasants now earning an average of about \$10 per month.

Even this miserable level is overstated, since many peasants are not even paid for their grain. Vice Prime Minister Zhu Rongji (who has been functioning as prime minister due to the continued unexplained “illness” of Li Peng) has repeatedly demanded that the IOUs issued to farmers by local banks must be redeemed. He warned the National People’s Congress in March: “We will lose the support of farmers, and agriculture will wither. The reputation of China’s reforms will likely be ruined.” Zhu reportedly threatened to “cut off the heads” of Communist Party cadre in the local banks who continued paying farmers with IOUs. At the same conference, Vice Prime Minister for Agriculture Tian Jiyun said: “If these are problems in the villages, there is no one in the current government who can stay in power.”

## Money diverted to speculation

The *Asian Wall Street Journal* article revealed some of the facts about this looting of the peasantry. Following Deng’s famous trip last year to visit the Special Economic Zones in southern China, the entire country was driven headlong into a speculative binge in low-technology industrial ventures, stock market and real estate speculation, and the massive increase in drug flows that accompany such an unregulated “free trade” policy. Said the *Journal*: “Lending rates are kept at about 8%, half the level of inflation in major cities, to protect money-losing state enterprises. Such depressed rates have led to an insatiable demand for loans. In the past, Beijing curbed that appetite by setting lending quotas. But amid the go-go atmosphere of economic reform . . . bankers have come to ignore the quota system and have been lending relentlessly to support provincial governments’ ambitious projects.

“The hottest items for many mayors and provincial chiefs are industrial development zones and, by extension, property speculation. About 9,000 zones have sprung up across the country since Mr. Deng’s Guangdong trip.”

As in post-communist Russia, it is the “former” communist officials who are the primary beneficiaries of the speculation. The *Journal* article referred to one Guangdong economist who reported that “many senior Communist Party officials, whose public offices put them in a position to facilitate access to land-development rights, have set up property companies. . . . The children of senior cadres, backed by easy bank credits and political pull, are trading properties among themselves and fueling the property bubbles.”

In this environment, in line with Deng’s slogan that “It Is Glorious to Be Rich,” banks have ignored the reserve requirements which call for 6% of deposits to be set aside in cash, treasury bonds, or other liquid assets. The average

reserves have fallen to 1%, Peixin told the *Journal*.

The farmer payments crisis comes from the same general source. Reported the *Journal*: "So illiquid are banks that they have trouble paying farmers for their crops. Each year, Beijing allocates state funds for grain procurement that are kept as deposits at government banks at all local levels. . . . Many banks issued promissory notes to farmers. Only about 10% of the total of 30 billion yuan (\$5.26 billion) in such IOUs issued to peasants for purchases of their 1992 crops have been honored, according to Mr. Yang."

Compounding the crisis, the government cannot sell its state treasury bonds. The speculative investments offer about twice the interest rates offered on the state bonds, and, as mentioned, banks are simply ignoring the reserve requirements and thus have no interest in buying bonds. Of the \$5.3 billion offered for sale, only \$700 million (13%) were sold as of the April 30 closing date despite having started the sales two months early. The state news service Xinhua reported that the offer will be extended indefinitely, and that a "package plan to ensure bond sales" is being prepared. This undoubtedly means a return to forced purchase of bonds by enterprises or individuals.

### Devaluation and gold purchases

As inflation soars over 20% (the *Shenzhen Daily* reported on June 3 that it reached a staggering 35.8% in the largest

Special Economic Zone), Beijing has been forced to allow drastic devaluation of the yuan. The International Monetary Fund (IMF) has insisted that Beijing accept the black market rate as the official rate, which had been partially accomplished through the establishment of "swap centers" which trade currencies with less stringent government restrictions, open only to selected businesses. The yuan dropped by over 30% in the past six months in these swap centers. On June 1, Beijing dropped all restrictions on the "swap centers," and the value of the yuan plunged another 25% immediately, to the black market rate of 10.231 yuan to the dollar. The official rate is still at 5.71. Foreign investors can thus more than offset losses to inflation with gains on currency exchange. The Chinese peasants and the "blind flow" of 100-200 million unemployed take the loss.

One sign of the crisis visible in the United States is the recent increase of illegal immigrants, smuggled in on disease-ridden freighters. These hundreds of thousands of desperate refugees risk their lives on journeys comparable to the slave galleys, to work in the United States as indentured servants under the control of the Triad gangs to pay off the \$25,000 cost of passage. So much for the "Chinese miracle."

Gold purchases in China and Hong Kong have skyrocketed as both the Chinese government and the tiny percentage of the population who are profiting from the free trade zones

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hedge against inflation. George Soros and his circle of international speculators are using the crisis to manipulate the gold price and the speculative market in currencies, which is the majority of the \$1 trillion per day derivatives bubble now engulfing the world economy.

The official *China Daily* reported on June 2 that foreign investment increased by 167% during the first quarter over the previous year, reaching a record \$3 billion. However, the same report admitted that nearly half of this investment was not even in the cheap-labor runaway shops for export, but were in the "service sector," meaning primarily in the speculative real estate bubble.

### Meaningless countermeasures

Vice Prime Minister Zhu Rongji has established seven "working groups" to address the monetary crisis. The measures, however, do little but issue orders to follow existing regulations without changing policy. Banks are ordered to pay the farmers' IOUs, to meet payments due to Beijing, and to stay within the loan limits to the speculative development zones. Interest rates on bank deposits were raised by a modest 1.19 percentage points to about 8% in a feeble attempt to stem the flow out of savings—the first drop in total bank deposits since the 1988 inflation crisis—into gold or other hard assets.

The IMF, in a move which must certainly be regarded as a paradigm of the madness that now guides these Anglo-American financial wizards, has simply declared that the Chinese economy has leaped from tenth place in the world to third place, a fourfold expansion in Gross Domestic Product—all due to a new method of computation. The method essentially assigns equal values to products and services, regardless of the costs of production, in every part of the world. An estimate of the value of individual consumption is then multiplied by the national population and called the GDP, regardless of what is produced. The absurdity is demonstrated by the fact that the IMF first computed the Chinese economy to be *seven* times greater than under previous computations, but decided that that wouldn't look good, and therefore simply changed the figures to fit the desired result of a fourfold increase.

Back in the real world, if Beijing chooses to print money to meet the payments crisis, the resulting hyperinflation will certainly provoke the reaction in the population so feared by Zhu Rongji. If IMF-style "shock therapy" is imported instead, the collapse of employment and production will generate the same reaction. Both policies are based on extracting every last drop of blood from a population whose productivity is kept at the level of concentration camp victims. Without breaking the cycle, through launching a massive effort to build a modern infrastructure for industrial and agricultural development, and the necessary classical education policies required for such an effort, this looting process can only lead to a genocidal collapse of the Chinese population.

## European farm union rips oilseeds pact

by EIR Staff

Europe's only continent-wide farm organization, the recently formed European Country Union (ECU), released a statement on June 15 blasting the French government's capitulation to the agreement reached between the United States and the European Community last November on oilseeds.

"Contrary to their electoral promises, the French government capitulated on June 8 in Brussels," the statement read in part. "The ECU considers that this sector is indispensable for the development of a new balanced Common Agricultural Policy, which is stable and economical, leading toward the food independence of Europe." The release continued: "On the night of June 8 and 9, discontented farmers painted yellow the office of Alain Juppé, the minister of foreign affairs, thereby qualifying him as a traitor."

### French sellout

On June 8, at a meeting of EC foreign ministers, France formally ratified the so-called Blair House agreement on oilseeds, which the new government had denounced during the electoral campaign barely three months ago. It calls for EC farmers to set aside 10% of the land used to grow oilseeds, and places a limit on their production. Foreign Minister Alain Juppé justified the flipflop by saying that the EC had agreed to compensate those farmers whose land would be taken out of production, and that this agreement would be separated from the rest of the deal reached at Blair House, which limits subsidized exports, and is widely seen as the basis for an agricultural agreement on GATT, the Anglo-American-dominated General Agreement on Tariffs and Trade. Despite Juppé's disclaimers, the French move was hailed by British Prime Minister and free trade warrior John Major as a precondition to the long-delayed GATT agreement.

Last January, the U.S.-based magazine *Top Producer* indicated just how radical the oilseeds deal is: "The November agreement calls for the EC to trim subsidized farm exports by 21% (this is the part France claims they are still resisting) and reduce and cap subsidized oilseed plantings." This would cap EC oilseed production at what is supposed to be its current domestic needs. "It is the first time in history that a country has agreed never to raise production of a commodity."

The deal is such a manifest insult to French economic sovereignty that last Feb. 22, after Rural Coordination

protests had blocked railways all over France, then-Prime Minister Pierre Bérégovoy promised to veto the accord. During the ensuing electoral campaign, all political leaders in France debated the subject and numerous members of parliament had shared Rural Coordination's commitment to stop it. But in May, the French Agriculture Ministry's minions went to work, taking advantage of the heavy work season in the fields to stab the farmers in the back—exactly as was done in May 1992 to sneak through French approval of the MacSharry reform of the EC's Common Agricultural Policy (CAP).

### **The founding of European Country Union**

The ECU came into being on May 28, when an independent French farm group, Rural Coordination, invited various organizations from several European Community countries to a meeting in Paris. The aim was to discuss and found a new European-wide organization that will commit itself to fight the destruction of food production in Europe and worldwide. Farm organizations from the Netherlands, Belgium, Denmark, and Germany showed up. Since Denmark was represented by Fritz Herrmann, and Marion Fettweiss and Georg Neudecker from the Association of German Farmers represented Germany—all well-known members of the Schiller Institute founded by Helga Zepp-LaRouche—it was no surprise that the new union's basic platform echoed demands voiced by the Schiller Institute's European Agriculture Commission and the "Food for Peace" movement, which was established in 1988 at the prompting of Lyndon LaRouche.

The European Country Union's first president is a farmer from Roeselare, Belgium: Camiel Adriaens, president of the Belgian farm union ABU. The ECU's leaders said that the new group grew out of a "feeling of profound dissatisfaction about the way in which the agriculture sector is treated by the current authorities, both governmental and union, and the purpose of its initiatives (coming from different EC countries) is to form a true counterpole."

The participants at the founding conference rejected the 1992 MacSharry Reform, which was adopted against the will of the majority of farmers (one poll shows that 85% of European farmers oppose it), and all compromises with GATT. These farmers see their problems within the vaster context of the free trade assault on the economy, and will seek allies from many sectors and parts of the world in the common fight against GATT.

Denouncing the European Community Commission in Brussels, the ECU statement said that farming is far too important to be left entirely in the hands of "Eurocrats" and politicians. A seven-point platform was outlined:

1) To re-establish the preference for products grown in the European Community. 2) To obtain prices for agricultural products, calculated in relation to production costs. 3) To reject land set-aside in a Europe which does not have overpro-

duction. 4) To struggle against GATT. 5) To protect the environment, in Europe and worldwide. 6) To defend the countryside and to keep it occupied (i.e., cultivated). 7) To harmonize European laws.

### **The oilseeds issue**

"Why in the GATT negotiations is there so much talk about oilseeds?" asked Rural Coordination in an information bulletin. "For consumers, these products may seem less important than grains, meats, dairy products, or fruits and vegetables.

"Are we overproducing oilseeds? Quite the contrary. It's the Community's biggest farm deficit, because the EC supplies only 63% of its own needs in vegetable oil—importing over one-third of these products. So why is the U.S. insisting so much?"

One reason "is that the transformation of oil seeds into oil supplies by-products which are rich in the proteins called oilcakes. These oilcakes are indispensable to feeding livestock, and Europe has a huge deficit in them (22% self-supply)."

Second, "oilseed production requires a lot of land. Only one ton of oil is produced per hectare, compared to five tons of grains. Europe currently has 6 million hectares in oilseed production, but it would need 18 million to cover our needs!

"Thus, the millions of hectares which we do not devote to oilseeds are used by farmers to produce large quantities of grains which are expensive to reexport onto the world market. . . . This land set-aside in Europe has avalanching consequences for all EC agriculture," the bulletin goes on, noting that farmers are diversifying to make up for lost subsidies and thus overproducing fruits, vegetables, and white meats, causing problems on every market. Rural Coordination charges that the Americans want to limit European oilseed production, partly out of financial and trade motives, but also to maintain Europe's protein dependency and to monopolize the food weapon as a means of political coercion.

Instead, says ECU: "In fact, oilseeds are the keystone of EC agriculture as a whole: If we develop oilseed crops to tend toward self-sufficiency, we will decrease proportionally grain production and, especially, suppress the costly export subsidies which were the source of many criticisms of the old CAP. With the grain producers' incomes sustained, they would no longer be tempted to diversify (fruits and vegetables) and to convert their production (livestock raising). Also, the setting of a European price for edible oils would stimulate dairy farming by favoring the use of butter.

"Massive development of oilseeds would permit us to stabilize the majority of agricultural markets by better occupying and maintaining rural space.

"The result would be beneficial for all kinds of producers, for the environment, but also for revenues, because the CAP budget would be strongly improved."

# R&D deficit reveals betrayal of Italy

by Leonardo Servadio

Increasingly in recent months, counting the accumulating debt has become Italy's national sport. A public debt in the range of 1.5 trillion liras (about \$812 million), with a current yearly deficit of some 150 billion liras, provides rationales for all sorts of speculations—not only financial runs against the lira, but political speculations about how the ongoing institutional reform will reshape the state, and which party will win or which will lose. Parties are being suppressed and revived, factions split and unite with others, and new movements emerge and participate in electoral campaigns, but they claim not to be “political parties” in order to avoid being confused with the old “corrupt party-ocracy.”

Privatization is the cry of the day, the panacea that all the “newists” (those who aspire to a share of the power by claiming to be “new,” pure, uncorrupted, and true lovers of the people, and who are too numerous and perhaps too ephemeral to name) tout as their original program.

The notion of what's good and what's bad for Italy has been reduced to these two categories of judgment. The first is private versus state-owned; the second is honest versus dishonest. This is not surprising, since over 400 politicians and administrators have been jailed for corruption, and the courts are now dealing with known or suspected collusions between politicians and the various mafias which exist in the country.

Yet while all this theater is keeping everyone busy with his own little struggle for justice, in this general brawl Italy is dying. Its very existence as a nation is being attacked by the rejection of the “postwar system” headed by the Northern League, whose drive for regionalization was reinforced by the formation in April of the Regional Committee of the European Community. This is the kernel of what is supposed to become a second chamber of the European Parliament, when it takes over chunks of sovereignty from the various national governments under the Maastricht plan.

Italy's public debt could be managed, and even the foreign speculation against the lira could be countered. But the real reason Italy is dying, is because its deficit in research and development is increasingly putting its technological potential in foreign hands.

## Low quality of exports

Bank of Italy Governor Antonio Fazio noted, in a passage of his annual report on the national economy, that even if

exports have grown considerably (20% annually), thanks to the September 1992 lira devaluation, the effect of this increase is practically nil because the “quality” of exports is so low. “In terms of goods requiring high intensity of research and development, Italy is, among the industrialized nations, the country whose foreign trade is most in deficit,” Fazio said.

Moreover, the lira devaluation caused internal consumption to contract by an amount equivalent to the expansion of exports, so that national industries are no better off, and unemployment is up. Fazio spoke of growing joblessness but did not link it to the lira devaluation.

Unlike trade and monetary imbalances, it takes years to repair an R&D deficit. In today's fast-moving markets, with foreign multinationals ready to take over chunks of the national market and impose their own patents, Italy risks “scientific” colonization. No nation can defend itself against technological attrition (technological competition) without an adequate R&D program.

Italy's tradition in this field was not insignificant until, in the late 1930s, Enrico Fermi was forced to flee the country in order to protect his Jewish wife from the racial laws Mussolini started imposing in 1939 under orders from Hitler. With Enrico Mattei, the founder of the national hydrocarbons company, there was an attempt in the 1950s and 1960s to set up a national research and development effort, although it was limited to the industrial chemical sector. But since Mattei's death in 1962, Italy has increasingly lived on the dreams of a glorious past and imported technology. The fact that some scientists in the U.S. space program have Italian names, is meaningless from the standpoint of Italy's existence as a nation.

Of the industrialized countries, Italy spends least on R&D. In 1988 it invested 1.2% of GNP in R&D, while France and Britain in the same year invested 3% of GNP in R&D, and Japan and the United States 6%. The pharmaceuticals sector has been nearly swallowed whole by foreign multinationals. The chemical sector is partially resisting only due to the enormous impulse it has received until the 1970s, as a spinoff from Mattei's input.

A typical irony is that although Italy is the biggest “museum nation” in the world, nearly all the products used to restore stone or paintings are produced with foreign patents. Italian aerospace survives only thanks to connections with U.S. industry, because unlike France, Spain, and Germany, Italy is not part of the European Airbus venture. In computers and automation, Olivetti and Fiat still have technologies which keep them in the small appliance market, but the lack of R&D will lead to growing problems. The pattern holds up in every sector.

This is the fault of the political class which is now sinking with the Italian First Republic. But no one, among the “newists” who are now in the run for a grab at power, accuses them of this true betrayal of the nation, nor is anyone coming forward to propose remedies for these misdeeds.

## Lies, damned lies, and statistics

*The huge profits that are being claimed by the U.S. banking system simply do not exist.*

**F**our times a year, the Federal Deposit Insurance Corp. releases financial statistics for the U.S. banking system. Each quarter, the FDIC's numbers stray further into the realm of fantasy, in a foolish attempt to hide the insolvency of the U.S. banking system as a whole, and of the major banks in particular.

According to the latest FDIC Quarterly Banking Profile, U.S. banks turned a record profit of \$10.9 billion for the first quarter of 1993. That income, the FDIC said, "shattered" by \$2.4 billion the previous quarterly record of \$8.5 billion set in the third quarter of 1992, and topped by \$3.3 billion the \$7.5 billion in income reported for the first quarter of 1992.

Over the last five quarters, the banks have broken quarterly earnings records four times, and the one quarter they didn't, the profit was still the second highest on record at the time.

Were the banks to continue to report income at the current pace, they would earn more than \$43 billion for the year, easily surpassing the record \$32.1 billion claimed for 1992, which was itself 79% higher than the \$17.9 billion in income claimed in 1991.

Thanks to these record profits, the equity capital of the banking system as a whole has skyrocketed. Equity capital rose a record \$10.1 billion in the first quarter of 1993, the highest quarterly increase in equity since the FDIC began keeping quarterly balance-sheet data in 1973. That brought the equity capital-to-assets ratio to 7.79%, the highest ratio since 1963.

Over the past five years, equity capital has risen by 50%, from some \$180 billion at the beginning of 1988 to \$274 billion as of March 31.

"The recovery in the banking industry is continuing nicely," said FDIC Chairman Andrew Hove, in a press release touting the first quarter results. "The vital signs are reassuring, and barring an unforeseen setback, the prognosis for the near future is excellent."

Given the amazing numbers reported above, one must wonder what Hove, and other regulators such as Federal Reserve Chairman Alan Greenspan, are talking about when they refer to a "recovery" in banking.

The answer to that question is simple: the FDIC's statistics have been doctored to hide the collapse of the banks. That's not entirely the FDIC's fault, since the agency calculates its totals based upon call reports filed by the banks. But the statistics are outright lies, and the bankers and regulators know it.

One of the ways the banks overstate their income, is by hiding the extent of their bad loans. According to the FDIC, "troubled assets" of commercial banks fell for the fourth consecutive quarter, to \$84.3 billion, the lowest level since the middle of 1990. That figure includes loans and leases more than 90 days past due of \$59.3 billion, and "other real estate owned," mostly foreclosed property, of \$25.1 billion, but excludes the \$34.2 billion in loans and leases 30-89 days past due, and the \$11.6 billion in restruc-

tured loans.

Thanks to this alleged drop in non-performing loans, banks have been able to reduce the amounts of loans they charge off, and reduce the size of their reserves for loan losses.

The banks charged off \$4.4 billion of bad loans in the first quarter, or 31.5% less than the \$6.4 billion charged off in the first quarter of 1992. For all of 1992, the banks charged off \$25.6 billion, down 22% from the \$32.9 billion charged off in 1991.

Had the banks merely maintained their already woefully inadequate 1991 level of charge-offs for 1992, their reported capital would have dropped \$7.3 billion, and were they to have charged off in the first quarter of this year an amount equal to that of a year earlier, capital would have been reduced by another \$2 billion.

Furthermore, had the banks' reported level of troubled assets remained the same between the first quarter of last year (\$101.9 billion) and the first quarter of this year (\$84.3 billion), the \$35.5 billion in profits claimed during the 12-month period would have dropped by \$17.6 billion, a fall of 50%.

These capital and profit reductions are tiny, compared to what would occur were the banks to admit the full scope of their losses. Were the banks to file even remotely honest financial statements, the banking system would collapse overnight.

But this criminal coverup of the state of the banking system is only part of the problem.

To keep these insolvent banks afloat, federal regulators are running perhaps the biggest covert bailout in world history, through manipulation of interest rates and currencies, as well as direct lending to the banks themselves. That hand you feel in your pocket, is the banks grabbing your money.



### Germany: another 'sick man of Europe'?

*Political elites in Germany prefer not to take notice of the profound economic and political crisis.*

**F**or Chancellor Helmut Kohl, the world seemed to look in order, when he told the 17th national roundtable meeting on economics in Bonn on June 14 that he was more than confident that the economy would "look much better next year" and that his policy was the right one. Industrialists like Tyll Necker of the industry association BDI, were not at all convinced by his statements, which were reported as being "too long, and with too little real content, as usually is the case at these meetings."

Kohl is on record declaring that by the time he celebrates his 64th birthday in April 1994, eastern Germany will be a blossoming industrial landscape and most of the nation's present economic problems will be overcome. All of this is propaganda for the next elections for national parliament in 1994.

But what does Kohl really know about the economic crisis? Let us refer to some senior spokesmen from the German world of banking and industry.

On June 7, Norbert Walter, the chief economist of Deutsche Bank, Germany's largest, said at a seminar of the Konrad Adenauer Foundation (linked to Kohl's Christian Democratic party) that he was worried about the political atmosphere: "We're living on the Titanic, but we haven't even spotted the iceberg yet." Walter charged that the government lacked a strategy to deal with the crisis: "Today, this republic leaves the impression that it is a boat without rudder and oars."

Ulrich Cartellieri, a board member of Deutsche Bank, was quoted in the *Der Spiegel* weekly on June 14

mocking the incompetence and inaction of the government and other political institutions: "The politicians finally have to make decisions. For years, we've been discussing problems of the industrial base, and nothing has happened. One gets the impression that our country is degenerating into a talk-show republic." The atmosphere between industry and the government is "catastrophic," he said.

On June 14, Necker declared that he was deeply disappointed and that Kohl and the cabinet were to blame for the "big loss of confidence among the managers" in the country, because they would not take any advice from industry.

Less polemical but to the point, on June 10, Michael Fuchs, president of the foreign trade association BGA, called the government's talk about the U.S. economy being the "world conjunctural locomotive" that would pull everybody out of the recession, "bold and wrong at the same time." Fuchs said he saw no such stimulus, rather the contrary.

Kohl's response has been a flight-forward attack on the "spiral of complaints," blaming the dramatic situation in eastern Germany on the lack of banking and industrial commitment to invest there.

Bankers and industrialists have fired back at Kohl: Edzard Reuter, the chairman of Mercedes Benz Corp. (Germany's largest car maker), said on June 12 that what the country was missing most was "that type of political leadership that had been promised to us 10 years ago." This referred to Kohl's proclamation in late 1982

when he took over the chancery after a no-confidence vote against Chancellor Helmut Schmidt, that that changing of the guard in Bonn was justified by the "need to give this country leadership again."

The world of industry and banking, which welcomed Kohl in 1982 at the peak of the post-1979 recession, is visibly at odds with him now, and the prospect of having him at the top of the nation for another four years, with the economic depression deepening by the day, is considered a "scourge" by many. Kohl is confident, however, as there is no one in his own party who could challenge him in the near future.

Kohl's aides are also pointing to the sad example of Britain, where in late 1991, the elites came to the conclusion that Prime Minister Margaret Thatcher, then celebrating her 12th year in office, had been "in office long enough," and replaced her with the gray-looking John Major.

Similar to the British situation then, the opposition Social Democrats now offer no alternative, but are trying to sell their mediocre leaders as the choice for the nation.

After weeks of fruitless dispute over who, after the sudden resignation of party chairman Björn Engholm, should lead the Social Democrats, the party held a poll among its members on June 13. Of the three candidates, Rudolf Scharping, 45, the governor of Rhineland-Palatinate, won with a meager 40% of the vote, i.e., 60% of the party is still not behind him. What he actually stands for is not known, but he is presented by the media as "the brave son of Mainz," the capital of Rhineland-Palatinate.

His "victory" was appropriately commented on by a knowledgeable Bonn insider as "the victory of the post-modernist, petit-bourgeois idol, in a situation that requires real statesmen to lead the country."

## Whither Colombia's oil?

*The issue is whether the nation gets the profits from its new deposits, or the creditor banks will be the beneficiaries.*

Although the income expected to accrue to Colombia once its newest oil deposits are developed will be more than sufficient to assure the construction of modern transportation infrastructure for industrializing the country, the bureaucrats at the National Planning Department and the monetarists at the central bank and Finance Ministry have a plan to hand over future oil revenues to the international bankers instead.

By the end of June, the state oil company Ecopetrol will have declared the Cusiana and Cupiagua oil deposits in Casanare department ready for commercial exploitation. According to analysts at British Petroleum Colombia Exploration, the company which took on the association contract to develop the oil, the two deposits have combined petroleum reserves of 2 billion barrels.

The terms of the association contract are that British Petroleum will have 19% participation, the company Total will have 19%, and Triton 12%. The three multinationals will thus have a combined 50% share of the income. Ecopetrol will get the other 50%. Twenty percent of the total production corresponds to royalties which will, by law, go to the nation, the department of Casanare, and to Yopal, the township where the deposits are located.

According to plans presented by British Petroleum, the wells will be producing 80,000 barrels per day by the end of 1994. In 1995, production levels will reach 135,000 bpd, and by 1998, full production levels of 600-800,000 bpd are expected. Production

at this scale is expected to remain constant for at least 10 years, after which the wells will run dry.

Presuming that the price of oil remains at \$18 per barrel and production will be 600,000 bpd a year, Ecopetrol would annually receive \$1.6 billion in revenues above what it currently receives. This oil income would go directly to the national coffers, while the nation, Casanare, and Yopal would get approximately \$800 million in royalties. Combined, over ten years, this would yield \$24 billion in oil income from the wells.

However, there is also a strong likelihood that the region is hiding a great deal more oil. In fact, there are rumors that another multinational has already discovered a deposit near Cusiana, with comparable reserves. For its part, British Petroleum has only explored a small portion of the land that falls under its association contract with Ecopetrol.

The opportunity such natural wealth offers Colombia to develop a modern transportation infrastructure comparable to Germany's—with canals, ports, railroads, highways, airports, etc.—is immense. According to a 1992 study by the Ibero-American Solidarity Movement, "No to the Narco-Economy: Let's Industrialize Colombia," the construction of an infrastructure project of this scope would cost \$50 billion. That cost would include the construction of an inter-oceanic Atrato-Truandó canal. The \$24 billion from Cusiana and Cupiagua, would finance half the cost of such a program.

However, the Planning Depart-

ment appears instead to be following the recommendations of Health Minister Juan Luis Londoño, former deputy director at Planning, who submitted a study arguing that the way for Colombia to avoid monetizing the oil income, boosting inflation, revaluing the peso and destroying the non-oil economy is *by using the income to pay off the foreign debt!*

It remains to be seen whether Planning will be able to convince a nation which has suppressed such urgent needs for far too long, to hand over its oil wealth to the creditor banks. In early July, the Planning Department, the Finance Ministry, and the Bank of the Republic will be holding a conference, where "specialists" from Harvard, Chicago, etc. will be trotted out to warn of the supposedly grave dangers of massively investing oil revenues inside the country.

According to department "experts," the net income that Colombia will draw from the wells in the next ten years, minus the cost of developing the fields and constructing the pipelines, will be \$17 billion, precisely the amount of Colombia's foreign debt. A likely scenario that Planning, the Finance Ministry and the central bank will follow is to use a third of the income to pre-pay the foreign debt, deposit a second third in foreign accounts to keep the money from coming into the country, and use the last third to finance a handful of small infrastructure projects, insufficient to move Colombia out of the 20th century.

Thus, if the Planning Department and its monetarist colleagues at Finance and the central bank have their way, two-thirds of the oil bonanza will end up in the hands of the creditor banks. The economy, straitjacketed by a rotting infrastructure incapable of meeting the needs of a modern nation, will remain permanently addicted to its one source of cold cash, narcotics.

## Weather crisis in the U.S. corn belt

*Besides battling the food cartels, farmers are battling the elements, and the 1993 corn crop looks poor.*

**T**he 1993 planting season in the U.S. corn belt has been characterized by abnormally cool temperatures coupled with water-logged fields in many core areas. The planting began about one month later than normal, and has been in fits and starts because of frequent rainstorms across the belt. Farmers are looking at the sky and asking, "Why are the majority of the days so cool, cloudy, and frequently wet?"

Much of the answer can be connected to the atmospheric shading caused by the 1991 eruption of Mt. Pinatubo in the Philippines. That massive eruption pumped sulfur into the atmosphere which bonded with water droplets, forming sulfuric acid, thus blocking radiation from the Sun. The shading affects summertime conditions more drastically because there is more sunlight to shade. Currently, the shading of the temperate zones are 30% of the peak, and still reflecting radiation.

The 1993 planting season is the opposite of 1992. The 1992 growing season produced record corn and soybean yields, and production was actually aided by the atmospheric shading. A dry, warm spring provided an ideal beginning; and when the rains, followed by a cool summer, materialized, a bumper crop resulted. The central and southern corn belt experienced ideal temperatures in 1992, as opposed to the scorching heat of previous years. Normally, St. Louis, Missouri would be blistering under oppressive summertime heat. Such sunlight intensity overstresses crops because soil fertility has been gradually reduced and the ability of these soils

to compensate in times of peak nutrient demand no longer measures up to essential crop needs.

The central and southern corn crops in recent years have been falling apart under high sunlight intensity, but reduced sunlight intensity in 1992 did not overstress the crop, and a dramatic yield occurred. Observers should pay close attention to what is happening. The lower zones of the corn belt can no longer produce a viable crop under high sunlight intensity!

Then, in the northern corn belt in 1992, a near disaster occurred. The ideal spring most farmers experienced was the only saving grace, because the summertime weather turned cold. St. Louis experienced Minnesota's summer. The growing degree days (GDDs) necessary to produce a mature crop were marginal, as frost ended the growing season last September.

The quality of the corn and soybeans in the northern belt was characterized by low test weight, spoilage due to incomplete proteins, moldings, etc. A frost just one week earlier would have produced mush. How does the 1992 crop year compare with the current one?

The two planting springs have been like night and day, and the summer GDDs must increase rapidly to achieve 1992's crop production. The core of the corn belt (the southern one-third of Minnesota, Iowa, and Missouri) are struggling just to finish planting. For example, as of the second week of June, Iowa had planted only 45% of its soybeans, and Missouri only 32% of its soybeans. Problems extend into South Dakota, Wisconsin, and Michigan as well.

However, the eastern and western sections of the corn belt are further advanced, although the crop was still planted late.

Just to demonstrate how desperate some farmers are, one only has to observe the smoke rising above their fields. The wet 1992 harvest did not permit much fall tillage. Consequently, many farmers are faced with an untouched insulating mat of cornstalks covering their fields. These fields are slow to dry and farmers desperate to plant are burning their cornstalks. The area looks like Kuwait, only this smoke is white. The organic carbon, or humus, which normally would be recycled back to the soil via the residue, now goes up in smoke, lost forever. It has been estimated that burning accelerates the loss of organic carbon five times over the normal removal of a grain crop from the land. This needless loss of organic matter is probably one of the most devastating things a farmer can do to ruin the productivity of farmland. Where are the farmer harassing environmental watchdogs? They're too busy running after their own tails to even understand the consequences of destroying soil organic carbon.

The 1993 crop, if it is planted, already is 16% behind the 32-year average of GDDs (for the second week of June) at the Southwestern Minnesota Agricultural Experiment Station. Therefore, the sun has to shine intensely between June 15 and Aug. 1 to make up for a cool, wet spring. This year, it appears that the central and southern corn belt cannot repeat with record yields to counterbalance the problems of the northern corn belt.

The Chicago Board of Trade did not reflect the potential 1993 harvest shortfall. The looters are having too much fun stealing from the farmers to comprehend the real world of production agriculture.

# Business Briefs

## Russia

### German adviser: Produce for the internal market

"Beware of western speculators who are operating in the dark brew of the market economy," Wolfgang Kartte, a senior German adviser to the Russian government, warned Russia, at a meeting of the Rhineland Savings Banks Association in Krefeld, Germany on June 7.

Kartte, the former head of the German anti-cartel agency who is now overseeing an investment project in the region of Vladimir, east of Moscow, said that the only investments that made sense and offered any chance for a future Russian small and medium-sized industry to emerge, were western investments in "Russian jobs producing Russian goods for the Russian market."

To give domestic production a chance against foreign dumping, Russia needed "protective tariffs," Kartte declared. He warned against the dismantling of the state sector industries and farm cooperatives. For Russia, "soft privatization" was to be preferred over shock therapy, he said.

## Trade

### Joint venture to license Russian technologies

Executives of two U.S. high-technology firms, joined by Russian Academician E.P. Velikhov, announced at a press conference on June 9 at the Russian Embassy in Washington that East/West Technology Partners, Ltd. has been formed to "market technologies from the former Soviet Union, in the West," according to the company.

The three partners are: the defense and high-tech firm BDM International, headed by former defense secretary Frank Carlucci; Intex (International Technology Exchange) Corp., which has been mainly marketing Soviet medical technology since the early 1980s; and a new Russian joint stock company, Technology Exhibition and Investment, Inc., "organized and managed by some of the most prominent scientists and Academicians in Russia."

The partners said that they are in the final stages of negotiations to license three Russian and Belarus technologies to western corporations, including a low-cost method of manufacturing of solar cells; technology for manufacturing printed circuit boards and other electronic components, entirely from aluminum; and a new technique for the non-destructive testing of silicon wafers for electronics.

East/West Technology Partners lists former Soviet technologies in advanced materials, organic and physical chemistry, materials processing, electronics, lasers and optics, medical technology, and advanced algorithms as among the fields of technology to which they will have access.

## Jordan

### IMF forces rise in fuel and kerosene prices

Jordan raised the prices of several oil products on June 9, and the government is also planning to raise consumer electricity prices, Reuters reported. The price hikes, taken under pressure from the International Monetary Fund (IMF), are intended to give Jordan access to increased World Bank aid, according to a government official.

Earlier this year the government raised the price of bread and stopped subsidizing animal feed. These measures are part of the IMF-directed "economic restructuring." Jordan, which has a \$7 billion foreign debt burden, last year launched its IMF-recommended, seven-year economic reform program to "liberalize its economy."

## Astronomy

### Hubble team determines distance to galaxy M81

A team of astronomers led by Jeremy Mould of Cal Tech announced on June 9 their calculation of the distance to galaxy M81, a large spiral in the constellation Ursa Major, at the semi-annual meeting of the American Astronomical Society in Berkeley, California. The new

method used is a step forward for astronomy.

Defensible estimates of the galaxy's distance have heretofore ranged from 4.5 to 18 million light years. Using the Wide Field and Planetary Camera on the Hubble Space Telescope, the team determined its distance to be 11 million light years, plus or minus 10%. Like all but a few astronomical objects, M81 is well beyond the point at which triangulation could be used to measure its distance.

Team member Barry Madore explained to *21st Century Science & Technology* magazine that the reliability of the method used (cepheid variable stars as distance indicators) is universally accepted among astronomers. Cepheid variables are pulsating stars that increase and decrease in brightness in fixed periods, with the length of the period proportional to their absolute brightness. This makes cepheids useful as distance indicators: Two cepheid variable stars at maximum may appear equally bright, but if one has a period twice the other, it must be twice as distant (and of greater absolute brightness).

Prior ground-based studies over years had only managed to resolve, and measure the periods of, two cepheid variables in M81, while the Hubble study detected 32 cepheids in 22 exposures of 20 minutes each, spread over 14 months.

## Development

### Russian newspaper covers Zepp-LaRouche

The May 18 issue of *Razvitiye* (*Development*), an independent Russian newspaper linked to the construction industry, attacked monetarism in an article by Anton Polynov entitled "Monetarism—Road to Nowhere." The article was based on an interview with Helga Zepp-LaRouche, the wife of U.S. political prisoner Lyndon LaRouche and the president of the German Schiller Institute, done during her April visit to Moscow.

Polynov wrote: "LaRouche's political activity, his opposition to the policy of world financial organizations, his support for a moratorium on debt payments by Third World countries, and his impartial criticism of the economic policy of the American administration galvanized forces which launched politi-

cal slanders of LaRouche and his associates.”

Polynov quoted Zepp-LaRouche: “My husband proposed the idea of the Productive Triangle already in November 1989, when the borders opened and the Yalta order, which had reigned in Europe since the end of the Second World War, came to an end. The key question of this program is the development of infrastructure. Lyndon LaRouche proposed to unify the entire economic space of Europe and Asia in a single economic bloc. A triangle with its vertices in Paris, Berlin, and Vienna could become the cornerstone for development of the continent. The effective investment of resources into infrastructure, specifically in this triangle, could serve as a real locomotive for the economy of the entire planet. Even the obsolete productive capacities and potential of Russia, together with the countries of the former communist world, could make a substantial contribution to the implementation of this program.

“But, unfortunately,” she added, “things went in another direction. So-called monetarism became the dominant course. Only crazy people could decide in favor of this. . . . Russia tried to follow the Polish model, but the crash privatization and so-called liberalization of prices reduced ordinary working people to poverty, while the country itself became bogged down in hyperinflation and chaos. Instead of building a normal market, the monetarists robbed the country. . . .”

## Environmentalism

### Pesticide residue in food is ‘negligible’

There are 15 grams of carcinogens in two cups of coffee, the same amount of residue pesticide one would ingest from a whole year’s worth of food supply, Aaron Wildavsky, professor of political science at the University of California, said in a speech at a conference of the Independent Institute held in Washington on June 8. He concluded that if one were really worried about the nation’s health, one would try to get people to drink less coffee.

The conference, entitled “Hazardous To Your Health: Toxics, Torts and Environmental Bureaucracy,” focused on the legal and health issues arising from governmental regu-

lations.

Wildavsky pointed out that the amount of natural carcinogens we consume far exceeds that from man-made sources, and that these are thousands of times more potent. Animal cancer tests are practically worthless when applied to humans, he said, due to the incredibly high doses involved.

He observed that the essence of environmentalism has been to devalue science. Probabilities have been replaced with possibilities. Instead of working from what is known, we regulate against what might be.

## Productivity

### Vietnam’s labor force called not cheap enough

Worker productivity is so poor in Vietnam that even the cheapness of its labor costs may not offset the problem, Vietnamese officials are warning, the *Bangkok Post* reported on May 13.

Workers’ demands for even a survival wage could jeopardize Vietnam’s chances of attracting “investors,” warned Vu Huy Hoang, deputy director of Vietnam’s State Committee for Cooperation and Investment. Wages paid at garment, shoe, and leather goods factories are making Vietnam less competitive, he said. “If we increase our wages and salaries, I think we lose our chance to attract investment.” Joint-venture companies are required to pay at least \$35 a month to workers in Hanoi and Ho Chi Minh City, and \$30 a month outside those cities.

The *Bangkok Post* quoted a manager of a Thailand-based export company saying that higher wages in these industries “will cripple them before they get off the ground. . . . It is not Indonesia and the Philippines they have to worry about. It is China.” Indonesia’s monthly wage of \$50 is higher than Vietnam’s, but its workers are more experienced. Chinese wages are comparable to Vietnam’s, and its workers at least as productive.

Only about one-third of Vietnam’s textile workers are skilled enough to produce goods for export, the *Vietnam Investment Review* reported recently. Factories in Singapore and Thailand can produce twice the exportable goods.

● **‘GEORGE SOROS’S** highly visible venture into British real estate is a political move to prop up the business friends of Mrs. Thatcher,” a senior London banking source told *EIR*.

● **MALAYSIAN** Prime Minister Mahathir Mohamad began a 10-day visit to China on June 13, accompanied by more than 300 officials and businessmen. The delegation, one of the largest ever to visit China, will tour industrial sites and sign agreements with Chinese corporations.

● **DIPHTHERIA** in the Russian Federation has reached epidemic proportions, the *Weekly Epidemiological Record’s* mid-May edition reported. The outbreak has also spread to Ukraine.

● **TUBERCULOSIS** will kill 30 million people in the next 10 years, the World Health Organization estimates, based on the fact that TB is rapidly spreading all over the world and that the bacteria have become immune to many routinely used medicines. Most cases today are in Asia, Africa, and Latin America, but the disease is also spreading very rapidly in the United States, with the number of cases having increased by 12% since 1986.

● **IRAN** has managed to reschedule \$2.9 billion of overdue foreign debts, which may help it overcome its short-term debt crisis by early next year, economists and diplomats told Reuters on June 6. The debt is mainly to Japanese trading houses, including Marubeni, Mitsubishi and Mitsui. They have given Iran a 12-month grace period.

● **MALARIA VACCINE** developed by a team of Colombian scientists at Bogotá’s San Juan de Dios Hospital under the direction of Manuel Elkin Patarroyo, will be produced in large quantities by the end of this year. The Colombian government announced on June 8 that an agreement had been reached with the World Health Organization to build a plant and start production of the new vaccine.

## Schiller Institute puts forward a plan for peace in Europe

by Susan Welsh

U.S. political prisoner Lyndon LaRouche, commenting on the successful conclusion of an international conference in Bonn, Germany of the Schiller Institute, underlined that the rapid economic and cultural revival of Eurasia, including Russia and China, is the “make-or-break issue” that will determine the future of world civilization. For the first time, during the June 4-5 deliberations in Bonn, influential leaders representing the forces that have struggled to free and develop eastern and western Europe, told the truth about the catastrophic situation threatening the world there, and generally supported the thrust of the programmatic policies of LaRouche, and freedom for LaRouche, to avert catastrophe.

“This was the only public conference in recent years which has presented a comprehensive view of the policy crisis and its recommended solutions,” LaRouche said in an interview on June 9. “The conference as a whole will be one of the biggest bombshells, from the standpoint of serious policy thinkers around the world, including Washington, D.C.

“The conference signifies, in a negative way—that is, the fact that there is nothing to match it visible in any other quarters—the absolute breakdown of government policymaking virtually throughout the world. There is hardly a government of the world today which is functioning. And I think the conference shows, by functioning in the manner it did, the absence of such functioning in other quarters.”

In last week’s *EIR*, Bonn correspondent Rainer Apel gave an overview of the conference’s proceedings, and LaRouche’s call for a “Golden Renaissance” was published in full. In this *Feature*, we focus on several of the presentations dealing with the most urgent issue facing the European continent: the war in the Balkans. Several speakers cut through, very powerfully, the media brainwashing and the lies of the foreign ministries, according to which that hideous war is a *media event*, a soap opera, an isolated phenomenon. As Prof. Zvonimir Separovic of Croatia said, “Former Yugoslavia, ladies and gentlemen, is in Europe, it’s just across the Alps. It is a one-hour flight. You *have* to be involved.”



The Schiller Institute has moved into the vacuum left by world policymakers, providing a forum where the global crisis can be truthfully discussed, and real solutions raised. From left seated at the dais: Yuri Khromov, Russia; Janos Denes, Hungary; Helga Zepp-LaRouche, Germany; Anno Hellenbroich, Germany; Slavica Bilic, Croatia.

Helga Zepp-LaRouche, the president of the Schiller Institute in Germany, summed it up this way: "I want to emphasize, as the war in former Yugoslavia shows, we *have very little time*. As in the process before World War I and World War II, a definite point was reached then, after which war was inevitable. *And we may be very close to precisely such a point now*. Perhaps we only have summer, before that could happen. Changes must be effected, before tragedy takes its course. Each of us must take responsibility for more than just the fate of his or her own country, and also to raise the level of discussion above mere national interest."

Gen. Paul Albert Scherer (ret.), the former head of West German military intelligence, gave a speech on the situation in the former Soviet Union, which showed how the war in the Balkans could quickly escalate into a much larger conflagration. He warned that a failure to stop Serbian aggression would lead to further "copycat provocations" in the Baltics and other crisis spots in the former Soviet empire.

One example of such a "copycat provocation" was discussed by Armenian parliamentarian Hrant Khachatryan (see also interview, page 40), who gave a speech on Azerbaijan's "ethnic cleansing" strategy against his country.

Characterizing the situation in the former Soviet Union, Scherer said that "the horrendous living conditions are increasing in such an outrageous way, that the explosive pain limit will be reached in 1993. Because of this, consequences of self-destruction will unfortunately appear, during which time reform will not be able to be implemented. The use of force will lead to a self-cleansing process between the rival

potentials, which could lead a junta to power for some time. The next Russian tendency in policy seems to be developing in the direction of a re-occupation of the Baltics and a return to the coast of the Black Sea and the Crimea. It is possible that in the world-political realm there will be very stormy times, because the Muscovites observed the inactivity of the West regarding the Balkans closely.

"That the right to life, in Bosnia, the only Muslim nation of Europe, has been destroyed, will additionally stir up fundamentalism in the Near East, in the Middle East, and in North Africa. It will try to force changes with the help of Red Chinese weapons in a terroristic fashion. The security-political perspectives of the spoiled, fair-weather democracies of Europe don't look good."

### **No peace without development**

Several participants remarked upon the tension that could be felt in the room, following the presentations by Scherer and others. One person asked whether *all* small nationalities should be recognized—after all, Russia has 132 nationalities, where would that lead?

Helga Zepp-LaRouche replied that although it is necessary to respect the interests of national minorities and nationalisms, the fact is that if there is no economic development, minority rights are a total illusion. Our commitment first has to be to humanity as a whole, she said. Speaking as a patriot of her own country, Germany, she said that for example, when German goals are in positive harmony with that commitment to humanity, then and only then can those goals be supported.

# International representatives debate how to bring about a lasting peace

*The Schiller Institute's conference, "Toward a Durable Peace in Europe," was attended by people from at least 18 countries, including Russia, Ukraine, Armenia, Germany, Bulgaria, the Czech Republic, Hungary, Bosnia, Croatia, Kosova, Iran, Iraq, Poland, Italy, Latvia, France, Colombia, and the United States. The embassies of Nigeria, China, Greece, and Bulgaria were also represented. The following is a list of speakers and people who sent written statements and greetings to the conference.*

## Armenia

**Haik Babookhanian**, member of the Yerevan City Council

**Hrant Khachatryan**, member of the national parliament

## Bosnia-Hercegovina

**Prof. Lamija Tanović**, University of Sarajevo

## Bulgaria

**Ivan Stanchev**, coordinator, council of ministers of Bulgaria; general secretary of the "Union of the Repressed After Sept. 9, 1944"

## Colombia

**Jorge Carrillo**, former labor minister

## Croatia

**Slavica Bilic**, former president of Mothers for Peace organization, Zagreb

**Srecko Jurdana**, journalist, expert in military problems, writer for two leading Croatian newspapers, *Vecernij List* and *Slobodna Dalmacija*

**Prof. Dr. Zvonimir Separovic**, former foreign minister, Republic of Croatia; founding member and former president of World Society of Victimology

## France

**Jacques Cheminade**, chairman, Schiller Institute in France

**André Copin**, assistant director of the nuclear power plant in Paluel, sent a message of greetings

## Germany

**Franz Baldauf**, factory councillor, Munich, sent a message of greetings

**Anno Hellenbroich**, Schiller Institute

**Brig. Gen. Heinz Karst (ret.)**, sent a written statement

**Michael Liebig**, editor, *EIR*

**Walter Merz**, entrepreneur, activist on behalf of medium-sized industry

**Gen. Paul-Albert Scherer (ret.)**, former head of Ger-



Rosemarie Love



Dr. Leonid Fituni



Dr. Tibor Kovats



Prof. Alexander Legatowicz



man military intelligence service (MAD)

**Dr. Hans Peter Seidl**, board member of Rhein-Main-Donau AG, sent a written statement

**Jonathan Tennenbaum**, director, Fusion Energy Forum

**Helga Zepp-LaRouche**, founder, Schiller Institute

## Hungary

**Janos Denes**, member of parliament

**Dr. Tibor Kovats**, member of the board of the Association of Former Political Prisoners (POFOSZ); spokesman of the interparliamentary committee "New Europe—Peace Through Development"

**Istvan Morvay**, titular secretary of state, office of refugee and immigration affairs, Ministry of the Interior

## Italy

**Gerardo Bianco**, chairman of the Christian Democratic Group of the Italian Chamber of Deputies, Rome; sent a message of greetings

**Sen. Flaminio Piccoli**, former general secretary of the Christian Democracy in Italy and of the Christian Democratic International; sent a message of greetings

## Kosova

**Dr. Bujar Bukoshi**, prime minister; submitted a written statement to the conference on the situation in his country

**Edita Tahiri**, Democratic League of Kosova; submitted a written statement to the conference

## Poland

**Prof. Alexander Legatowicz**, adviser to trade union Solidarnosc, former member of parliament

## Russia

**Dr. Leonid Fituni**, director, Russian Academy of Sciences Center for Strategic and Global Studies

**Dr. Yuri S. Khromov**, head of Department of International Economy of Russia's Institute for Strategic Studies

**Dr. Vasili I. Krivokhizha**, deputy director, Russia's Institute for Strategic Studies

**Prof. Taras Muranivsky**, rector of the Ukrainian University in Moscow

## Ukraine

**Prof. Arnold N. Shlepakov**, president, Ukrainian U.N. Association, member of the Ukrainian Academy of Sciences and European Academy of Sciences, Arts, and Humanities

**Vasili F. Stolyarov**, director, National Economy Research Institute, Ministry of Economics

## United States

**Lawrence Freeman**, Schiller Institute

**Lyndon H. LaRouche**, physical economist, former presidential candidate, political prisoner; his speech to the conference was read by Muriel Mirak-Weissbach

**Rosemarie Love**, former Cook County, Illinois commissioner

**Ralph W. Yarborough**, former U.S. senator, Texas; sent a written statement to the conference on the war in Bosnia

## Other

**Melvin Fagen**, former director of the U.N. Economic Commission for Europe, sent a written statement to the conference on "Major Defects of 'Shock Therapy' Policies Applied in the Transitional Economies"



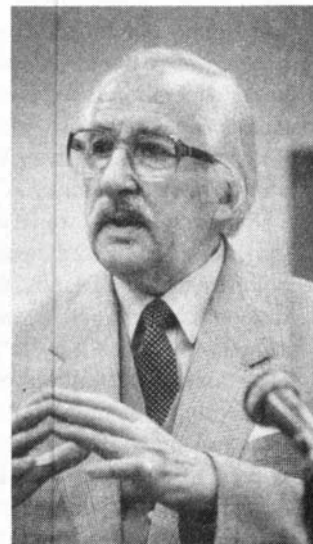
Jorge Carrillo



Helga Zepp-LaRouche



Slavica Bilic



Gen. Paul-Albert Scherer (ret.)

# Serbia must be named as the aggressor

by Zvonimir Separovic

*Prof. Zvonimir Separovic is president of the Croatian Victimology Society and the former foreign minister of the Republic of Croatia.*

I can start by saying that I fully agree with your concern for the world, for peace, and the present situation that we are facing in this crucial moment of history, not only for Europe, but for the world.

Let me mention, as a victimologist, that Mr. Lyndon LaRouche is on our minds. At a moment in which we are discussing here in Europe, in an atmosphere of freedom, serious problem of the world, this remarkable man is suffering as a victim of a system which does not accept his ideas, and has put him in jail. I feel sorry about this situation, and I will do my best to support international action to free Mr. Lyndon LaRouche, a man who is crucial in the current strategic situation of the world.

My second topic is: Today is June 4, the day proclaimed by the United Nations for the innocent child victims of aggression. Millions of children are in deep stress and in danger. They make up close to one-half of the population of this small planet. Some of them, millions of them, are suffering from hunger, poor health, and other conditions; they are on the street. But the most terrible thing that could happen to a young generation is to be involved in a war. This is exactly what is happening now, and I shall start with this in the part of Europe which is former Yugoslavia, which is a black spot in the history of mankind.

The worst of this war is what is happening to the children. They have been killed, wounded, deprived of their homes, their parents, their friends, their schools, their churches. Millions have been expelled, and more than that, they have been traumatized. Since it is the "Day of the Innocent Children," let us think of the millions of victims at this very moment.

Coming from a country which is at war, who should I speak as here now? Should I speak as an academic, on theoretical aspects of humanitarian law, on the history of an international criminal court tribunal, or on some other aspects that are very well known in the world of law and the international community? Definitely not! I cannot avoid speaking

about the destiny of the people of former Yugoslavia.

What is the statement of facts? It is mostly known to you. But if I may try to stress the most important of these, it will be that not since the Second World War have Europe and the world witnessed the monstrosities that are going on in former Yugoslavia. And former Yugoslavia, ladies and gentlemen, is in Europe, it's around you, it's just across the Alps. It is a one-hour flight. You have to be involved, even if you are not European—as you are.

What is actually happening? Close to 300,000 people have been killed so far. I repeat, 300,000. And the estimate of military experts is that 370,000 people have been killed in the war in former Yugoslavia so far. Mainly civilians were killed, while millions were victims of an unprecedented brutal terror, violence, mass rapes, injuries, and mutilations. As a result of the so-called ethnic cleansing operations carried out as part of the genocidal plan, more than 3 million people no longer have their homes—I repeat, more than 3 million people no longer have their homes. Almost half of them are children, young people; mostly, they are civilians, and they are in big trouble. Some of them are around here. Millions are in Croatia and other parts of former Yugoslavia.

In addition, thousands of churches and mosques, monuments of culture, schools, hospitals, and other public facilities were deliberately devastated in a barbaric fashion. Moreover, using scorched earth policies, entire towns in Croatia—Vukovar, Lipik, and others—have been completely destroyed, while numerous towns and villages, particularly Dubrovnik, but also Osijek, Gospić, Sisak, Zadar, and Srebrenica, are under the protection of Unesco. Even yesterday, Srebrenica and Zadar were again shelled and bombed, and other cities suffered heavy damage.

## This is genocide

What is this? How do we define it?

Ladies and gentlemen, this is genocide, an organized, systematic attempt by Serbia and Montenegro to destroy, wipe out, and exterminate the non-Serbian people of Croatia and Bosnia-Herzegovina, because of their nationality and religion, in order to create Greater Serbia. Even now, cities like Sarajevo and Gorazde are under siege, are bombarded, and are suffering heavy aggression.

Why is all this occurring? If I give you my answer, you may find it to be partisan, one-sided, but that is the only knowledge I have, and it is knowledge based on my own experience and that of neighbors and witnesses.

It is Serbia which is a permanent cause of instability in the Balkans, in Southeast Europe, and in Europe, because of its imperialistic policy, which has been prepared over a long period of time. The latest creator of this policy was Mr. [Dobrice] Cosic, who was ousted, two or three days ago, as useless now, by dictator [Slobodan] Milosevic. It was Serbia which has elaborated the idea of "Greater Serbia," based

on well-known slogans like “Serbs, All and Everywhere,” “Wherever There Are Serbs, There Is Serbia,” and “All Serbs in a Single State.” These are impossible principles and ideas. If you follow them, there will be no safe border in Europe; not between Finland and Sweden, not between Austria and Italy, not between France and Germany—thank God, no more wars between those two.

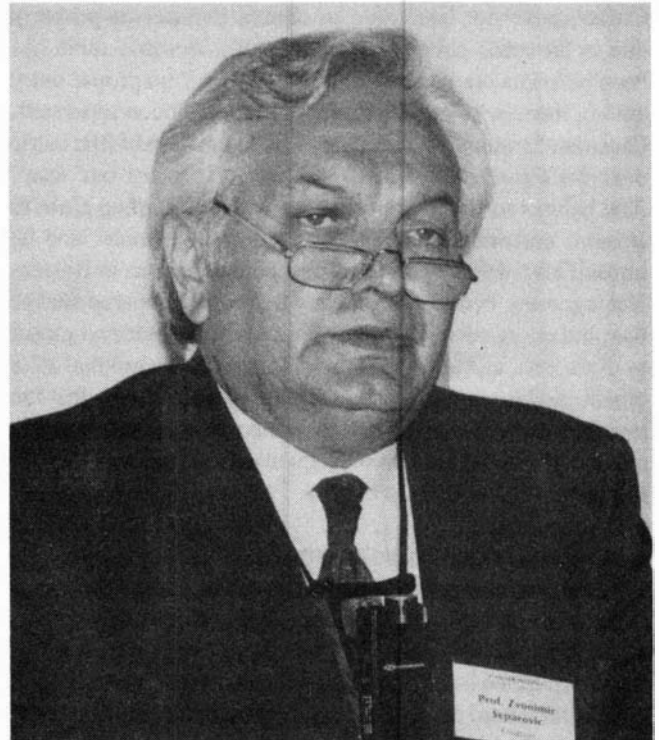
Recently, we have seen a friendly handshake (and we are happy to see it) between Mr. [Helmut] Kohl and Mr. [François] Mitterrand. But if such ideas take hold, there will be no peace, not in Europe, not in the world. These slogans found their expression in the well-known documents, drafted by individuals and institutions like the Serbian Academy of Arts and Sciences and the Serbian Orthodox Church, unfortunately. In its efforts to realize its imperial plans, Serbia first abolished the autonomy of Kosova and Vojvodina, then practically annexed Montenegro, and then, using the Yugoslav People’s Army (that is the typical name of a communist army), first attacked Slovenia in a seven-day war, then started another dirty, genocidal, undeclared war against Croatia, and one year ago, against Bosnia-Herzegovina.

In the march of conquest across Bosnia-Herzegovina, the destruction has been even worse than in Croatia. Violations of human rights committed by Serbian forces, have been particularly drastic, which is evident in the establishment of concentration camps, mass summary executions, mass rapes, and mass “ethnic cleansing” operations carried out on a scale unprecedented in human history. In recent conflicts between Muslims and Croats—and I insist on this, and this is my basic message to you—initiated by Serbian secret services and all Serbian forces, supported by international circles which I am going to mention, *one-third of Croatian territory and two-thirds of the territory of Bosnia-Herzegovina have been occupied*, thus enlarging Serbian territory two-fold. It is a war of conquest. It is not a civil war, it is not war among confessions, it is an imperial war.

### Entente Cordiale supports Serbia

Serbia was able to achieve these territorial gains, temporarily, due to the three preconditions—all of them geopolitical:

First, they have the support of powerful allies, particularly the Anglo-French Entente Cordiale, the Versailles-Yugoslavia allies, and Russia, the Bilderberg Society, Kissinger Associates, and some other informal groups about which the Schiller Institute and its fine publications have warned the world. And, Madam President [addressing Helga Zepp-LaRouche], I agree fully with you, that we are now facing a new Entente Cordiale, a geopolitical idea of a so-called European balance of power which is opposing united Germany and the new forces in Russia in order to establish the world according to the interests of the leading western European countries—namely, France and the United Kingdom. They



Zvonimir Separovic: “Ladies and gentlemen, this is genocide.”

are supporting the Vance-Owen plan, which is a cover for Serbian aggression.

This London-Paris connection includes Mr. Peter Carrington, whom I used to meet as a minister, and I don’t feel well thinking back on it, because I never trusted him. I saw that he was absolutely on one side, instead of being objective, non-partisan, and representing the European Community. He was asking from us, from Croatia: “Stop shooting, stop shooting!” while we were in a defensive war, a war of self-defense, unarmed, faced with the second (or third or fourth) biggest communist army in Europe, but a very strong one, which has been well organized and prepared to fight against those who have been trying to achieve only one thing: to realize and to enjoy the right of self-determination, in Slovenia, in Croatia, and later in Bosnia-Herzegovina.

They didn’t want it. They were in favor of Serbia. They have been opposing military intervention in the Balkans, and they find it in their own geopolitical interests to do this. So the first reason that this war has been possible, was the strong support of allies to Serbia.

### A right to self-defense

A second reason that this war happened is the denial of the right to self-defense. Serbia would not have achieved these gains and would not be able to further endanger neighboring countries if the endangered nations had had the opportunity to defend themselves. On one side, the endangered

nations, Croatia and Bosnia-Herzegovina, and Muslims and Croats, have not been able to defend themselves properly due to the arms embargo, and secondly, because there has been no connection, no "Entente Cordiale," no proper unity among those who are in danger. They have been separated. [Bosnian President] Izetbegovic said at the time of [the battle over the Croatian town of] Vukovar, "It is not our war." And he was so wrong, because the war was coming close to Bosnia, unfortunately. He was afraid of Belgrade, and he himself and his Muslims, part of the three nations in Bosnia-Herzegovina, became victims by not being prepared for the war and aggression that had been coming closer and closer to Sarajevo and Muslims and Bosnia-Herzegovina as a whole. So the second reason that this succeeded was that the attacked and endangered nations were unarmed and were not unified, not organized on their own territory against the evil threatening all of them.

### **The world community wouldn't act**

And the third reason this was possible, is that the world community has lacked the will to undertake energetic military action, has still not shown the will to stop the aggression. It has continued to rely on palliative measures such as limited humanitarian aid operations, sending medical help and food, parachuting in some help—which is ineffective—and expensive monitoring systems and the so-called peacekeeping forces, the Unprofor, which are also ineffective and just there for *not* taking proper actions.

What I suggest here to you are the following three or four proposals:

First, one should say that there is aggression, and to name the aggressor.

Second, the aggressor, which is Serbia, should be most urgently, immediately stopped in its policy of conquest. And this is to be achieved by the destruction of its military and economic power, the strict implementation of the toughest sanctions, and the implementation of Chapter 7 of the U.N. Charter. A limited military intervention has to be used, accompanied by the disarmament of Serbia and the deployment of the U.N. peacekeeping forces and other international forces in Serbia.

Third, an international tribunal for war crimes, which is to be most urgently established—and we are approaching this—should collect the evidence and bring charges against the war criminals. Some of them have been named by international sources, ensuring that they are going to be brought to court when the necessary conditions are met.

And finally, I would like to propose to you that we, a humanitarian people, Christian Democrats and people of liberal convictions, should work to get the international public to exert pressure on Serbia and the leadership of Montenegro, urging them to dismantle all the concentration camps, to release all the prisoners, and to disclose the disposition of the hundreds of thousands of missing persons.

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## Open Letter From Bosnia

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# Who is responsible for this tragedy?

*Following are excerpts from an open letter read to the conference, by Prof. Lamija Tanović, University of Sarajevo, Bosnia, a visiting scientist at the Niels Bohr Institute, University of Copenhagen. The letter is to Niels Helveg Peterson, president of the Ministry Council of the European Community and Danish minister of foreign affairs.*

Dear Mr. Peterson,

By not supporting the defense of the civil multiconfessional democracy in the sovereign state of Bosnia against the apartheid and fascist nationalistic regimes run from Belgrade and inspired by a clear territorial greed from Serbia and subsequently from Croatia, you are telling the European people and the world that your New United Europe is not standing firmly behind the principles of democracy, and you are openly supporting the position of the aggressors on Bosnia. You are allowing Mr. Owen of England to run the show regarding the Bosnian crisis both in Europe and the United Nations.

The old Bosnian cities, towns, and villages with Catholic, Orthodox, and Protestant churches, mosques, and synagogues standing side by side, for five and six centuries, cherishing such a unique culture of intermingled faiths, were proclaimed to be "Serbian" or "Croat" and even "Muslim." Inspired by that European support for creating Greater Serbia in principle, the Serbian nationalists sent the Serbian criminals and hitmen to destroy Bosnia, and the Serbian nationalists' propaganda helped by the European dishonest leadership, finished the job. The recent clashes between the Bosnian Army and Croatian nationalists is a direct consequence of the Vance-Owen maps.

How can the New United Europe, which pretends to create the greatest democracy on earth, the largest multi-ethnic, multiconfessional, and multiracial society on earth, support apartheid and ethnic division based on religious differences in a small country, the only little country in Europe that has proved by 1,000 years of its continuous existence that people of four or five different religions can live together in tolerance, love, and respect? How can your highest politicians say things like "centuries-old hatreds and conflicts"? Don't you know the history of the Balkans? Those whose advice you are taking know nothing about Bosnia.

There were no conflicts in Bosnia except when they were brought in from the outside, inspired by territorial greed and

by European countries that do not understand multiconfessional societies. Serbian nationalists have tried to create Greater Serbia precisely four times, using four world-shaking events:

- 1) the fall of the Ottoman Empire and the rise of nationalisms in 19th-century Europe, ending in 1912;
- 2) the fall of the Austro-Hungarian Empire, i.e., World War I, 1914-1918;
- 3) the rise of fascism, i.e., World War II, 1941-1945; and
- 4) the fall of communism, 1991. . . .

The international community can change the outcome. It can save Bosnia and its 4 million people. Only about 10% of its people have been directly involved in making this hell. The others are praying and waiting for their help. They will fight, they will deliver the aid, they will rebuild their homeland from the ruins, just give them arms and moral support. It is all up to you. We all know that. My people in Sarajevo know that. The European "leaders," who are leading Europe to a disaster, know that. Unfortunately, some of them are the naive, narrow-minded Europeans who do not foresee the future. In Bosnia, western moral, global human values, and the future of our civilization are at stake. Bosnia is not Europe's backyard, it is the meeting place of western and eastern civilizations. The European future is at stake.

The people of Sarajevo survived the last winter's cold by cutting all the trees for firewood. They cannot survive another one, for there are no trees left. It will take more than 100 years to grow those trees again. Are you going to let those 380,000 people who are still in Sarajevo, most of the time left without food, electricity, and water, die from bullets and mortar shells launched from the hills? Not even a cat can go in or out of the town without a permit from the U.N. or the Chetniks. The people are free inside, working, living, fighting for survival and helping each other in the most heroic ways. But Sarajevo is the biggest concentration camp since the siege of Leningrad, run by United Nations forces and the Chetniks. Over 100 tanks and several hundred heavy artillery weapons are distributed around the mountains of Sarajevo. . . .

Every tenth person in Sarajevo has been either killed or wounded during this aggression, nine out of ten of whom are civilians. Among them are my relatives, friends, colleagues, and neighbors of all religions. The shells do not ask which way you pray to God, before they explode. They simply kill. The city of over 600,000 people, the city that welcomed the whole world in the 1984 Winter Olympics, the city with an open heart where churches, mosques, and synagogues have stood next to each other for more than 500 years, the city in which, in 1537, a library was established with 120 book-borrowing stands all around the town, the city with the first running water system in all of Europe . . . a city whose values are a rare mixture of the best traditions of different civilizations, whose people cherish the best influences of both East and West, is being destroyed before the eyes of the whole world. . . .

# The Balkan war is not a TV soap opera

by Srečko Jurdana

*Srečko Jurdana of Zagreb Croatia is a journalist who writes for Vecernij List and Slobodna Dalmacija.*

As we all know, in analyzing the prospects for peace in Europe, what is usually called former Yugoslavia has been burning in the flames of war for three years, and nobody in the world has so far been willing to extinguish it.

This war of aggression, this unprovoked Serbian attack on Croatia and Bosnia-Herzegovina, which is going on undisturbed and already has taken 300-400,000 human lives, determines the military-political future of Europe as a whole, and redefines—so to speak—the political, psychological, ethical standards of all humanity.

For never before, never in the history of mankind, has an isolated event, an isolated genocidal aggression been produced in the core of the civilized world, in the midst of Europe, and been allowed to grow freely and to become—through television and other media—a part of everyday family lives all over the world. People live their daily routine, come home from their jobs, after lunch take, perhaps, an afternoon nap, then they switch on the television and look at other people, people like themselves, living perhaps only a few hundred miles away, who are being killed, their children slaughtered, wives raped, husbands turned into invalids, homes burned and destroyed. . . .

This is not normal, and Europe cannot psychologically tolerate such a situation. Day after day, the world's TV networks broadcast the systematic destruction of the most beautiful urban culture in the Christian world, the destruction of cities like Vukovar, Dubrovnik, Sibenik, Zadar, Osijek, the systematic annihilation of the Olympic city of Sarajevo.

Skyscrapers vanish in fire, buildings fall down, people who stood in a line for bread are suddenly dying on the street, hit by a Serbian grenade, children missing an arm or leg or eyes cry in a hospital, and all this goes on unopposed, like some unreal TV serial from another planet. Yet, this serial is very real, and it does not come from another planet, although we all subconsciously tend to refuse to accept it as a reality from our neighborhood. What we have now in Europe is an actual warfare against Croatia and Bosnia, and psychological warfare, through the media, against humanity.

This monstrous TV show of Serbian genocide over people, over cities, over culture and civilization, provokes questions, of course. Why is it so? Why doesn't somebody do



*Srečko Jurdana: "What we have now in Europe is actual warfare against Croatia and Bosnia, and psychological warfare, through the media, against humanity."*

something about it? Why is this brutality, this mad rage, killing, and destruction not being stopped? Finally: What are the politicians doing? Following the pictures of dead people in Vukovar or in Sarajevo, there usually appears on our TV screen a picture of a politician, who tries to explain how actually nothing can be done about it. Nothing practically can be done to stop this genocide; ancient religious hatreds—so the politicians say—are at work, so we'd better lock our rooms, switch on the TV, and carelessly enjoy the scenery.

### **The Big Lie**

As for "the civilized world," the United Nations, "the international community," they will take care that the event remains cordoned and isolated, the victims unarmed, aggression rewarded, the TV watchers satisfied.

Is this a prospect of peace in Europe? Serbian cannibals honored by the territories, over the remains of their victims? Over the remains of churches and all the cultural heritage of the European tradition? Over the remains of some of the most beautiful cities in Europe?

No. It's all an illusion, and a Big Lie as well.

And the first one who recognized this Big Lie, the first one who warned in 1988, on American national TV, that the brutal war in the Balkans was about to explode, with the whole world behaving like a dummy in the hands of those who were triggering it—the first one, Mr. Lyndon

LaRouche, is now serving a 15-year sentence for this particular reason. For he saw the political truth, and all those who wanted the world to remain based on imperial lies and genocide put him in jail, hoping that in this way the danger of uncovering their hidden motives could be removed.

So, Mr. LaRouche is in jail, and Croatia and Bosnia are in flames at this moment, with a new "peace plan" being implemented upon them.

It is curious that a number of "peace plans" have so far been invented, innumerable "cease-fires": autonomy for Serbs in Croatia; "humanitarian convoys" for Vukovar; U.N. troops in Croatia; "humanitarian aid" for Bosnia; U.N. troops in Bosnia; the partition of Croatia; the partition of Bosnia into ten provinces; the partition of Bosnia into three provinces; and on and on, and each and every one of them was merely a new way of expanding the war. Why was it so?

Because they were not peace plans in fact. They were actually war plans.

The true purpose of all these plans, but a hidden one, was to proceed with war against Croatia and Bosnia, in a way that the world gets the impression that politicians are doing something positive, because the continuation of this war serves somebody's purposes. That is why the only real peace plan—Serbian defeat through international military action and arming of Serbian victims—has never been implemented. Instead, various political excuses and inventions of substitutes for military action have always been found.

Now, whose purposes is this war serving?

The purposes of the imperial powers that have already once in this century triggered Serbia as a catalyst of a process of general destabilization, in World War I, by organizing it to kill Prince Ferdinand in Sarajevo.

The present Serbian attack on Croatia and Bosnia coincides with the fall of the Berlin Wall. The British nightmare of a strong united Germany and a strong continental Europe appeared at this moment, so the British immediately sent their American client, [then-Secretary of State] James Baker, into Belgrade in 1990, with a precise mission to launch a process of Yugoslav disintegration through a Serbian genocidal attack on Croatia and Bosnia.

Under the pretext of "preserving Yugoslavia," they started disintegrating and depopulating Yugoslavia. Why? Because this was actually the real Anglo-French goal: to create a conflagration in Europe, in order to keep Europe under control.

### **What should be done?**

What are the prospects for peace in Europe under these circumstances? Under the circumstances of hidden war of aggression against Germany—the strongest European country—through the open war against Croatia and Bosnia, the weakest ones? In my view, the only way to achieve lasting peace in Europe is to finally accept the challenge.

The Anglo-French—anti-German—alliance is drawing Russia and the United States into the game, in open support

of Serbian genocide. Everyone else has so far been tolerating this general game of destabilization, including the country whose vital interests are at stake, that is, Germany.

If we think strategically, then we must realize that Germany is the target, and the war against Croatia is a vehicle, a way to this target. And that is exactly why this war will not stop by itself, or by any of the numerous false peace plans. Instead of stopping Serbs, these plans have so far turned Muslims against Croatians, in this way creating an amnesty, or an alibi, for Serbian behavior.

This war will go on and on, because the powers that started it would rather see continental Europe atomized according to the Thirty Years' War pattern, or the world bursting into a conflagration of World War III, than allow the Eurasian continent to develop freely, perhaps on German economic foundations.

Croatia is now turned into an Anglo-French dominion, and that is a position that Croatia has never occupied in its whole history. But Croatia alone is blackmailed and helpless.

Serbia in its genocide enjoys the support of the strongest countries of the world. The only way to defeat it is to produce political countermeasures within the countries that organize such support, as well as to take strong military action toward Serbia.

In this field, of producing political countermeasures within the countries whose governments organize support for Serbia, I see the particular role of the Schiller Institute and its members.

The civilized world, civilized people all over the world, including in Britain, France, or Russia, must face this scenario of destabilization and must oppose it. Croatia must oppose it, regardless of political or economic pressures imposed on it by the very powers that organized the war; but Croatia can oppose it only through joint action with other states, particularly with Germany.

I would say, that there will be no peace in Europe before TV watchers transform themselves into TV protagonists, in order to defend the rights of man.

## From Hungary: 'We old foxes' foresaw the crisis

*This speech was given by Dr. Tibor Kovacs of Hungary, a member of the executive committee of the Association of Former Political Prisoners.*

If the Austrian-Hungarian border had not opened to the refugees from East Germany [in 1989], if people had not "voted with their feet" against the [communist] regime, German reunification today should still be in the distant, unreachable future. Many politicians, scientists, and journalists think that Hungary has gotten the furthest ahead in the reforms, but appearances are deceptive. The non-communist parties have admittedly won the great majority of the elections; but the communists are still at their posts on a regional level, and in leading positions in industry. These people, who turn with the wind, and care only about their careers, came into their jobs thanks to Marx and Engels. But they are professionals, who cannot simply be set aside, since it is difficult to find the corresponding routinized professionals in the non-communist parties.

More than 40 years of immorality, despising freedom and democracy, cannot disappear from a nation without a trace. Every fifth Hungarian today lives abroad. The economy has hit bottom, is in a similar desolate situation to the spiritual-moral constitution of our country. Infrastructure is antiquated, the soil has been looted, productiv-

ity is low, indebtedness per capita is among the highest in Europe. The credits and economic aid received from the West when [Janos] Kadar was still in power, were used by his regime, not to set up new plants producing machine tools, but for consumer goods, hence the expression "goulash communism." Gigantic sums left the country for Switzerland. Today the distinction between the poor Hungarian population and the "top 10,000" rich is very great. The people are astonished by the horrendous prices and the low wages, while the former communist bosses live comfortably in their villas.

So we were right, we old economic foxes—the scientific economist Lyndon LaRouche and I—when we foresaw this crisis back in 1989.

I should now like to read a "Hungarian Greeting to Lyndon LaRouche." I have more than once visited LaRouche, including in prison in Rochester. . . . An American in prison? We of the organization of former political prisoners in Hungary cannot understand how such a thing could occur in America. A scientific economist such as Lyndon LaRouche, who has written so many valuable books about political economy and so many programmatic proposals, must now work as a common laborer in the prison laundry!

I, too, was innocently imprisoned in Hungary under the communist regime, condemned to 12 years in prison, and I spent many years there. I, too, am an economist, and had to work as a common laborer. But prison gives you inner strength. In the name of the organization of Hungarian political prisoners, I wish Lyndon LaRouche good health and courage.

# The Bonn declaration on a durable peace

*More than 100 parliamentarians, diplomats, businessmen, factory council members, former ministers, and representatives of governing institutions from Armenia, Bosnia-Herzegovina, Bulgaria, Denmark, Germany, France, Iraq, Iran, Italy, Colombia, Kosova, Croatia, Latvia, Poland, Romania, Russia, Sweden, the Czech Republic, Hungary, and the United States took part on June 4-5, 1993 in a conference of the Schiller Institute in Bonn, on the theme, "Toward a Durable Peace in Europe." The following final declaration was adopted, to be sent urgently to the governments of the Eurasian continent and the United States.*

The world finds itself at present in a profound economic, political, and moral crisis, the solution of which requires courage, resoluteness, and a clear conception concerning the tasks of the future of the politically responsible parties and citizens of Europe.

Either the politically responsible parties reflect upon and revise the fatal political course of inaction, with which they have squandered the historic chance after 1989 for the economic construction of eastern Europe, or we shall not be able to halt the passage into a new, third world war.

The symbol of the failure of the political elites is the war in the Balkans. For here, with the acceptance of genocide and expulsion, the destruction of precious cities and cultural treasures by Serbia, a cruel example has been set: Before all the world it was demonstrated that despite vehement protests on the part of the population, there is no longer a binding legal norm under international law for the political actors, according to which genocide and expulsion must be stopped, and that geopolitical patterns of thought determine their action, and not the well-being and the dignity of man.

The failure of the political class in the Yugoslavian conflict is therefore an expression of the failure of policy in general. The deep-seated cause has to do with a crisis of the image of man, a crisis of the ecumenically binding idea of man as *imago viva Dei*.

This challenge, to bring the development of each human being on this earth into concord with the order of creation, i.e., to create a just economic order, must therefore become the kernel and starting point of a future global solution. Only if we act in common, if we place this image of man in the

center of politics and elevate it to the foundation of a binding legal norm of international legal and economic behavior, can we hope for a solution to the present crisis.

Therefore, we, the participants in the Bonn Conference, direct this appeal to all governments of the world to undertake the following steps:

1. The Serbian war of aggression taking place in the heart of Europe must be ended immediately before it expands to a general war in Europe. This requires:

a) a lifting of the arms embargo against Bosnia and Croatia;

b) that with targeted western air attacks, the Serbian Army be forced to end the war and to withdraw to the borders which existed before the outbreak of the war;

c) an end to the so-called "ethnic cleansing" and to ensure that the displaced persons and refugees can return to the places they came from;

d) that the international public exerts maximum pressure on Serbia and Montenegro, urging them to dismantle all concentration camps, release all prisoners, and disclose the fate of more than 100,000 missing persons;

e) that a reconstruction plan for the devastated crisis area be immediately set in motion.

2. The global economic collapse, which is occurring before our very eyes and could bring the world to the edge of a third world war, is the result of a systematic "deconstruction" of industrial development, which was imposed on the nations of eastern Europe and of the developing sector by financial institutions like the International Monetary Fund (IMF) for geopolitical reasons. In the nations which have agreed to the IMF conditionalities, the "shock therapy" forced upon them by the IMF has led to a destruction of industrial production, the selling off of domestic plants, and an unprecedented collapse of living standards, and has brought these nations to the edge of economic and social chaos.

Thereby, the actual cause of the world economic crisis is nevertheless concealed, namely, the fact that institutions like the IMF are only political "executors" of a "geopolitically" aligned monetary system, which—itself shaken to its very foundation and bankrupt—only survives at the cost of entire nations and continents and through a flood of monetary speculation.

The governments should therefore:

a) undertake concrete legislative steps in order to bring under control speculation with interest and monetary swaps, as well as other "derivative financial instruments," by taxing every single derivative transaction. Thus the gigantic derivatives market would be immediately made transparent.

b) The financial system must return internationally and nationally to a banking and industry policy in the sense of Friedrich List and Alexander Hamilton. Instead of extending credit mainly for the purpose of refinancing debt at the expense of the productive economy, we need a state-supported,



targeted credit policy, which favors productive investment, especially in infrastructure, energy production, communications, and research.

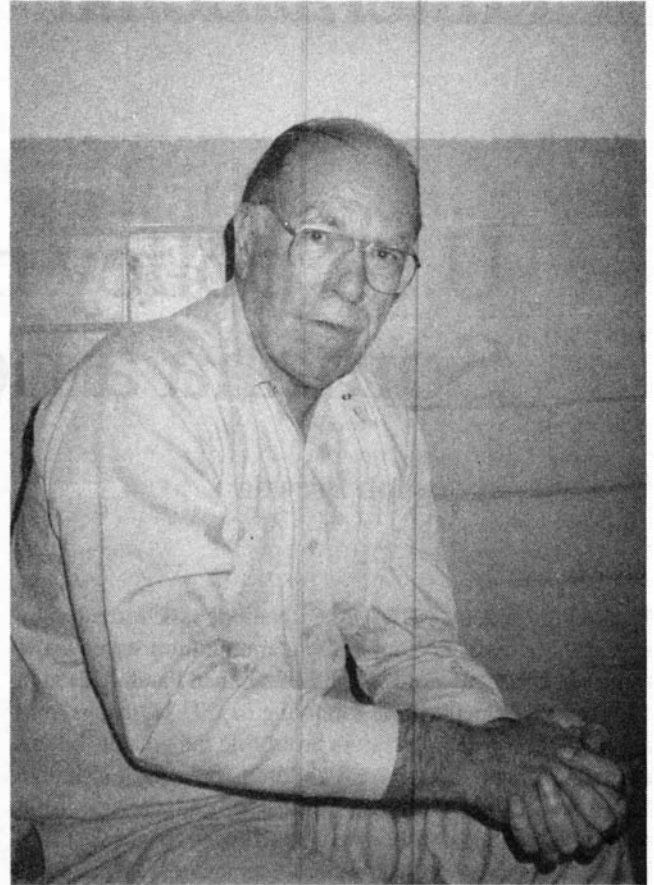
We demand that the "Productive Triangle" construction program proposed by Lyndon LaRouche in 1989, which joins the productive centers of Europe with one another in the East and West through the development of railway lines, inland navigation and highways, be immediately realized. Direct investments in high-speed and magnetic levitation train lines, as well as road construction, would not only productively utilize and reactivate the valuable and in part unexploited military-industrial core industries of the East, they would also contribute essentially to the spiritual-cultural growing together of West and East Europe.

Only if we begin a worldwide reconstruction program, which also cranks up the economy of the southern hemisphere and collectively became the "locomotive of the world economy," is there the chance of a "global turning-point." The question of the political feasibility of this program is at the same time also a moral test for the ability of human society to survive.

3. The danger of a new war in Europe, in which tactical nuclear weapons could even be introduced, has become a real danger in the face of the growing economic and political instability in many nations. In order to effectively meet and neutralize this danger, we demand a policy of "war avoidance," which is oriented toward the proposal submitted by the Russian government in Vancouver: The collaboration between East and West on a modern missile defense system, which rests on "new physical principles," namely laser beams or other forms of directed energy, could eliminate the danger of the use of nuclear weapons regardless from which side.

Lyndon LaRouche formulated the concept of a missile defense program of this kind already in 1982. From this emerged in 1983 Reagan's Strategic Defense Initiative (SDI). At that time LaRouche proposed to the United States and the Soviet Union that they jointly develop these systems and introduce the technologies connected therewith in the civilian economy, in order to effect a burst in productivity there. The joint battle against hunger and underdevelopment, as also the development of space travel, should be in the center of a strategic policy of war avoidance. This policy should then become for all nations the guide for a war avoidance policy, which is aligned to the principle formulated in the encyclical *Populorum Progressio*, "The new name for peace is development."

4. In the face of the failure of governments, notice is now given, that other figures in positions of political-moral responsibility must take action. In this connection it will be of strategic significance what signal the new government of the Clinton administration gives in respect to the question of political prisoner LaRouche. As a political prisoner,



*Lyndon LaRouche in prison. "We appeal anew to the Clinton administration to release LaRouche from his unjust imprisonment, since the ideas and concepts of the author of a 'Science of Christian Economy' are irreplaceable in an existential crisis like that of today, and show a way out of the crisis."*

LaRouche, who was unjustly sentenced to 15 years imprisonment, has become the symbol for the American civil rights movement and the poor.

Likewise, he has become the symbol of a new beginning in the developing nations, where LaRouche's plans, especially his proposal in 1982 for the reorganization of the Latin American debt (*Operation Juárez*) or his development programs for Africa and Asia, have found a great echo.

In the meantime, the LaRouche case was brought before the CSCE and the U.N. Human Rights Commission. Over 1,000 prominent jurists, politicians, church representatives, scientists, and artists have publicly appealed to the new Clinton administration with the request to free LaRouche.

We appeal anew to the Clinton administration to release LaRouche from his unjust imprisonment, since the ideas and concepts of the author of a "Science of Christian Economy" are irreplaceable in an existential crisis like that of today, and show a way out of the crisis.

## U.N. policy makes Somalia a hell on Earth

by Joseph Brewda

Beginning on June 12, a United Nations task force led by special U.S. units began bombing ammunition stores and a radio station of "warlord" Gen. Mohammed Farah Aideed in Mogadishu, Somalia. The following day, U.N. troops fired into a crowd of demonstrators protesting the assault, killing at least 20, including several children. By June 17, Italian U.N. forces had occupied Aideed's headquarters, from which he had apparently managed to escape at the last moment, and intense military action was under way to apprehend him.

Somalia was occupied by some 35,000 U.S. troops in December 1992, nominally in order to restore order and supply food to the civil war- and drought-ravaged land. In May, the U.N. formally began peacekeeping operations to replace the U.S. troops. The latest military assault has shut down all relief operations; a dramatic near-term decline in protein intake and health is now expected.

In their first official comments on the assault, U.N. Undersecretary General Kofi Annan reported on June 12 that the U.N. was determined to "restore security in Mogadishu." General Aideed, it is claimed, was responsible for the ambush and death of 22 Pakistani U.N. soldiers the week before—a claim he has denied. Aideed's radio station was putting out anti-U.N. propaganda, it was also said, and the U.N. was considering arresting him. Annan said he hoped that the action would "send a message worldwide" that the "United Nations is not going to take this lying down and that criminal elements can no longer hide." The U.N. envoy to Somalia, retired U.S. Adm. Jonathan Howe, later added that "the goal of this operation is to disarm the city of Mogadishu."

President Bill Clinton put out much the same line that day. "Last night's actions were essential to send a clear message to armed gangs," he intoned, and claimed that it was

intended "to strengthen the effectiveness of U.N. peacekeeping in Somalia and around the world." "The world thanks them and all other U.N. forces in Somalia for their service, for striking a blow against lawlessness and killing," he added. The British and French governments, meanwhile, remained unusually quiet, although the press in both countries applauded the bombings as a necessary, if belated action. On June 15, the London *Financial Times* opined that the reason for the situation is that "American troops were not ordered to disarm Somalia's lawless militias" earlier.

But while such pronouncements were being made, much of the world was contrasting the action with the unwillingness of any of the world's military powers to "send a clear message to the armed gangs" of Serbia who are continuing to kill, maim, and rape Bosnians in the worst instance of genocide since World War II. Part of the reason for that differing approach, of course, is that Britain and France, both permanent members of the U.N. Security Council, are sponsors of the Serbian regime, as is Russia. Indeed, it was then-U.S. Secretary of State James Baker who gave Serbia the go-ahead for its invasion of Croatia in the fall of 1991. During his 1990 election campaign, Clinton had called for breaking with President George Bush's policy, and for lifting the arms embargo against Bosnia, and as recently as this past March, he threatened to bomb Serbia. He has since capitulated to Anglo-French demands that nothing be done to stop their geopolitical ally.

### War against the South

Although all the thinking behind the assault on the Somali population is not yet clear, it is obvious that at least one included purpose is to signal that the North-South war begun by the U.N. war on Iraq is continuing. Moreover, the savage contrast between Somalia and Bosnia is intended to drive the

Islamic world in particular into suicidal responses, which will be used to justify the extermination of non-white populations throughout the world.

As with the U.N. war against Iraq, the new actions against Somalia are intended to establish a number of legal and political precedents for future imperial use.

● *The right to intervene.* One precedent sought for is simply to give the U.N. Security Council the right to intervene militarily in formally sovereign states based on the pretext of human rights violations or whatever else they might chose. "Will Somalia mission enshrine 'U.N. right to interfere?'" was how the British government's semi-official press agency Reuters put it back in December 1992, when the intervention first started. "The U.S.-led mission to Somalia could prove a milestone in establishing the international community's 'right to interfere' in conflicts around the globe," it stated.

Alluding to such objectives, General Aideed denounced the U.N. on June 14 as an "instrument of oppression," and called for an emergency meeting of its Security Council to "review the totalitarian motives of the United Nations and its troops." The U.N., he said, "disregards the dignity of the Somali people and the sovereignty of their country."

● *Establishing U.N. protectorates.* Associated with this right to intervene is a U.N. effort to reimpose outright protectorates on formerly sovereign states. That the Great Powers were intent on restoring protectorates in Africa was already clear back in December 1991, when *Washington Times* columnist Bruce Fein called for their restoration under the pretext of assisting the war-ravaged Horn of Africa. "Who would shed even crocodile tears," he wrote, "if [U.N.] Security Council troops were deployed to quell domestic conflagrations in Ethiopia and Sudan and then rule them according to trusteeship agreements similar to those concluded under the U.N. international trusteeship system?"

A June 15 London *Financial Times* editorial, commenting on the situation in Somalia, made clear that that is the policy. It called for "taking the country under a temporary U.N. trusteeship" to prevent further chaos. The day before, Aideed told Cable News Network that the reason for the action was that the Americans wanted "to put our country in a trusteeship, to administer everything."

● *Establishing a U.N. army.* Yet another objective is to provide a justification for the creation of a U.N. army or rapid deployment force, as had been called for by French President François Mitterrand in his address before the U.N. in January 1992.

As the U.N. action in Somalia was proceeding, the U.N. was being denounced by representatives of the Great Powers—but only for having been ill-prepared for the policing operations. Speaking to the New York Council on Foreign Relations on June 11—one day prior to the bombing—U.S. Ambassador to the U.N. Madeleine Albright called for a complete reorganization of U.N. military capabilities. U.N. peacekeeping, she said, was "programmed amateurism" with

a "near absence of contingency planning, a lack of centralized command and control, and lift operations, cobbled together on a wing and prayer." U.N. troops "are hastily recruited, ill-equipped, and often unprepared."

The U.N. action marks the first offensive use of "peacekeeping troops" in its history; other U.N. military actions were not carried out by such troops. Peacekeeping troops are only authorized to use force when attacked. This transformation of the role of these troops, expressly contrary to the U.N. Charter, is part of the project of establishing a U.N. army.

## But who destroyed Somalia?

Contrary to the lies peddled in the European press, the destruction of Somalia by famine and civil war is the direct responsibility of the United States, Britain, France, and the U.N., and not any of the "war-lords," including Aideed, who at most are mere pawns.

The destruction of Somalia is the direct result of actions taken in 1990 by western governments to pull the plug on then-Somali President Siad Barre, who had ruled the country for 20 years but who had displeased the northern powers by his repeated efforts to block International Monetary Fund (IMF) conditionalities on his country. His effort to build such needed projects as the Baardheere Dam was harshly condemned. Complaining of "human rights" abuses, the powers cut off all aid in 1989. Under IMF dictate, Somalia was paying 48% of its export earnings to debt service that year; it had devalued its currency by 460%, also under IMF demand. This is a country where, before the war, life expectancy was only 48 years, and infant mortality was among the highest in the world.

By January 1991, the effects of such usurious measures had sufficiently weakened Barre that he was overthrown by the Italian-based United Somali Congress after a bitter fight. Simultaneous with the overthrow, the U.N. picked up and left Somalia, as did all the various human rights and relief agencies.

Although Barre had been ousted, bands of competing military units—all funded out of Italy, Britain, and Washington—continued to wreak devastation. It was obvious that, unlike other coups, these powers did not want any one faction to take over the government, but rather desired continuing chaos. Beginning in the summer of 1991, a bitter clan and sub-clan war broke out between the forces of General Aideed and current nominal Somali President Ali Mahdi Mohammed, as well as between other clans.

Already by December 1991, *EIR* and many other organizations were warning that Somalia faced a famine of huge proportions; but the U.N. and the northern powers did nothing. It is difficult not to conclude that the U.N. and the permanent members of the Security Council deliberately helped to create the catastrophe in order to have a pretext for declaring sovereignty passé.

# If you came from another solar system, would you invest in Earth?

*The following is excerpted from Lyndon LaRouche's weekly radio interview, "EIR Talks with LaRouche." He was interviewed on June 16 by Mel Klenetsky.*

**EIR:** If you were President, or if you were in a position to advise President Clinton, what would you do to begin to reverse [the current world crisis]?

**LaRouche:** Well, maybe the President doesn't have to do it, but the President has to take actions which coordinate with it being done.

The American people have to face the truth about two world wars. For example, you've got a military in which most of the flag officers have imbedded in them the myth which covers up all the things which caused World Wars I and II. Our military has been imbedded with the idea that we were on the right side in World War I and World War II. Yes, we were against Hitler; we had to eliminate Hitler. But we should never have gotten involved in playing a role in the First World War, and we would not have, but for Teddy Roosevelt and Woodrow Wilson, who were both actually British agents, in effect. That's a complicated story, but to all intents and purposes, they were as much British agents as the leaders of the Confederacy—for whom both of them had great sympathy. They were haters of Abraham Lincoln, and sympathizers of the Confederacy.

We have to change that. We cannot accept that we are indebted to support an Anglo-French alliance of the type of the Entente Cordiale, of Versailles, and to preserve it around the world. We're not going to do that.

We have to lay down principles: that we are for the sovereignty of nation-states; that we are for the development of national economic security of those nation-states in the form of economic development; that we are for a commitment to technological and social progress, through scientific and technological improvements and discoveries; that we are for a system of rational cooperation among states to promote world trade and world security; that we are for nations controlling their own credit and their own currencies, and not leaving these to private organizations which rape nations, such as the Federal Reserve System, and the people behind it. . . .

We need politicians who have the guts to make this change, and who look at reality, not at the polls.

In England, you had Norman Lamont, after he was kicked out by John Major from his position as Chancellor of the Exchequer. He made a speech in the Parliament, and everything he said was absolutely true [see article, p. 50]. He should have said it a lot sooner. . . .

You can take three issues, two of which were discussed in England: 1) what Norman Lamont said in the Parliament; 2) what Michael Heseltine, a former prime minister candidate and a member of the government, said, and then compare that with the issue of derivatives, and 3) the issue of the Balkans. These three issues exemplify the crisis of the Major government, the Balladur-Mitterrand government in France, the Kohl government in Germany, the U.S. government, the Italian government, and so forth.

Essentially, Lamont said that Major, like typical U.S. Presidents—like George Bush, for example—was going from pillar to post based on the morning's polls, and sacrificing tomorrow's interest in an attempt to propitiate the polls of today, to butter up public opinion this morning, and forget about next week. And next week had caught up with us, essentially. And he said this kind of government has to change.

Heseltine said the same thing I'm saying, and Heseltine's a fairly bright fellow, in his own way, and he has some bright advisers. And other people in England who are not so public, are speaking out privately to my friends and saying the same thing, in different ways, on different subjects.

Don't look at England's government, don't look at the United States government, the French government, the Kohl government, or the Italian government; look at *all* of these governments. There is a miasma, says Heseltine—which the *Financial Times* admits, but then tries to steer away from—a miasma which is destroying *all* of these governments of the world.

And the miasma is the economic crisis. Take derivatives. Imagine if you were coming in from a very intelligent civilization, from some other solar system in this galaxy, and you were visiting this solar system and you came to Earth and you were asked, would you invest in Earth? You would look at Earth, and you would see, first of all, the derivatives insanity.

Now, here's derivatives; a gigantic financial bubble, a pure bubble, pure speculation, the kind of thing we used to outlaw, because we knew it was insane, especially since the

South Sea Island bubble and the Mississippi bubble of the early 18th century. *We knew this was insane*. But here we have a derivatives bubble, which has an inventory, that is, an average inventory of derivatives investment at any time, of between \$9 and \$10 trillion. Now that's almost getting close to twice the total GNP of the United States. And this is pure speculation.

In the course of a year, the number of transactions based on this inventory, is over \$300 trillion a year, according to best estimates. Most voices around the world, more and more, in leading positions—in Switzerland, in Sweden, and elsewhere—are saying that this thing is about to bust; and when it busts, the whole world financial system goes—including the U.S. dollar. That's another story in itself, what can happen there.

Would you invest in a planet whose inhabitants were so insane as not to outlaw this derivatives market, which is sucking the blood—the profit for derivatives comes out of industry, out of infrastructure, out of pension funds, and so forth? The tax revenue base, the income of the economies, are shrinking, while the derivatives and the demand for payment is increasing.

We are now reaching the breaking point where the balloon is about to burst. Nobody knows quite when; some people are saying earlier, some are saying later. But we know the balloon is going to burst; and the whole banking system, the financial system, the whole thing goes out the window when that happens.

Would you invest in a planet whose inhabitants are so insane, as to elect governments which allow this to go on?

Now look at the rest of it. Look at our school system. We have people coming out of colleges who are not qualified to sweep out corporate parking lots—and I'm speaking of the kind of education which is going on at Stanford University, which used to be a very prestigious university, but where you are no longer compelled to study the works of "dead white European males."

That's insane! The entire world civilization—about 50-60% of everything we know—depends crucially on the work of "dead white European males." And if you're not obliged to study that, you don't know anything. You can't run a corporation; you can't even run a parking lot; you could barely be qualified to sweep it out. Which is what happens to people who lack that education. They are qualified to be sweepers and slave labor.

They're doing that to our labor force.

Look at our managements of our corporations. You wouldn't hire these guys as parking-lot managers back 25 years ago, not people of the type who are running our major corporations and our universities.

You wouldn't invest in this lunatic planet. That is the essential message, and governments know that. But most governments don't have the guts to face it, and that's why we have these problems, and that's why they're all in a global miasma.

Then take the Bosnia situation.

Here we are, we bomb Somalians. We're not even sure we bombed the right person, but we're bombing Somali civilians when it is not even settled who is responsible for the shooting of the 22 Pakistani soldiers; but we will not do a thing for a clear case of outright genocide—worse genocide than that practiced by Hitler—in Europe itself, practiced by a bunch of Nazis who call themselves Serbians or Chetniks, who are mass-raping tens of thousands of women, who are mass-murdering unarmed civilians. We won't do a thing about that—for fear of offending our British and French allies. But we'll go in and bomb some poor black people, all over nothing, just to show we've got muscle.

This kind of mentality typifies the inability of governments to govern competently, and the reason why any sensible person from another solar system would not invest a penny in Earth at the present time.

**EIR:** We're seeing mass strikes or a strike process emerging in Ukraine. Is this coming about because of the inadequacies of the approach of the western European countries and the United States to the former Soviet Union, which includes Ukraine?

**LaRouche:** It's not the inadequacies. It's the lunacy. The same spirit of carpetbagging which prevailed after the Civil War, when the New York crowd sent carpetbaggers into the former Confederate States to loot them at the end of the Civil War (that is, not under Lincoln, but under Johnson, who was more pro-British), went into eastern Europe in 1989.

For example, George Soros, who is a derivatives speculator—that is, a thief, in a moral sense, it may be legal, but it's thievery—went in to loot Poland; went in to loot Russia, Hungary, and so forth. Soros brought down the pound with a swindle. He's trying to bring down the German mark with a swindle. He's stealing left and right by these swindles, which ought to be outlawed. And they are stealing, in every moral sense.

Now, the Anglo-Americans are demanding, through Soros's stooge Jeffrey Sachs, a young squirt of a professor from Harvard University, that shock therapy, which has dropped the total Polish production and standard of living down to 30% of what it was, at best, in 1989 . . . [be implemented] in Russia and Ukraine. And we say that Yeltsin is our man, whom we must support, because Yeltsin is tolerating these programs, except he's not doing it hard enough, he's got to put on more shock therapy.

What has happened is that the Russian *nomenklatura*—the same people who are in or out, depending on whether communism comes or goes, the same ruling families—that doesn't mean that they're all wealthy, it means they're powerful as a group—are looking at the West. They see the governments of London, Bonn, Paris, Madrid, Rome, Washington, and so forth, collapsing, and they say, "Wait a minute. We don't have to take this nonsense. We can take it all back. Maybe we'll be weakened, but we'll be top dog, because these guys are going to go in the bucket." . . .

# Taiwan legislators say, 'Free LaRouche'

*On June 10, four legislators from the Republic of China on Taiwan proclaimed their support to free imprisoned American statesman and economist Lyndon LaRouche. The following press release is based on their statements released in Taipei, the capital of the R.O.C. So far, it has been covered in the United Daily of Taiwan, the Chinese-language World Journal in the United States, and Sing Tao, one of the largest dailies in Hong Kong.*

Four leading members of the Legislative Yuan gave a press conference in Taipei on June 10 to announce their support for the international movement to free U.S. political prisoner, economist Lyndon LaRouche. The legislators joined with a representative of the international Schiller Institute to state their reasons for supporting LaRouche, and why they had signed the international appeal to President Clinton to free LaRouche. The legislators were Mr. Gao-Jeng Ju, leader of the Social Democrats, Mr. Mu-Ming Yok, leader of the New KMT Alliance, Mr. Shou-Shan Lin also of the New KMT Alliance, and independent legislator Mr. Chen-Jei Lin.

The legislators presented the following statement:

"Four leading legislators of Taiwan—Shou-Shan Lin, Gao-Jeng Ju, Mu-Ming Yok, and Chen-Jei Lin—today jointly announce their support for the freedom of Lyndon LaRouche, the number-one political prisoner in the United States. This is the first time that our countrymen are openly intervening in a case of human rights violations in the United States.

"Lyndon LaRouche was born in 1922. He is an independent economist, who believes in the economic system that is based on the ecumenical point of Christianity and Confucianism, and he is particularly concerned about the economic development of developing sector countries. He is a strong critic of the organizations that control the current world economic order, such as the International Monetary Fund and the General Agreement on Tariffs and Trade (GATT), which has made him a controversial man.

"In 1989, at the age of 66, the George Bush government falsely accused Mr. LaRouche and sentenced him to 15 years imprisonment, which is almost a life sentence. From prison, LaRouche continues, with his associates, the study of Confucianism and publishes articles on this question.

"The case of the violation of LaRouche's human rights, was presented to the United Nations Human Rights Commission, with a request for a response by the U.S. government. However, the U.S. government ignored the case. Many

prominent lawyers, including former U.S. Attorney General Ramsey Clark, have defended and are defending LaRouche. In addition, there were 400 parliamentarians in more than 20 countries who signed the petition to free LaRouche. Last week, Mr. LaRouche's associate Mrs. Leni Rubinstein visited Taiwan to discuss the case with Parliamentarian Gao-Jeng Ju. After discussions with Mr. Gao-Jeng Ju, three other parliamentarians, Shou-Shan Lin, Mu-Ming Yok, and Chen-Jei Lin, made a joint effort to mobilize Taiwan's parliamentarians in the next few days to sign the petition to U.S. President Clinton to free LaRouche and his associates, who are imprisoned as dissidents in their ideas and thinking."

During the press conference, Gao-Jeng Ju described the imprisonment of Lyndon LaRouche because of his commitment to a just economic system, opposes the IMF and GATT. What caused my interest in LaRouche, Gao-Jeng Ju stated, is that he began to study Confucianism through the influence of G.W. Leibniz. Gao-Jeng Ju noted the recent article that appeared in the Spring 1993 issue of *Fidelio* by Michael Billington, also of the Schiller Institute, introducing Chu Hsi to the West. He said that for one like himself, who knows Schiller, it is clear that Schiller is a very Chinese poet. Regarding signatures on the petition to President Clinton to free LaRouche, Gao-Jeng Ju stated, "I think it is also our responsibility to do so, especially if you consider that the U.S. government is using the issue of human rights to suppress most other countries." Schiller Institute spokesman Leni Rubinstein appealed for the release of the innocent LaRouche, who had dedicated his life to the fight for truth, for sovereignty of the nation-state, for sovereignty of the individual, and the security of livelihood for all people—Sun Yat-Sen's *Three Principles of the People*, (*San Min Chu I*)—for the whole world. LaRouche is a sage, a philosopher-king, she said, and the fight for his freedom is the fight for justice for everyone.

Independent legislator Chen-Jei Lin reviewed the many cases of human rights violations, especially of minorities, in the United States, and described the frustration of negotiating with the United States, which attempts to intervene into the legal practice, jurisdiction, and administration of the Republic of China—a sovereign nation. Mr. Mu-Ming Yok of the New KMT stated that the LaRouche case reveals the other "face" of the United States. During many years past, the Chinese have been subject to criticism by the United States; now, Chinese can do something for human rights in the United States. LaRouche thinks that Russia and China may be leaders of the next century; this is what we want to do, also because Chinese follow the Confucian principles and the *San Min Chu I*. Mr. Shou-Shan Lin of the New KMT described negotiating with the United States, which he compared to being a prisoner under interrogation. It is our responsibility to help the U.S. government change this situation, he said, and pledged himself to helping in this and in other cases of human rights violations.

# Corrupt cronies of CAP jailed in Venezuela

by Gretchen Small

Even as Ramón J. Velásquez was being sworn in as Venezuela's new President on June 5, a military court was issuing an arrest order for Air Force Commander Gen. Eutimio Fuguett Borregales on charges of embezzling public funds. Fuguett is a top crony of former President Carlos Andrés Pérez (CAP), who was suspended from office on May 21 after the country's Supreme Court ruled that he should be tried for corruption. A week later, a second Air Force general wanted for participating in Fuguett's looting of the military, former logistics chief Gen. Andrés Gutiérrez, turned himself in to authorities.

With Pérez and his Democratic Action party finally driven out of power, the corrupt dictatorial machinery through which Pérez imposed bankers' policies upon the country has now begun to be dismantled.

The arrest of Fuguett is a vindication of the military officers who led the uprising against the CAP regime on Nov. 27, 1992. They acted, they have stated, to end the widespread corruption and economic misery into which the Pérez regime had sunk Venezuela. Although their uprising was defeated, the officers continued their campaign to clean up the country from jail and exile. Rebel Air Force officers were the ones who first filed the charges on which Fuguett now faces trial: deploying soldiers on personal tasks, selling Air Force gasoline to private interests, and skimming off interest earned from several Air Force accounts held abroad for military purchases into a personal bank account. Investigators found that the general had amassed some \$1.8 million.

Military unrest continues, however, over a high command still dominated by Pérez's corrupt cronies. As his last act before leaving office, Pérez signed the military promotions for the year—a month early. Army officers are furious over how Pérez promoted his allies over more senior officers. National Guard Col. Hidalgo Valero Briceño charged on June 8 that Pérez had promoted an officer linked to the drug trade to the rank of general, and requested a meeting with Velásquez and the Senate Defense Commission to review the promotions.

## Economic crisis now looms

The Pérez regime also bequeathed the new government an exploding economic crisis. Some \$1 billion in foreign debt payments are due in June, but the Pérez government never included that payment in the budget, political commentator Román Rojas Cabot revealed in a June 12 article in

*El Diario de Caracas*. For four years, the last government "religiously paid 35% of national income to the creditors"; now there is not even enough money left to pay the payroll, Rojas wrote.

Velásquez, a 76-year-old independent politician and intellectual, has stated that he is no expert in economics, and is calling upon national figures to join him in developing a viable economic program. Unlike Pérez, however, he has not shied away from identifying the foreign debt as one of the major causes of Venezuela's crisis. "Never before have the societies of Latin America suffered such upheaval as that caused by the sudden change which the role and obligations of [being] debtors brought about in their lives," he stated in his inaugural speech.

Velásquez has assembled an economic team reflecting the battle over economic policy raging in the country. His finance minister, Carlos Rafael Silva, said on June 8 that he has his "doubts" that the free market can serve as a model for Venezuela. It may be "painful to admit," he said, but the foreign debt has severely limited Venezuela's economic sovereignty—the latter a concept discarded as "outdated" under Pérez.

Velásquez's agriculture minister, Hiram Gaviria, is a director of the Agricultural Producers Federation who has been an outspoken opponent of the free market policies and high interest rates which have wrecked agriculture and favored the international cartels. He had run ads proving that International Monetary Fund policies collapsed Venezuela's agriculture. Upon assuming office, Gaviria called upon farmers to begin planting immediately, announcing that the government would guarantee that their harvest would be bought because Venezuela must produce its own food instead of relying on imports.

Such sane talk sent the banking interests which ran the Pérez administration screaming. *Economic Report*, published by the Cisneros family interests, threatened on June 8 that if the government lowers interest rates, restores subsidies to consumers or agricultural producers, or regulates imports, the World Bank and other creditors will cut Venezuela off. Pérez's planning minister, Ricardo Hausman, took it upon himself on June 11 to warn Velásquez that if Venezuela returned to protectionist policies, he would lose "the confidence of the financial markets . . . which are those that can finance the deficit."

Velásquez then appointed Hernán Anzola as his planning minister, an economist who promptly attacked any lowering of interest rates or adoption of protectionist measures because foreign bankers would not approve.

However, the battle over whether banking interests or national producers will set policy is far from over. The former president of the Venezuelan Workers Federation, Juan José Delpino, urged the government to declare a debt moratorium, and industrialists are organizing for adoption of "a real manufacturing policy" based on infrastructure building and lower interest rates.

# Beset by oil blackmail, strikes, Ukraine risks loss of nationhood

by Konstantin George

The mass strike wave sweeping Ukraine that began with a strike of coal miners on June 7, has brought the republic to the brink of a national calamity. As a result of the strikers' political demands, raised by Moscow-manipulated strike committees in the predominantly ethnic Russian Donetsk (Donbass) Basin mining and industrial hub of eastern Ukraine, where the strikes have reached the level of a regional general strike in the Donetsk and Lugansk regions, Ukraine is facing a crisis of national existence. The strikers are demanding the resignation of President Leonid Kravchuk, the simultaneous dissolution of Parliament, the holding of a referendum of "national confidence" in the President, and early parliamentary elections.

The Donetsk region strike committee is also demanding that Donetsk and neighboring regions such as Lugansk, also heavily ethnic Russian, be granted complete autonomy, akin to that already granted to the Crimea, which has an ethnic Russian majority. These demands are correctly seen by the Ukrainian national opposition Rukh movement as the first steps in a Moscow-steered plan to institute a "regionalization" of Ukraine, as a transition to the goal of imperial forces in Moscow of having regions such as Crimea and Donetsk secede from Ukraine and join Russia.

On June 14, with about 100 industrial enterprises on strike in addition to 228 of the 253 coal mines of eastern Ukraine, and a strike-caused national industrial shutdown perhaps days away, the Ukrainian Parliament went into extraordinary session to discuss the strikers' political demands. As they convened, the strikes were acquiring nationwide dimensions, and had spread to embrace most heavy industrial plants in Kharkov, Ukraine's second largest city, and to the central Ukrainian regions of Dnepropetrovsk and Zaporozhe, including the iron ore miners of Krivoi Rog. Isolated coal miner strikes were also reported in western Ukraine.

## Push for separatism

Also on June 14, over 60,000 workers rallied in the city of Donetsk. They applauded the local strike committee demands that the region become "autonomous" and bypass Kiev, in order to institute "sovereign" decisions and to establish "close links" with Russia. This was just short of calling for outright separatism.

On the following day, workers at industrial plants

throughout Ukraine, including in Kiev, the capital, met to decide on whether to join the strike. In a desperate attempt to placate the strike committees, President Kravchuk addressed the Parliament and proposed to hold a referendum of "national confidence" on himself. He added that the "people" should also decide whether they wish to keep or abolish the office of President. Kravchuk also proposed early parliamentary elections, and suggested a December date for the referendum on the President, and January 1994 for parliamentary elections. Parliament refused to vote on the Kravchuk proposals, offering to "study" them and, at an unspecified time, put them to a vote.

The day began with a blunt speech by Prime Minister Leonid Kuchma, who demanded that Parliament restore to him the power to rule by decree that they deprived him of in May. He said: "This government needs extraordinary powers. We still have time, but only barely. Otherwise we will have to do it within a dictatorship, within a month." He told the Parliament that the only alternative to the government legally acquiring extraordinary powers or usurping them to save the nation, is "economic disintegration" and total national chaos and anarchy.

Ukraine has had no effective government since May 20, when the Ukrainian Parliament, a holdover from Soviet days and dominated by old communists, refused the demand of Prime Minister Kuchma to extend his powers to rule by decree on economic policy, even though the country was in an economic breakdown crisis. The Parliament also rejected a proposal by President Kravchuk that he take over the government and rule by decree, and rejected the resignation of Kuchma. The net effect was to keep the Kuchma government on as a lame duck regime, powerless to do anything. When the strike wave hit, the resulting rudderless government was unable to respond.

## Who will control the strikes?

The fate of Ukraine will be decided by whichever grouping—the Ukrainian national opposition Rukh movement, or the Donbass region strike committees manipulated by Moscow—gains control over the current mass strike process and defines its political demands. Rukh, which controls the Ukrainian Federation of Trade Unions, has tried to deflect the destabilization by supporting the economic demands of



the strikers, and has put forward the political demand of early elections for a new Parliament to end the Parliament's sabotage of the Executive's authority. Rukh leader Vyacheslav Chornovil, while justifiably livid at Kravchuk's incompetent mishandling of the crisis, has tirelessly stressed that the strike committee demands are part of a Moscow plot to destroy Ukrainian independence. On June 11, for example, he called on the miners to "resist agitation by forces trying to earn political capital on the people's protest." He warned that "a simultaneous resignation of the President and dissolution of Parliament will inevitably lead to a lapse in authority and anarchy in the country." He appealed to Kravchuk to "use his last chance to Ukraine's benefit."

In line with the Rukh attempt to defuse the crisis in accordance with Ukrainian national interests, Chornovil presented a motion to Parliament's extraordinary session on June 14 calling on Parliament to adopt a new electoral law, fixing early parliamentary elections for December. However, correctly, he emphatically rejected any presidential resignation "in order to avoid anarchy."

### **Kravchuk vacillating**

The sabotage of an effective Executive by the Ukrainian Parliament's old communist majority, and the vacillation of President Kravchuk, have allowed the crisis to reach the brink of a national calamity. As for the coal miners' strike itself, the strike which triggered the national crisis, all media coverage of the strike has stressed that it was caused by huge price hikes in early June. That statement is only true in the sense that the price hikes were the "last straw," in terms of the collapse of workers' living standards, which provided the objective basis for easily mobilizing hundreds of thousands of miners and industrial workers into strike and protest actions.

However, the Donetsk strike committees had already planned the strikes in May, a fact known to Kravchuk and Parliament. The strikers' plans, and their political demands, were formulated before the price hikes, and before anyone in Donetsk region knew they were coming. The Parliament's crippling of the government on May 20 also played a direct role in setting up the miners to strike. The Kuchma government was well aware of the spearhead role that the miners could play in a mass strike, and given the strike committees, what a destabilizing factor that would be. One of the economically minor but politically crucial needs that was always met as long as Kuchma ruled by decree, was to ensure that the miners' pay never went into arrears. That was the case through April. In May, the government was crippled, and one consequence of this was that no one could order that the money be sent to the miners. Most of the miners received no pay in May and again in June, and it was this, together with the price hikes, that brought the Donetsk region to the point of explosion.

During the critical pre-strike phase where the miners were

not being paid, and the imminence of a strike was anything but a secret, Kravchuk did nothing. This do-nothing posture continued throughout the first week of the strike. It wasn't until June 14 that Kravchuk finally met with Ukrainian trade union leaders. Olexander Mryl, a leading Rukh member and chairman of the Independent Trade Union of Ukrainian Miners, said after Kravchuk's delay: "The situation in the Donbass is out of control." Mryl was referring to the region's Russian-dominated strike committees' de facto separatist demands, and their demands to terminate both President and Parliament.

On the basis of his proposals to Parliament the next day, agreeing with a referendum of "national confidence," and even going so far as to propose a vote that could eliminate the office of President, the words of Rukh to Kravchuk fell on deaf ears.

Kravchuk's weakness before the Parliament however was not a sudden "turn," but one of a series of disastrous concessions to the forces who are seeking to destabilize Ukraine. These concessions included his naming of Yefim Tsviagilski on June 10, after the coal strikes began, as Ukrainian first deputy prime minister. Right before his appointment, Tsviagilski, as head of administration in the Donetsk region, publicly endorsed the political demands of the strike committees: "If I were in Kiev, I would insist on a referendum vote of confidence for both the President and the Parliament."

On June 14, Kravchuk appointed Tsviagilski as the government representative to conduct direct talks with the strikers. Other points of the Kravchuk decree were laudable in and of themselves, as part of his promise to meet all "reasonable demands" of the strikers. But what could have been highly effective in the first days of the strike was, by June 14, too little and too late. Another example of his weakness was his imposition of stiff sanctions on banks which slow transactions, which prevent workers from being paid on time and cause unnecessary losses for enterprises. This could easily have been done before the strike, and thus at least have blunted it.

The demands of Prime Minister Kuchma for extraordinary powers are the minimum required for the republic to maintain stability and avoid a plunge into chaos and anarchy, leaving it susceptible to dismemberment. As he told Parliament, anything short of that will leave Ukraine no alternatives except dictatorship or anarchy. This threat is occurring to a nation of 52 million, which has the scientific, technological, industrial, and agricultural capabilities and potential, under a competent Eurasian development program as outlined by American economist Lyndon LaRouche, who is widely known and respected in Ukraine, to become an economic power of the rank of France. This national calamity is wrecking a nation, second only to Russia in importance in all of eastern Europe. Should the destabilization succeed, the crisis in this region will make the Balkans look like a side-show by comparison.

# Armenia could be destroyed, the same way that Lebanon was

*Haik Babookhanian and Hrant Khachatrian are leaders of the Union of Constitutional Rights in Armenia. Khachatrian is a member of the national parliament. Babookhanian is a member of the city council in Yerevan, Armenia's capital, and a newspaper editor. They attended the June 4-5, 1993 conference of the Schiller Institute in Bonn, where they were interviewed on June 6 by Rachel Douglas.*

**EIR:** When I was in Moscow in April, I met a lady, an activist in the human rights movement and a big partisan of Armenia, who compared the situation in Yerevan, Armenia this past winter, with Leningrad during the World War II siege. I would ask you to tell our readers what this was like, how you survived the winter.

**Khachatrian:** If we draw a parallel between the situation in Armenia now and the situation in Leningrad during the war, I should say that during the war, the people in Leningrad were rationed approximately double the bread, per capita, that Armenians are receiving now.

We can single out two aspects of the situation in Armenia. One is the same as what is happening in Russia, all the negative tendencies like the decline of the average living standard. But in addition, there is the effect of the long-term blockade against our republic, the impact of the war with Azerbaijan, as well as some internal questions that have not yet been solved, because the external pressure on the republic makes it impossible for the people, including the political parties created in Armenia, to tackle domestic questions. I am referring to the process of redefining spheres of influence inside the republic, which is a process common to Russia and the other republics that freed themselves from the communist regime.

Indeed, to raise domestic questions is very dangerous because the external pressure on the republic, both from neighbors—first off, Azerbaijan, and secondly Turkey, which is helping Azerbaijan and is itself blocking communications and transportation into Armenia from its territory—and from international financial organizations and great powers who aspire to have influence in Armenia, threatens the Armenian people with genocide once again.

In these circumstances, both the people and the political parties put on the back burner many questions which, in my

view, would be very important to resolve right now, because all this is leading to Armenia's possible transformation into a state like Lebanon. There could develop major mafia structures in Armenia, if things go on like this.

The good, or even excellent understanding of this on the part of the population and the political parties does not, however, make it possible for them to address domestic questions. The international community is doing almost nothing to find an acceptable solution to Armenia's external problems. That would mean, first of all, recognition of Nagorno-Karabakh as part of Armenia or even as a separate state, but independent from Azerbaijan. And secondly, that the blockade against Armenia be ended. Under those conditions, it would be possible to think about a normal internal political development for our republic.

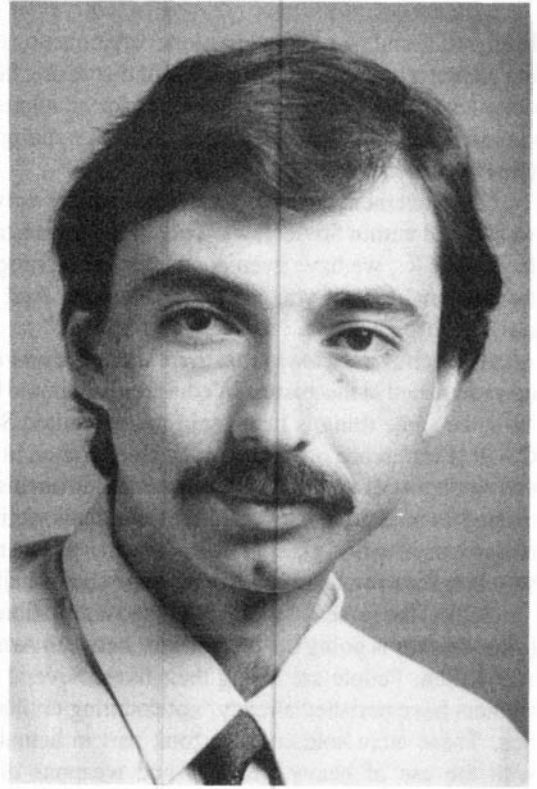
**EIR:** Mr. Babookhanian, as a resident and a leader in Yerevan, perhaps you could describe in a little more detail, how the citizens of the city lived through the winter. You have mentioned suicides, and a rise in the number of people trying to emigrate. If these problems are not solved by this fall, what awaits the city?

**Babookhanian:** Although it is not within the live combat zone, the city nevertheless naturally experiences the full weight of the blockade, and of the war, except that there have not yet been any direct artillery hits. The complete lack of gas or other fuel in residential buildings and the almost complete lack of electricity mean that people not only are not thinking about normal social conditions, but are thinking most of all just about how to cook some food. There's nothing to cook with. There's no hot water, which means difficulties with sanitary conditions. This is all reflected onto people's psychological state. The extraordinary growth of prices, in the absence of any possibility for the normal organization of trade, or of production, leads to a growth of apathy. The number of suicides is growing, even now, when there is not the immediate problem of heat. It is rising markedly, especially among the elderly.

As for municipal services, during the winter virtually all types of communication were out of action—not only transport on the city streets, but pipelines, which frequently froze. The electrical supply system broke down, because it



*Hrant Khachatryan (left) and Haik Babookhanian. "If we draw a parallel between the situation in Armenia now and the situation in Leningrad during the war," says parliamentarian Khachatryan, "I should say that during the war, the people in Leningrad were rationed approximately double the bread, per capita, that Armenians are receiving now."*



was overloaded with use it wasn't designed for. Now, we have to spend huge sums to bring cables and pipes into Armenia, mainly by air, on planes, which is naturally very costly to the municipal budget.

At the present time, the city authorities are trying to do everything they can to prepare for next winter. They're working to lay in stores of coal and mazut [a petroleum product] for residential heating. We are planning to bring in firewood, and ration it out to the population. In northern Armenia exploitation of a coal deposit has begun, which is unfortunately not very productive, but so far it's the only one we have. This coal is being brought from the north to Yerevan for storage, so that it will somehow be possible to get through next winter.

**EIR:** How many refugees are there in the city, from the combat areas, and so forth?

**Babookhanian:** It's hard to give a total figure now, because the refugees from Karabakh, from the territory occupied by Azerbaijan in the northern part of Karabakh, are gradually returning home, as our troops are liberating villages in northern Karabakh. There is a certain inflow and outflow, as combat flares up in various border regions. When it dies down, people return to their homes.

A certain portion of the refugees from the disaster area, the [1988] earthquake zone, are still living in hotels and pensions in Yerevan. Now, a new influx of refugees has begun, from Abkhazia [in Georgia].

**EIR:** Of Armenians?

**Babookhanian:** Yes, Armenians who live in Abkhazia. There is a very large Armenian community there, but the combat has been very difficult for them. There is total anarchy there, total chaos. Their villages are often right on the front line, and they are bombed by both sides. So there are now a lot of people from Abkhazia. That's the situation now, with refugees.

**EIR:** Your military situation was discussed in the framework of the United Nations. How do you evaluate and react to the positions the various so-called great powers took during that discussion, for instance Britain, America, Russia?

**Khachatryan:** When, in the framework of the Soviet Union, we first began the Karabakh movement to reunite the two separated parts of Armenia, our whole people hoped for the support of international organizations, the international community. And there was also some hope staked on the policies of Gorbachov, on perestroika, because the Karabakh problem was so pure and crystal clear, that everybody thought that if it were raised at the international level, there would without fail be a positive solution. This was because the Armenians would not have to prove whether Armenians lived there or not. It was historically accepted everywhere, that this was truly Armenian territory. We thought we would not have to prove to anybody, that the Karabakh Armenians had the right to live on this land.

But after this question was raised at the international

level, we found that the international organizations were being played by certain forces. Instead of discussing these questions according to the U.N. Charter, for example, various countries would act as supposed mediators, wanting to reconcile the Armenians and Azerbaijanis.

Our movement began in 1988. For a little over two years, we worked within Soviet laws. Then, after the destruction of the U.S.S.R., we have been conducting our struggle within international law, if you can put it that way. And we don't see any difference.

Gorbachov used to say that there should be no victors and no vanquished in this matter. A compromise should be found. Now the same thing is being said by the United States, the CSCE [Conference on Security and Cooperation in Europe], and mediators of various rank. But mediation on this question resembles mediation between a robber and his victim. When it is proposed to find a compromise, this means that the victim should agree to being robbed, or at least to being half-robbled.

Behind the screen of these prolonged international mediations, the war is going on—a real war, between Armenia and Azerbaijan. People are losing their lives. Several thousand soldiers have perished already, not counting civilian casualties. These were soldiers who took part in actual combat, with the use of heavy weapons and weapons of massive annihilation.

And still, the intermediary activity continues. The latest was the "3 plus 1" proposal, the joint initiative of the United States, Russia, and Turkey, which the leader of the Minsk [negotiating] group subsequently joined, making it 3 plus 1. That proposal or initiative concerned the withdrawal of Armenian forces from just one region of Azerbaijan, occupied by the Armenians.

**EIR:** Is that the corridor?

**Khachatryan:** No, this region is between the administrative borders of Karabakh, and former Soviet Armenia, to the left of the humanitarian corridor. Historically, this region was also settled by Armenians and there are many historical monuments there. But we are not talking about that now, because during the destruction of the military bases located there, and actually before that operation, the Armed Forces of the Nagorno-Karabakh Republic announced that they had no claims on that territory and that they would relinquish the region. The action was being taken out of military necessity.

**EIR:** To eliminate the bases?

**Khachatryan:** Yes. And actions of this type are regulated under international law. This concept of military necessity exists in the documents of international law. This was clearly announced. But there was an immediate reaction from Russia, Turkey, and America, that demanded the withdrawal of the Armenians. This was followed by a U.N. resolution. But there is no mention in it of any guarantees, of any principled

discussion of the question in the future. It is only said that the working group of the Minsk negotiations will be reconvened; which group until now has done nothing proper. This is my impression.

**EIR:** You have both just attended the conference of the Schiller Institute. It passed a resolution on Karabakh [see box]. Would you like to comment on the conference and the discussion there of LaRouche's ideas as an alternative to war? I think your reactions to the conference would be of interest to our readers.

**Babookhanian:** We came to the conference, because for more than two years now, we have been collaborating with the Schiller Institute. We are collaborating precisely because we share many of the positions and thoughts, both of Mr. LaRouche himself and of the whole organization. Unfortunately, there are few such organizations in the West, which approach questions dispassionately, I would say, in the sense of not having some specific, narrow political goals and ambitions. The Schiller Institute, rather, approaches each task from the standpoint required in order to ensure peace, stability in the world, and normal conditions of life for people throughout the world, and to direct scientific, technical, and other potentials not into wars and confrontation among peoples, but toward normal, long-term development.

We must, of course, express our thanks for the invitation and for the organization of such a conference, which we think could be of great significance not only for our problems, but for the atmosphere in which normal conditions of interaction may be created in the whole world, and in Europe in particular.

We are very glad that our question, once again, met with understanding from the participants in the conference. We were able again to convey our concerns and our understanding of how the problem may be solved.

Furthermore, we supported the demand for the immediate release of Mr. LaRouche from prison, because we believe that this was a political action we should support. We have supported that demand in the past, both individually and as an organization. Unfortunately, it does no honor to the United States, that such a citizen, scholar, and political figure is in prison. I think that the new administration will correct the mistakes of past years.

**Khachatryan:** I will add two words, on the moral side of things. I used to think that it was characteristic just of Armenians to prefer to learn from one's own mistakes, rather than from the experience of others. But I have become convinced, that all people experience this danger.

When our Karabakh movement was just getting started, many Russian friends called me and asked what was going on. I warned them: If you don't speak out now, the same thing will happen with you in a few years. They laughed, thinking I was joking. But three years later, there was the putsch attempt in Moscow, in Russia. What I would like to

say with this, is that people should be more attentive to the processes taking place in the world. I know that the warnings of Lyndon LaRouche and the Schiller Institute are greeted with some hostility by people, who take them as something alien or out of line.

**EIR:** As the Croatian journalist [Srečko Jurđana] said at the conference, "A TV broadcast from another planet."

**Khachatryan:** But we can be sure that it is not from another planet. It is from our planet. The Schiller Institute has people who are more sensitive to what is happening around them. We experienced this sensitivity in relation to ourselves, when the Schiller Institute people came to visit us after we became acquainted, and they immediately began to look around and to discern what was happening. They are still following it closely, and giving timely signals to all humanity, that in such and such a place, such and such is happening, and that it has the tendency to spread.

There is now occurring an expansion of negative actions, both in our region, and already in the center of Europe, as we discussed. And even if these tendencies don't—God forbid!—lead to a third world war, it is already apparent that there will be a series of little wars in the world, which are no less cruel and destructive in nature. Maybe humanity will not go to the point of war being waged with the use of nuclear weapons. Probably this is everybody's hope, that people, and politicians, won't go that far. But it is not excluded that a series of little wars will be more destructive.

**Babookhanian:** I would like to add that perhaps your readers would feel sorry for us. Such a feeling usually leads to people sending humanitarian aid—candy, rice, or something else.

I would like to say that our people always had an adequate potential for development. When the circumstances were such that nobody was trying to enslave us, we developed very well. In our time, we were one of the foremost states. We have all the possibilities for development. We have fine engineers, fine scientists. We have a good industrial base, and hard-working people. We have brave soldiers, who today are demonstrating that it is not easy to conquer us or bring our people to their knees. And we will fight, until we are left in peace.

I would like to say that expressions of pity, in the form of all sorts of humanitarian aid, is just an attempt by some western politicians and political organizations to justify themselves in their own eyes. In reality, this is strangling the windpipe with one hand, while with the other, putting drops of oxygen in a person's mouth so that he not die. If a politician, the international public, or some organization wants to help, they should first of all do everything possible to stop the aggression by Azerbaijan and remove the Turkish and Azerbaijani blockade. This will be help. It can be called humanitarian; it will be real help.

I would like to say that the Schiller Institute, within its

## Resolution on Nagorno-Karabakh

*The Bonn conference of the Schiller Institute adopted the following resolution on June 5.*

In order to ensure lasting and stable peace and cooperation in Europe, and to orient the scientific and technological potential of its peoples toward peaceful development, it is urgently necessary to solve, not only the Bosnian problem, but the question of Karabakh.

In 1920, Nagorno-Karabakh was occupied by the Bolshevik Russian Red Army; after that, by the arbitrary decision of Lenin and Stalin, Karabakh became an autonomous region in Azerbaijan. Even during the tyrannical years of communism, the people of Karabakh rebelled many times against that arbitrary decision, and in 1988 they declared their independence from Azerbaijan—a declaration which they supported in three nationwide referenda, as well as choosing their own legislative and executive bodies, and creating their army, police, and legislature.

It is now six years that Azerbaijan has had no power over Karabakh, and six years since Azerbaijan began trying to conquer it by aggression and to "cleanse" it ethnically of Armenians. Forcing the Armenians to their knees, Azerbaijan and Turkey have blockaded the communications leading to Armenia, leaving the civilian population hungry and cold. Weapons of mass extermination have been used on all the borders of Armenia, especially against the civilian population of Karabakh. In the regions occupied by Azerbaijan, the whole population was exterminated or deported.

Unfortunately, the world community not only did not recognize the right of Karabakh to live in freedom; it also failed to prevent Azerbaijan from launching aggression and imposing a blockade.

It is necessary to prevent Azerbaijan from waging aggressive war and maintaining the blockade, and to recognize the right of self-determination of the people of Karabakh.

capabilities, has taken precisely this path: the demand to stop aggression, to recognize the rights of people to live freely as they wish, in whatever country they would like. We have enough determination to see this through, to defend ourselves to the end. For those who would like to help, I have said how this may be done.

# Israel woos India with technology, but many suspect its motives

by Susan B. Maitra and Ramtanu Maitra

The May 17-19 official visit by Israeli Foreign Minister Shimon Peres, the highest-level official visit by an Israeli dignitary, has brought to the fore visible resistance within India against forging close security and military ties with Israel. The trip, scheduled for last December but canceled due to the eruption of violence following the demolition of the Babri Masjid mosque in Ayodhya by Hindu radicals, was also overshadowed by the presence of U.S. Deputy Undersecretary of State for South Asian Affairs John Malott at that time.

In January 1992, India established full diplomatic relations with Israel after having withdrawn the privilege following the Six-Day War in 1967. In the mid-1980s, during the tenure of the late Prime Minister Rajiv Gandhi, the masonic Anti-Defamation League (ADL) in the United States, which is under investigation there for illegal surveillance of individuals and groups including on behalf of Israel and South Africa, had sent a delegation led by Abe Foxman, director of the U.S. chapter of the ADL, to meet the Indian prime minister. Subsequent contacts in New York and Washington between Indian and Israeli officials, pressure from the United States led by former Congressman Stephen Solarz—who has now been tapped as the next U.S. ambassador to India—and a growing pro-Israel lobby inside India possessing a strong anti-Muslim bias, all helped the foundering government of Narasimha Rao to bring the two countries closer.

Two other factors stand out in the process that led to the Indian change of perspective. First was the visit of Isi Leibler, an Australian underworld figure who, according to Australia's Citizens Electoral Councils, is a top international operator for the ADL. Leibler came to India just prior to the establishment of full diplomatic relations, and made clear that since Mrs. Indira Gandhi and her son Rajiv Gandhi were no longer on the scene (both were assassinated by circles tied into ADL and Anglo-American intelligence circles), the prospect of stronger India-Israel relations was now in the cards.

Second, India's growing problems in meeting foreign exchange requirements for imports, debt payments, and other expenditures, had forced the Rao government to look for opportunities to enhance the country's trade and foreign exchange earnings. In this context, a great deal of expectation

exists within India, at least among mandarins in the Finance Ministry, that closer trade ties with Israel would benefit India significantly. Present Maharashtra chief minister and former national defense minister Sharad Pawar, also played a significant role in helping New Delhi to take the plunge and bring Israel closer.

## India's pro-Israel lobby

It is this pro-Israel lobby around Pawar, regardless of the fact that Rajiv Gandhi's assassins were trained by Israel's intelligence agency, the Mossad; that was pushing to make the Peres visit a great success. The Maharashtra chief minister led a five-member team to inspect the agro-technology fair in Israel. (Pawar is also a sugar cane farmer who uses Israeli drip irrigation and other high technology on his extensive holdings.) Along with the delegation went another 500 Indian farmers, ostensibly to acquire technological know-how on water management for rainfed agriculture—an area in which Israel is advanced. Though Pawar's visit was not an official one, he is a member of the ruling Congress Party's Working Committee, and was defense minister only a month before his visit. He also represents the lobby for strong Indo-Israeli defense and security ties, an issue which is highly sensitive for India.

Besides Pawar, the pro-Israeli lobby is firmly entrenched among academics, strategic analysts, and the Hindu chauvinist Bharatiya Janata Party (BJP). The argument of the pro-Israel lobby is that getting closer to Israel will not only benefit India financially, but will also send a message to the oil-rich Arab nations which had taken Indian support for granted on the Palestinian issue and other issues concerning the Islamic world. Closer Indo-Israeli relations, they point out, is also a back-door entry to gain favor with Washington. One of the reasons why Washington had always been suspicious of India, they argue, is India's deliberate attempt to keep its distance from Israel. And even among the Arab nations—now deeply divided—there are many who would like to see India forge closer ties with Israel. This again is mostly related to Israel's financial and political proximity to the United States.

Apart from Sharad Pawar's "unofficial" efforts, preparations were made to ensure that Peres's visit reaped results.

Indian Foreign Secretary J.N. Dixit stopped over at Tel Aviv in late March on his way to Cyprus and Greece in order to finalize some of the agreements that were to be signed.

During Peres's visit, the two countries signed a memorandum of understanding to promote bilateral economic cooperation. This envisages greater contacts between public and private sector organizations in industry, agriculture, solar energy, research and development, natural resources, tourism, and transport. The two countries will encourage the establishment of joint ventures and projects in agriculture, agro-industries, telecommunications, medical equipment, non-conventional energy, and computers. The memorandum, which went into effect on May 17, will be valid for one year, and can be renewed for another year unless either party wishes to terminate it, according to official releases.

Peres also met with the Indian finance minister and architect of India's economic reforms, Dr. Manmohan Singh. Peres reportedly showed a great deal of interest in establishing close contacts between commercial banks of India, which are mostly nationalized, and those of Israel, in order to promote economic cooperation between the two countries. Peres also suggested creation of a joint fund for research and development along the lines of similar funds in other countries. He offered assistance to India for rural development, particularly in the area of desert farming in the state of Rajasthan.

Following the trip, it has been reported that India and Israel are working toward signing an agreement whereby both nations will bestow Most Favored Nation (MFN) status on each other. The Counsellor for Economic Affairs in the Israeli Embassy, Samy Ofri, told the *Economic Times* that two ventures are already under way: construction in India of a solar power plant and of manufacturing facilities for drip irrigation equipment.

### **Israel, 'the friend of India'?**

Besides promoting trade between the two nations, Shimon Peres was also making a pitch to project Israel as a friend of India. During his talks with Prime Minister P.V. Narasimha Rao, Peres made it clear that India's "territorial integrity" must be preserved—an indication that his country considers Kashmir as part of India, and that no purpose would be served by reopening the history of the partition of the sub-continent.

Peres expressed support for India's fight against fundamentalism and terrorism, but wanted India to respond to the new chapter in bilateral relations by reviewing its voting pattern in the United Nations on matters concerning Israel. He argued that with the collapse of the Soviet Union, the world had lost an enemy, but that it is now faced with many more poorly identified enemies and problems. He said he hoped that India's vote at the U.N. in the future would be in accordance with the new-found relationship between the two countries.

Although the Peres trip was centered around development of economic ties and having each express their respective concerns about the world as they see it, there were reports of Israeli interest in offering India a range of high-tech military hardware. The list includes runway destruction bombs and advanced electronic warfare equipment, gun-locating radar, a search-wave radar, a gun system for ships to counter low-flying missiles, forward looking infrared for helicopters and fixed-wing aircraft, laser-guided bombs and kits, and rockets and missiles.

### **Not exactly lovey-dovey**

Though the Peres visit can be described as a cordial one, it did not go without hiccups. The *Sunday Mail* reported on its front page on May 23 that Minister for Civil Aviation and Tourism Ghulam Nabi Azad created a major diplomatic crisis when he refused to sign a tourism protocol with Israel right on the eve of Peres's visit. Azad was reportedly forced to toe the line when an irate Prime Minister Rao sent him a message that Azad had "no option" on this matter.

The most scathing attack on Peres came from Mani Shankar Aiyer, a member of parliament who had strongly opposed the resumption of full diplomatic relations with Israel. In an article in the June 6-12 national weekly *Sunday* titled "Chutzpah," Aiyer, who is identified as a close associate of the late Prime Minister Rajiv Gandhi, took exception to Peres's offer to India to join Israel to fight terrorism. Describing Peres as a "shiny star of Zionist terrorism," Aiyer went on to document Peres's own terrorist past, and cited the motto of Theodore Herzl, the founder of the Zionist movement, to establish Israel as a "colonial state." He also pointed out that Mohandas Karamchand Gandhi (Mahatma Gandhi) was grievously hurt by the terrorist acts of the Haganah and other Zionist operations used for establishing Israel.

Moreover, the Indian military was reportedly not particularly impressed with the Israeli attempt to aggressively sell its hardware. The military's main objection is that the purchase-oriented approach may take the wind out of India's own well-developed domestic defense industry. Faced with such bargain-basement prices for off-the-shelf items, domestic industry would lose its foothold. Instead, they argue, the government's thrust should be to update and upgrade the domestic defense industry to the required level. There is also recognition that many of the products that the Israelis are offering, have already been researched and developed by Indian scientists and engineers.

Underlying these objections are even deeper apprehensions. Israel's long-term contact with China's military establishment, and the help it offered in providing China with hardware and technologies—not all of which were developed in Israel—is widely known. Israeli espionage's acquisition of highly secret U.S. military documents for the purpose of selling them to the Soviet Union, also did not escape the notice of Indian military intelligence.

# Washington signals policy shift in India

by Ramtanu Maitra and Susan Maitra

The May visit to India of U.S. Deputy Undersecretary of State for South Asian Affairs John Malott, has sparked indignation in official circles in Delhi.

The concern centers around remarks by Malott, a low-level bureaucrat, at a public event in New Delhi. Speaking at the India International Center, Malott, following cues from Amnesty International and Asia Watch, strongly criticized India for human rights violations and said, "India must take steps to curb the abuses of the security forces" in Kashmir. During a luncheon with Indian journalists earlier in the day, Malott highlighted the "negative impact" Indo-U.S. relations would suffer if India did not check alleged excesses carried out by its security forces now stationed in Kashmir. Following these remarks, the Indian government warned the Clinton administration that its ability to play a "constructive role" would solely depend on Washington's faith in the Indian political process.

Although Malott acknowledged U.S. support for the 1972 Shimla agreement signed by then-Prime Ministers Zulfikar Ali Bhutto of Pakistan and Indira Gandhi of India on Kashmir, he made clear that Washington considers Kashmir a disputed area, a designation rejected by India and Pakistan. Malott came close to offering U.S. mediation, saying, "Our role is to be a helpful one—to encourage the process—but not to stand between the two countries in any sort of formal mediation role." He played down Pakistani interference in the Indian part of Kashmir and instead emphasized involving the people of Kashmir as a third party in the Indian-Pakistani negotiations.

In total, Malott's pronouncements represent a change of stance in Washington on Kashmir, now placing the blame for the Kashmir conflict squarely on India. Earlier this year, Washington was mooting labeling Pakistan a "terrorist state" for its interference in Kashmir.

## Aggravating old irritants

Malott also expressed impatience over India and Pakistan's failure to pursue any of the near-term confidence-building and non-proliferation measures suggested earlier by the United States. These include a unilateral or regional cut-off of fissile material production, placing safeguards on new

and existing nuclear facilities, or an Indian-Pakistani dialogue on Kashmir, or the demilitarization of the Siachen Glacier.

Before Malott's arrival, the White House had prepared a report on nuclear proliferation in South Asia which emphasized that there is a real danger that South Asia could be the next nuclear flashpoint. Although the report mentioned the "China factor" as a hindrance to regional non-proliferation in South Asia, the report voiced no concern that the vertical proliferation of nuclear weapons in China and China's signing of the Nuclear Non-Proliferation Treaty (NPT) has increased the security threat to the region, and to India in particular.

Nor did the report have any solution to the threats posed to the region by the emergence of new nuclear-weapons states in Central Asia.

## Hopes dashed?

Despite the fact that he is soon to be replaced by Clinton appointee Robin Rafael, Malott's visit drew attention in India. Some Indian officials had believed Washington would label Pakistan a "terrorist state," and would thus help India curb the militancy in the Kashmir Valley. However, it appears that Washington's threat to put Pakistan on the terrorist list was centered around satisfying some of Washington's friends in West Asia and also gaining some leverage in Pakistan itself.

In general, India has much higher expectations for U.S. relations. Joint Indo-U.S. naval exercises in June 1992, high-level military exchanges, U.S. approval of India's economic liberalization and increasing U.S. multinational interest in India, led Delhi to believe that relations between the two had turned the corner. In certain areas, besides joint cooperation to secure maritime trade, Washington has shown interest in discussing and sorting out issues. These include the issue of seed patenting as demanded by farmers of both countries and also the implementation of some of the trade-related intellectual property rights.

Thus, Malott's visit came as a shocker. In reality, Washington's South Asia policy, although blurred to the point of haziness, is still driven by geopolitical and economic interests. Among the interests which can be more clearly observed are: the promotion of human rights as the West defines it; countering terrorism and narco-trafficking—decidedly a fallout from Washington's own Afghanistan policy carried out by Pakistan in the 1980s; gaining access to the reformed Indian economic scene, particularly in the service sectors, such as insurance; pushing nuclear non-proliferation in order to maintain nuclear weapons supremacy, along with a handful of nations; and preserving unhampered maritime and naval traffic rights.

It will be useful for Delhi to realize that in order to achieve these objectives, the powers-that-be in the United States will cajole, coax, or threaten India as and when necessary.



# Chinese job-seekers: to escape or rebel

by Cho Wen-pin

Five hundred and one years ago, Columbus failed to find a China that, in those days, was rich—but the International Monetary Fund (IMF) found it in May. What the IMF found, as stated in its recent annual report, was that the economic reforms in China had lifted the country to become the third economic power in the world, next to the United States and Japan.

But while the IMF is bragging about its discovery, bad news is coming out from this financiers' "brave new world." On June 1, China's currency collapsed about 25% in Shanghai's foreign exchange swap center, and on the next day, the drop swept the other major centers of Guangzhou, Beijing, and Shengzhen. In May, Chinese police suppressed hundreds of demonstrators in Tibet, and early in June, 15,000 unpaid farmers took to the streets in Sichuan province, historically known as a rich rice land. The picture is even more dramatic if one looks at the thousands of illegal aliens from Chinese coastal areas being smuggled into New York City every month, looking for jobs paying as little as 50¢ an hour.

These illegal immigrants start their journey by paying or, mostly, incurring debts of up to \$40,000 to come to the United States to work in New York's underground economy. They refuse to go back to the communist nightmare, even though their American Dream has burst like a bubble.

## The coming repeat of Tiananmen Square

For the past 44 years China's economy has been wrecked by the communist regime. The objective of Deng's pragmatic reform, started 15 years ago, was to double China's living standard by the end of this century. Yet what has doubled are the unemployment and crime rates: Some corrupted local Communist Party (CP) officials have been murdered by angry workers and farmers who lost their jobs. Two weeks ago, the largest bribery case was cracked in Guangdong, in which the vice general manager of an engineering consultancy was suspected of accepting more than \$1 million from overseas investors. This relates to an earlier story in which a woman committed suicide in a village pond to protest the brutal tax collection policy. In Guangdong, the fertile soil of the Pearl River Delta is rapidly being lost due to land speculation. "In the past," one peasant said, "communist cadres distributed the landlords' land to us. Now they take it away for their own profit. How can we make a living without land?" According

to *China Focus*, CP cadres skimmed off 70% of the land value from the buyers, leaving only 30% for the peasants.

Economic injustice and official corruption had ignited the Democracy Movement in 1989. Four years later, Beijing's policy is creating a job-seeking army more than 100 million strong. Many walk up and down along the railway daily, and they seem to link the two destinies: to escape abroad or "to take arms against a sea of troubles, And by opposing end them" (*Hamlet*, III, i, 56).

For those who chose to fight since the bloody suppression on June 4, 1989, they fight underground. Overseas Chinese democratic alliance and human rights organizations report that thousands of political organizations have mushroomed inside China.

Those who run away from China are called "man-snakes" in Chinese. These desperate workers and peasants are smuggled by the gangs, or the "snakeheads." Yet, there is reason to believe that the biggest snakehead sits in Beijing, using this "ultimate weapon" of human flesh, i.e., the huge labor surplus that could flood Asia and the Pacific, to threaten Taiwan, Japan, Australia, the United States, and Canada. A desperate emperor uses any weapon to defend the crown.

This year so far, besides those who disappeared into the underground of the Chinatowns, the United States has detained about 2,000 illegal Chinese newcomers; last year the number was 613, and in 1991 only 20 were arrested. According to *Asian World Journal*, they came on the old ships bought from Taiwan fishermen by organized criminals. Those boats became obsolete when the environmentalists succeeded in outlawing drag-net fishing. Although they were designed with toilets for 8-10 people, the boats are now packed with up to 100 men and women.

The boat people keep on coming—to a nightmarish life, but they write home to describe the opportunities in the New World. Americans impressed by the IMF's report and Beijing Taoists' "Tao Jones" propaganda, seem puzzled by this "face-saving" behavior. But in true centuries-old tradition, one would never leave home, unless there was no other way out. The immigrants' ancestors, the men who built America's great transcontinental railroads, were also forced from their homes, which in the last century were being destroyed by the Opium Wars waged by Britain against China. Today their fate is no better.

Recently, the tragedies of those who escape have appeared in western newspapers. The *New York Post* had a story about a violinist who was not able to pay the debt. He ended up in the hospital, his fingers shot off by the debt collectors. In May in New Jersey, two lives were taken to liquidate the unpaid debt.

"It is modern-day slave-trade," said Joann Lum, program director of the Chinese Staff and Workers' Association. Indeed, this is painful, but it is their only alternative, amid 100 million unemployed Chinese, if Beijing continues to impose foolish economic policies and backs it up with military force.

# This time, British really go ape

by Mark Burdman

In one of his recent prison writings, "On the Subject of God" (in *Fidelio*, Spring 1993), *EIR* founder Lyndon LaRouche took aim at Prof. Richard Dawkins, a lecturer in zoology at Oxford University who had made a speech in Britain on April 15, 1992, in which he characterized belief in God as a disorder of the brain analogous to a transmittable "computer virus." Dawkins declared then: "These are arbitrary, hereditary beliefs which people are told at a critical age, passed on from your parents rather like a virus." He claimed that "evolutionary theory" had removed any scientific basis for arguing the existence of God, and that people who believe in a God Who is responsible for the order and beauty of the universe are "stupid."

In the course of his devastating refutation of Dawkins, LaRouche wrote that the Oxford professor was exhibiting a "form of scientific incompetence, commonplace among academicians," and was acting like a typical member of the species of "putatively educated illiterates." LaRouche denounced Dawkins as "a hoaxster," and asserted, that were Dawkins consistent, "the whole of history, including the history of teaching biology at Oxford University, must appear to him as not a product of human behavior, as much as a virus-like infection of the collective mind by some potency."

Almost one year later, Dawkins seems more determined than ever to prove that his activity is "not human," and that, in fact, he does not regard himself as a member of the distinct species *homo sapiens* at all. The Oxford professor has now emerged as a chief scientific-philosophical spokesman for an initiative, launched in Britain, and unfortunately not a joke, to grant "equal rights" to apes, based on the premise that humans and apes are essentially equal, that "we are apes," and that it is a matter of "double standards" to have a specific morality for humans different from that for apes.

This is the substance of a "Declaration on Great Apes," authored by "The Great Ape Project," the latter also being the title of a book-length compilation of writings on the subject. The declaration begins with the statement: "We demand the extension of the community of equals to include all great apes: human beings, chimpanzees, gorillas and orangutans." One of the authors involved in this work, Dutch anthropolo-

gist Barbara Noske, defines the aim of all this activity as "deconstructing anthropocentrism."

## Revenge on Declaration of Independence

This "Great Ape Project" was formally launched in London on the afternoon of June 14. The project was first heralded in the London *Times* on June 7, with an article by Princeton University Professor Alan Ryan entitled, "Do Great Apes Have Rights?" He noted that a "distinguished group of academics" had composed a document, modeled on the U.S. Declaration of Independence, and premised on the idea that "apes should be treated as our equals." Aside from Dawkins, this "distinguished group" includes Peter Singer, leading "animal liberation" and "animal rights" theorist and activist; Paola Cavalieri, an Italian "animal rights" fanatic; and Britain's famous chimpanzee observer Jane Goodall.

Although Ryan ultimately expressed disagreement with the "distinguished academics," he treated their activity with an almost awed reverence. He wrote:

"Americans are mildly embarrassed to discover that when the American colonies declared their independence from Great Britain, their ringing assertion that 'all men are created equal' didn't mean quite what it says. Black men were apparently created to become slaves; Native American men were created to be chased off their traditional hunting grounds, and women of all races and colors were created to be domestic helpers, and not, God forbid, to take an active part in politics, religion, or science.

"Now that we recognize racism and sexism for the evils they are, ought we to be embarrassed by speciesism? Having at last accepted that when we say 'all men are created equal,' we mean that *all* human beings have the right to be treated with respect . . . ought we to extend that respect to our nearest relations, the great apes?"

Ryan reported that *The Great Ape Project* "begins with a rousing Declaration on Great Apes modeled on the American Declaration of Independence. The great apes are to be incorporated into the community of moral equals, and that means that they must have the minimum protections that we demand for ourselves. They ought not to be killed except in self-defense, they ought not to be incarcerated except where they are a threat to others, and they ought not to be subjected to pain . . . nor, more contentiously, where hurting them might provide some benefit to human beings. . . ."

"It was for many years debated whether Negroes, Hottentots, and Australian aboriginals were really of the same race as ourselves. We are now ready to ask whether great apes are kin for legal and moral purposes. Perhaps after the passage of enough time, we shall move further, and extend our sympathies to mammalian life in general."

Obviously, all this is obscene, in a typically British way. It is a British insult to the American Declaration of Independence, which is premised on the concept of man being made

in the image of God the Creator and deriving certain “inalienable rights” from that *unique* quality of *imago Dei*. It may be more than coincidental, that Dawkins, Singer, et al. have chosen to go public with this lunacy precisely at the moment that associates of LaRouche in the United States, led by Rev. James Bevel, have launched an initiative for July 2-4 for citizens across the United States and around the world to “co-sign” the 1776 Declaration, as an act of commitment to the *imago Dei* principle and its application in methods and forms of government. In his “On the Subject of God” article, LaRouche had concluded with the confident forecast that “the *imago viva Dei* acting within men and women” would soon be unleashed, and that its power would overwhelm the Richard Dawkinses of this world.

### On British bestiality

Otherwise obscene to African-Americans and other victims of the system of slavery, is the likening of the treatment of apes to the way black slaves were treated in former times.

It is a classically British tactic, at a time when their policies, as we see in Bosnia and other parts of the globe, are reducing human beings to the conditions and status of beasts, to propound the line that there is really no difference, after all, between men and beasts. That philosophy, that men and

beasts are ultimately not different, underlies *all* British liberal philosophy of the past few centuries, whether it be the philosophy of Thomas Hobbes, or John Locke, or—in a more extreme form—Jeremy Bentham (who was notorious for obscenely cavorting with apes) or Bertrand Russell, but is now being carried to its most extreme, logical conclusion. It ultimately derives from the fact that significant portions of the British elites *act like wild animals*, and are inclined to unleash bestiality whenever their baser instincts are not neutralized by stronger powers outside themselves—as, for example, was the case with those American revolutionaries responsible for the original Declaration of Independence who militarily defeated the British in North America.

It is, it should be stressed, an insult to the poor apes, who are after all not involved in this British operation except as tools, to enlist them in such a campaign. It could probably be proven, that most apes operate on a higher moral plane than Professor Dawkins and his cohorts.

### ‘We seldom realize that we are apes’

Following Ryan’s London *Times* piece, Dawkins’s contribution was published in the British magazine *New Scientist*. The same magazine, some weeks earlier, had launched a hysterical, Luddite diatribe against the American Strategic



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The title of Dawkins's piece was, "Meet My Cousin, The Chimpanzee." "Most people take it for granted that humans are more important than apes. But this assumption has more to do with double standards than biology," it read.

Dawkins raved against "the automatic, unthinking nature of the speciesist double standard. To many people, it is simply self-evident, without any discussion, that humans are entitled to special treatment." He calls this a function of the "discontinuous mind," which believes that a "human" is "an absolute concept," differentiated from the concept "apes." From this, he claimed, "flows much evil." Evolutionary theory, by contrast, denies this "discontinuous" factor, arguing that there must be "intermediates" in between human and apes, and that in fact, "we seldom realize that we are apes. . . . There is no natural category that includes chimpanzees, gorillas and orangutans but excludes humans." The category "apes," if it excludes humans, is "artificial," according to Dawkins, since humans are "in the thick of the ape cluster."

Should a single "intermediate" survivor ever be found by archaeologists, Dawkins exclaimed, "our precious system of norms and ethics would come crashing about our ears. The boundaries with which we segregate our world would be all shot to pieces. Racism would blur with speciesism in obdurate and vicious confusion. Apartheid, for those that believe in it, would assume a new, and perhaps a more urgent, import."

He later moaned: "The melancholy fact is that, at present, society's moral attitudes rest almost entirely on the discontinuous, speciesist imperative."

Dawkins then "went ape": "And what if somebody succeeded in breeding a chimpanzee/human hybrid? I can assert, without fear of contradiction, that the news would be earth-shattering. Bishops would bleat, lawyers would gloat in anticipation, conservative politicians would thunder, socialists wouldn't know where to put their barricades. The scientist that achieved the feat would be drummed out of politically correct common rooms; denounced in pulpit and gutter press; condemned, perhaps, by an ayatollah's *fatwah*. Politics would never be the same again, nor would theology, sociology, psychology, or most branches of philosophy. The world that would be so shaken, by such an incidental event as a hybridization, is a speciesist world indeed, dominated by the discontinuous mind. . . . Ethical principles that are based upon accidental caprice should not be regarded as though they are cast in stone."

This diatribe was immediately followed by a second article with further madness on "The Great Apes Project," including speculation on how apes might be represented in legal courts to protect their "rights"; denunciations of attempts to draw a "moral boundary" between humans and apes as "indefensible"; the declaration that humans are "best classified as a third species of chimpanzee"; and so on.

## British anticipate John Major's demise

by Mark Burdman

On June 10, the well-informed "Inside File" column of the London *Independent* newspaper reported that British Prime Minister John Major remains firmly opposed to western military involvement in ex-Yugoslavia because he is convinced that it would be "electorally suicidal" to pursue such a policy.

The irony of British politics, however, is that it is precisely the cowardice and absence of leadership displayed by Major toward the slaughter in Bosnia, which has contributed to making him the least popular prime minister since polls began to be taken in the late 1930s (the era of Munich appeaser Neville Chamberlain). Major's support ratings are in the 15-25% range. While such popularity polls have no authority in themselves, they do reflect a growing mood among elite "opinion makers" that Major's time is about up.

Not that there is a popular groundswell in Britain for intervention in Bosnia. Rather, the venality evidenced by Major, a function of his support for the bankrupt and impotent United Nations "global system," has become a symbol for the rottenness pervading all aspects of his incompetent government.

### Et tu, Norman?

By mid-June, the most frequent form of speculation in the British press, in the corridors of power, and in London's influential eating clubs, has been not *if* John Major will step down from power, but when.

In a vindictive June 9 speech in the House of Commons, Major's former Chancellor of the Exchequer Norman Lamont declared that the Major government was "in office, but not in power," and was completely obsessed with "short-termism," rather than with making policy. The recently sacked Lamont charged that Major had manipulated British interest rates for venal political ends, and warned that unless the government's approach were to change, it "will not survive and will not deserve to."

The June 10 London *Times* ran a banner front-page headline, "Lamont's Bitter Revenge Puts Major's Survival in Doubt." Under the title, "Brutus's Dagger Runs Deep," a *Times* political commentary that day likened Lamont to "a Brutus embracing his leader and then plunging in the dagger. . . . Evoking shades of honorable men, Lamont left little

doubt that he had come first to slay and then to bury his Caesar." The arch-Establishment daily's lead editorial stated bluntly: "The fall of John Major came closer yesterday. The prime minister was caught off guard, like the Singapore fortress in 1942, with his carefully polished guns aimed limply into empty sea. . . ." The paper advised that unless Major were to reverse course quickly and heed Lamont's warnings, "he is going, almost gone."

London *Independent* political commentator Andrew Marr wrote on June 10: "All the sensible people say Mr. Major still has a further 12 months of secure power before he is in serious danger. I do not believe it. These things accelerate. Once they are under way, the parliamentary mob loses patience and quickly bays for the final act. No one knows whether Mr. Major will be politically alive when this particular melodrama ends." The same paper's lead editorial commented: "The Tory party faces a hard choice: either put Mr. Major swiftly out of his agony; or hope, without good reasons for doing so, that events over the coming months help to heal the wound that Mr. Lamont has inflicted."

This is widely seen as the worst Conservative Party internal crisis since Mrs. Thatcher's downfall in November 1990, when former Foreign Secretary Sir Geoffrey Howe made a speech blasting Thatcher in mid-November, which hastened her downfall. Ian Aitken, commentator for the London *Guardian*, says that the smell of decay at the top of the Conservative Party is reminiscent of the situation in 1963-64, when the Profumo Scandal brought down the Conservative government of Harold Macmillan.

Paddy Ashdown, leader of the opposition Liberal Democratic Party, said Lamont's speech meant "the beginning of the end" for Major. One unnamed Conservative Member of Parliament was quoted in the London *Guardian* June 10: "Lamont lit the fire. It all depends how long it burns before the bang." Writing in his own name, Conservative MP Tony Marlow headlined his June 15 London *Times* piece, "The honorable way out is Major's only option." Asserted Marlow: "Until such time as John Major volunteers the end of his prime-ministership, the dominant question in British politics will not be 'whether' but 'when' he is going to step down."

## Thatcher and Hitler

Yet the British elites have nothing with which to replace Major, except options that would likely be even more calamitous. The underlying problem is that they are so fanatically committed to their monetarist axioms and prescriptions, that each "solution" they reach for can only make the British economic collapse worse.

This monetarist's dilemma is seen in a June 11 commentary in the *Financial Times* of London by Joe Rogaly. Rogaly wrote that Major's "political life hangs by a thread," and stressed that what Lamont said about Major in the House of Commons is "as nothing compared to the calumnies whispered, not in the open, but behind sleeves among Conserva-

tives everywhere." Rogaly asked: "Will this prime minister ever give the country a sense that he knows where he is taking it? If he does not, or cannot, he will go." Rogaly's greatest concern, was that Major lacked the ability to "restore the government's authority, and carry through the painful decisions that must be made if the 50 billion pounds-sterling borrowing requirement is to be halved, and then quartered."

Rogaly is demanding a government with the authority to carry out massive cuts in social services. Each day's British press carries accounts of draconian plans to slash health services, social security, etc., and to "privatize" further components of Britain's transport and other infrastructure. Major is correct in worrying that it would be "electorally suicidal" to carry out such a "Thatcherite" program.

Inside the Major cabinet, there are two true-believer "Thatcherites," Treasury Secretary Michael Portillo and Social Security Secretary Peter Lilley, and other ministers sympathetic to her brand of lunatic "free market" liberalism. Thatcher herself is hyperactive, not only in Britain, but in Washington, Warsaw, and other world capitals, in crusading, under the auspices of her Thatcher Foundation, for the implementation of "Thatcherite" neo-liberal policies.

On June 9, in an article written before Lamont had made his speech, the French daily *Le Monde* reported on Thatcher's activity, and speculated that she may be seeking a political comeback. The paper pointed to a May 31 piece by *Times* scribbler Lord (William) Rees-Mogg, suggesting that Major should step down. *Le Monde* noted that Rees-Mogg is a Thatcher backer. Rees-Mogg is also a business partner of financial speculator George Soros, and of such Soros partners as Lord (Jacob) Rothschild and Sir James Goldsmith. Since Lamont himself is linked, politically and through business activities, to the Rothschild-Warburg banking cabal, it appears that the attacks against Major are encouraged by such circles, eager to pick apart what remains of the British real economy to feed their "free market" speculations.

Their solution is a new dose of "Thatcherism." On June 14, Thatcher seemed to throw cold water on the idea of herself coming back, calling on Tories to rally behind Major. However, she has placed herself to capitalize on Major's weak flank, with a number of speeches demanding that the arms embargo to Bosnia be lifted, and denouncing western policy (including, obviously, the British government's) as "shameful" in its refusal to militarily intervene against Serbia. Some have claimed that she is trying to awaken memories of Winston Churchill's attacks on Chamberlain's appeasement policies.

One other post-Major option being floated centers around Foreign Secretary Douglas Hurd. This should send chills down the spine of anyone who has observed Hurd conduct what is politely called "diplomacy" around Bosnia. It is appropriate, in this regard, to recall the story often reported by Britain's *Private Eye* magazine, that Hurd's nickname while in school was "Hitler."

## Journalist beaten by officials

*Had it happened under Noriega, the U.S. media would have yelled bloody murder, but under Endara, it is called democracy.*

Journalist Luis de Janón, who writes the Ave Fénix column in *La Estrella de Panamá*, was brutally beaten on the evening of June 8, in a Panama City restaurant, by two brothers, Alvin and George Weeden. The Weedens are officials of the U.S.-installed Panamanian government of President Guillermo Endara, and both are linked to drug money-laundering, according to U.S. trial records dating back to the early 1980s and other documentation.

*La Estrella de Panamá* is Panama's oldest news daily, and one of the most respected newspapers in this hemisphere. Founded in 1853, just two years after the *New York Times*, it is the oldest continuously published newspaper on the west coast of both Americas, having begun life as the English-language *Panama Star and Herald* during the San Francisco gold rush.

Its reputation for objectivity is such, that during the previous government headed by Gen. Manuel Noriega, the paper maintained a studious neutrality, although some members of the publishing family had important roles in the government. Thus, the attack on De Janón has caused widespread outrage in Panama.

The Association of Panamanian Journalists condemned the "premeditated and malicious use of violence" against De Janón. "It constitutes an attack against freedom of expression," the group said. "We regret that the infamous practice of 'taking justice into one's own hands' is occurring with the complicit silence of the authorities."

Panama's Union of Persecuted

Journalists declared itself on "a state of alert" and asked for international solidarity from journalists and others.

"This is not the first time that a Panamanian journalist has been attacked, persecuted, and threatened by those who hold power," they said. They particularly condemned the fact that "presidential adviser George Randall Weeden Gamboa, in public statements on Panama's television Channel 13, bragged about this attack."

So far the U.S. media have responded with thunderous silence to the request for solidarity with their stricken Panamanian colleague. Had De Janón been beaten by Noriega's government officials, it would have been the lead item on every newscast of every network for days on end.

But, now that the war on drugs has been "won" with the invasion of Panama and the capture of Noriega, and now that Panama has become a "model democracy" under the continuing U.S. military occupation, the U.S.-installed regime of drug bankers led by Endara can pretty much get away with murder.

In Washington, a spokesman for *EIR* said that the violent assault on De Janón could be related to the fact that his recent articles have come to the defense of *EIR*'s founding editor Lyndon LaRouche, who has been under attack by the Anti-Defamation League of B'nai B'rith (ADL). On June 6, just two days before he was assaulted, De Janón cited *EIR*, reporting that "the ADL is under investigation, facing indictment by U.S. authorities for crimes including espionage on behalf of Israel and South Africa."

Although the Weedens publicly admitted that they assaulted De Janón, neither has been arrested. Endara made a joke about the incident, and Government and Justice Minister Juan Chevalier commented: "If an ass goes into the streets looking for a whipping, it is going to find it." Police at the scene said they could not enter the restaurant to carry out an arrest, "because it is private property." De Janón filed a criminal complaint, charging the Weedens with attempted homicide and conspiracy.

George Weeden, who weighs over 300 pounds, struck De Janón in the head and the mouth with his fist and a portable radio. He told reporters at the Presidential Palace, where he works as an adviser to the also rotund Endara, "I hit him in the mouth a couple of times, and I am extremely happy I did it." Weeden is currently a fugitive from Costa Rican justice, charged with fraud against "Borda Azul, S.A." He was first confirmed as a money launderer in 1983, when his Banco Weeden Internacional of Costa Rica laundered money for one Wayne Franklin.

Alvin Weeden, an adviser to Panama's Customs chief, Rodrigo Arosemena, said they attacked De Janón because his articles on the their drug ties were slanderous.

Shortly before the attack, De Janón announced that he would be writing an exposé about the involvement of Alvin Weeden and Arosemena in the case of several containers of ethyl ether that were consigned to the U.S.-run Panama Canal Commission, but ended up in the hands of Colombia's drug cartels. Ether is used to extract cocaine from coca leaves. Several American officials and former officials of the Canal Commission, including the former chief of its Logistics Division, Gerald "Jerry" Levecchia, are under investigation.

## Drug legalizers out of the closet

*Following the assassination of Cardinal Posadas Ocampo, the clamor for drug legalization has become deafening.*

Shortly before the May 24 assassination of Cardinal Juan Jesús Posadas Ocampo at the Guadalajara airport, Mexican Attorney General Jorge Carpizo caused a scandal with a public announcement that his office would be investigating a list of journalists suspected of ties to the drug trade. His comments naturally unleashed a flood of speculation over possible names of the allegedly pro-narcotics journalists under investigation, at the same time that all of Mexico's national dailies published editorials attacking Carpizo because his comments reportedly damaged the reputation of the entire field of journalism by virtue of his failure to name the names.

And yet, even as they were complaining about Carpizo's announcement, many of these same newspapers have handed over their editorial pages and opinion columns to open defenders of the legalized cultivation and trade of narcotics, thereby proving that their complaints are nothing but "crocodile tears."

As was demonstrated to be the case in Colombia, where numerous outspoken advocates of drug legalization in 1989 proved to be on the payroll of either the drug cartels or the drug mafia-controlled politicians, the Mexican media doth perhaps protest too much.

We are not interested in speculating about the names to which Carpizo refers, because the partial list of journalists and politicians which we publish below is based on hard fact, on the written and signed statements of the individuals themselves. It were

well if the attorney general were to begin by investigating these individuals, presenting the nation with a report of his findings and proceeding to legally prosecute the guilty.

If he does not, his office's declared war on narco-journalism will have been proven to be a farce, just as much so as the government's prosecution of the drug lords who are alleged to be implicated in the murder of Cardinal Posadas Ocampo. This prosecution appears to be, at best, part of a factional battle among mafiosi controlled from the highest levels of government.

In this sense, the statements of Foreign Minister Fernando Solana, made to the daily *Unomásuno* on May 28, are revealing. According to the newspaper's coverage, Solana stated that "Mexico will ask the United States to legalize consumption of drugs as a way to discourage the drug trade and its criminal effects, which Solana insisted would be one of the alternatives under consideration by a study group that Mexico and Germany have demanded be set up in the United Nations."

According to *Unomásuno*, Solana "indicated that this group will consider many alternatives, and is open to any possibility that will allow this cancer of modern society to be cured."

If *Unomásuno's* report is true, it would not be the first time that such statements have come from high-level government officials. In 1989, both the Mexican ambassador to China Jorge Eduardo Navarrete and foreign affairs legal consultant Alberto Szeke-

li came out for drug legalization, according to *Tiempo* magazine of Sept. 14, 1989 and a Notimex report published in Peru's *El Nacional* in January of that same year.

What can one say of the fact that within the attorney general's office (PGR) itself, there are government officials who have come out openly for the legalization strategy, and yet have not been denounced or fired. This is the case, for example, of PGR representative Teresa Jardi of Chihuahua state, whose pro-legalization statements were covered by the magazine *Contenido* and the newspaper *El Heraldo* of Chihuahua, on Feb. 15 and March 4 of this year.

The list of journalists who have urged the option of drug legalization, using the pretext that the drug traffickers are too powerful to defeat, includes:

Miguel Angel Granados Chapa, Margarita Michelena, Mauricio González de la Garza, Jesús Vergara Aceves, Rodrigo Calvillo, Marco Antonio Vázquez Espinoza, Eduardo R. Huchim, Manu Dornbierer, Luis Pasos, Antonio Haas, Guillermo Ibarra R., Eva Tecuanhuey, Tomás Garza, Hugo Garavito Amezaga, and José Matos Mar.

Then, of course, there are the opposition politicians who dance to the same tune:

Diego Fernández de Ceballos (PAN); Rafael Aguilar Talamantes and the entire congressional bloc of the PFCRN (Party of the Cardenist Front of National Reconstruction); Ifigenia Martínez de Navarrete; and so on.

Given the state of war this country is in with the drug trade, can all these pro-legalization advocates merely be exercising their right of free speech, or are they perhaps receiving orders and stipends from drug traffickers protected from above?

# International Intelligence

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## **Haitian prime minister resigns in surprise move**

Haitian Prime Minister Marc Bazin resigned unexpectedly on June 9, after breaking the alliance that put him in power. Parliament and the Army refused to continue their support for him after he broke the implicit pact by which his government came into existence last year.

The week before, Bazin fired four members of his cabinet, including two who had been appointed by the Army, and replaced them with four of his own close associates. But nobody from either the Parliament or Army attended their swearing in, and they could not take office. Meanwhile, the four ousted cabinet officials claimed that their removal was illegitimate, and refused to leave their posts.

Bazin, a former official of the World Bank, had recently announced that he was ready to meet former President Jean-Bertrand Aristide, the terrorist dictator who was ousted in 1991, and whom the U.S. State Department is supporting. That offer did not seem to have come from any consensus of the forces backing Bazin's government.

Hard-line anti-Aristide factions are pushing not only to appoint one of their own as prime minister, but to fill the vacant post of President, which would close the loophole left open since last year for a possible reconciliation with Aristide. On the other side, Aristide himself has been talking about being back in Haiti shortly as President.

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## **Swiss journal covers LaRouche tuning fight**

The May issue of the Swiss piano journal *Resonanz* published a two-page review of the Schiller Institute's *A Manual on the Rudiments of Tuning and Registration* (Book I).

The article describes the manual as the result of a long-term research program initiated by "philosopher and economist Lyndon LaRouche." "It is meant to give an orientation to have music regarded again as a sci-

ence, as was self-evident in the past. New—or rather rediscovered—is the approach: the human singing voice as the only musical instrument created by nature is the basis for the research—one speaks about the 'primacy of the singing voice.' "

The article quotes from LaRouche's introduction to the manual, on the necessity of a Classical tuning of C-256 Hz (modern tuning is much higher, which ruins voices and wrecks the poetic phrasing of Classical compositions).

The review emphasizes the scientific heritage of Johannes Kepler, in analyzing the harmonic relations of the planetary orbits—an important feature of the *Manual's* analysis. It also quotes from a letter by Beethoven, in which he says that he had always tried to grasp the essence of the wisest and best of each era, and considers it a shame for any artist not to try to do the same.

The journal has been engaged in a heated public debate over the issue of C-256 tuning, ever since the Schiller Institute launched its campaign at a conference in Milan in April 1988. The journal is widely circulated in Switzerland, primarily among pianists and music schools.

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## **U.N. relief coordinator quits over Bosnia policy**

José-María Mendiluce of Spain resigned his post as coordinator of the U.N. High Commission for Refugees in Bosnia, and attacked United Nations policy toward Bosnia in an interview with the Paris newspaper *Libération* published June 10. He charged that humanitarian groups such as his own are being cynically used by politicians to avoid the political and military decisions that must be taken.

Mendiluce said that the newest U.N. Security Council resolution on Bosnia, for establishing "safe havens" and "security zones," actually "is a condemnation of the Bosnians to live in ghettos."

Mendiluce spoke of the first example of a "safe haven," namely Srebrenica: "Srebrenica is not viable as it is. It is a mixture of refugee camps and bordello, with the de-

velopment of prostitution, of the black market. . . . There are 40,000 extremely vulnerable people, without a future."

He told *Libération* that the so-called five-power Joint Action Plan "has been interpreted by the Serbs on the ground as a de facto recognition of their territorial conquests. . . . It is the map of [Bosnian Serb leader] Rađovan Karadzic of March 1992 which has been put into effect, in a methodical and brutal manner, while at the same moment, he gained time in diplomatic negotiations."

Mendiluce charged that humanitarian agencies working in Bosnia have been given an "impossible task," since "the humanitarian aid has filled a vacuum, in the absence of any political solution. They have tried to use us as an excuse to act . . . or to not act. That shouldn't be done. Political decisions must be taken and assumed, without using us. I have felt myself used. We were in a trap."

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## **Gaidar Aliyev grabs power in Azerbaijan**

Anglo-Soviet "Trust" creature Gaidar Aliyev, a former member of the communist *no-menklatura*, is about to be formally crowned as new head of state in Azerbaijan. On June 11, he was named acting prime minister with full powers over the Army and police. On June 12, Aliyev forced the resignation of Isa Gambařov as chairman of the Azerbaijan parliament, paving the way for a parliament vote to grant this post to Aliyev as well.

After the Gambarov resignation, Aliyev flew to Gyandzha (formerly Kirovabad), the second largest city in Azerbaijan, and headquarters of rebel Col. Surat Huseinov, to meet with Huseinov on the subject of forming a "national unity" State Council and government. It was Huseinov who touched off the Aliyev comeback with a June 4 revolt that captured this city, and a declaration calling for Aliyev to be Azerbaijan's new head of state.

President Elcibey has become a figurehead, as was illustrated when, after Aliyev concluded his talks with Colonel Huseinov,



the rebel forces began a "march on Baku," and Elcibey ordered Azerbaijan government forces to offer no resistance to the rebels. This order showed that Aliyev wasted no time in putting his new powers over the Army into practice.

Aliyev held talks in Baku with representatives of British Petroleum and Amoco. On June 12, under Aliyev's prodding, President Elcibey signed a decree pulling Azerbaijan out of the ruble zone. Between June 15 and 20, Azerbaijan will introduce its own currency, the manat.

Aliyev has vowed that once he consolidates full power, he will pursue an all-out war against the Armenian enclave of Nagorno-Karabakh and Armenia itself. In a preemptive response to this, Armenian forces operating out of Karabakh began a major offensive in the Azerbaijan district of Agdam, taking villages and coming close to the district capital of the same name.

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## Warnings of Serbian threat to Europe

At a press conference in Trieste on June 8, Italian Defense Minister Fabio Fabbri said that Italy could be a prime target for terrorist attacks by forces from ex-Yugoslavia. Fabbri said that there is a "worrisome" risk of terrorism, especially in northeastern Italy, which shares its borders with the former Yugoslav republics of Slovenia and Croatia. He was speaking at a press conference following a meeting with Interior Ministry and police officials to discuss security in Italy's northeastern regions.

Recently, Bosnian Serb commander Ratko Mladic threatened to take the Bosnian war to the region between Trieste and Vienna, and he termed Trieste "an old Serbian city."

French political figures are also ringing the alarm bells. In a commentary in the *International Herald Tribune* on June 9, former French foreign minister Michel Jobert wrote, "Even the southern French port of Marseilles—boastfully basking in its position as upset victor in the latest European soccer cup—is not beyond the range of the

equally boastful but infinitely more sinister Serbian generals and their Scud missiles."

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## North Korea reverses its decision on NPT

North Korea announced on June 11 that it would not renounce the Nuclear Non-Proliferation Treaty (NPT), as it had previously said it would, thus defusing the crisis over this issue just as suddenly and arbitrarily as it began.

The sudden reversal adds force to the argument of many Chinese nationalists, that the whole North Korea-NPT crisis was engineered by Beijing, in order to ensure that Clinton would grant Most Favored Nation status to Red China. Beijing had told Washington that only the Chinese Communists knew how to handle North Korean dictator Kim Il-Sung. Now Clinton has come out in support of MFN trade status for China, and Kim Il-Sung has largely withdrawn his sudden provocation.

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## Nigeria postpones presidential elections

A court order issued in Nigeria has temporarily postponed the country's presidential elections, scheduled for June 12, which were supposed to provide a transition to civilian rule.

A high court in Abuja ordered the National Electoral Commission not to conduct the election until a petition by a group favoring the extension of military rule had been heard. The petition was filed by the Association for a Better Nigeria, which had been calling for President Babangida to extend his rule to 1997.

A U.S. embassy statement from Lagos on June 11 reads: "We are awaiting the reaction of the Federal Military Government to this decision; however, any postponement of the election would cause grave concern to the United States government." Reuters reported that an earlier U.S. statement, later retracted, had been much stronger.

● **IN MONTENEGRO**, several thousand people took to the streets on June 7, protesting the "fascism of Milosevic," the Serbian dictator, and calling for the secession of their state from Serbia. The protest, which was countered by heavy police deployment and arrests, has not been reported in the media, with the exception of the Vienna daily *Die Presse*.

● **KING HUSSEIN** said on June 9 that Jordan will not make any deals with Israel until there is progress in Palestinian-Israeli talks. "We've linked our agreement of our acceptance of this draft . . . with progress that will be achieved on all fronts and in particular the Palestinian track," the king told reporters.

● **OXFORD UNIVERSITY** announced on June 8 that Britain's Prince Charles had agreed to serve as patron of its Oxford Center for Islamic Studies, whose aim, according to Reuters, is to promote understanding and tolerance between the West and the Islamic world.

● **RADOVAN KARADZIC**, the Bosnian Serb leader, arrived in Athens for a "Greek-Serbian Friendship Rally" on June 14 and for talks with Greek leaders. According to the *London Times*, Karadzic was scheduled to meet former Greek Prime Minister Andreas Papandreou, now the main opposition leader, and current Prime Minister Constantine Mitsotakis.

● **CHINESE** Prime Minister Li Peng emerged after six weeks' absence to greet Malaysian Prime Minister Mahathir on June 12. Li appeared healthy, although it was officially a "bad cold" which prompted his disappearance.

● **ARGENTINE** President Carlos Menem ordered imprisoned nationalist leader Col. Mohamed Ali Seineldin and his fellow officers split up and sent to different prisons, during a June 9 cabinet meeting, the daily *Clarin* reports.

## LaRouche puts Clinton's failures in world context

by EIR Staff

Leading American political prisoner Lyndon LaRouche, who has run for the presidency of the United States five times since 1976, commented on the paralysis which is gripping the Clinton administration in a memorandum issued from Rochester, Minnesota on June 11. LaRouche cautioned, "I think it is important to emphasize, as a precautionary corrective, that whenever we speak of the failures of the Clinton administration, or have to cope with someone who is making that point, we have to say, 'Now let's be objective. Let's look at the world as a whole. Show me where a government in any part of the world today is not at least as incompetent in its manifest performance as you allege the Clinton administration to be.'

"Take the government of Britain," the imprisoned statesman went on, "which is in a major catastrophe; take the government of France, which is essentially behaving as a puppet of the British intelligence establishment, or the geopolitical portion of it; take the government of Germany, which has been caught in an indecision in the wake of the assassinations of [Deutsche Bank head Alfred] Herrhausen, [Detlev] Rohwedder, and so forth, and especially after the beginning of the Iraq controversy of the summer of 1990. Spain. What about Italy? What about the Netherlands? What about Belgium? What about Sweden? What about Denmark? What about Norway? What about the governments of eastern Europe, the Czech government, the Hungarian government, the Polish government? And so forth and so on. The Greek government, which is caught in witting complicity in genocide, unable to do anything about the condition of its own people; the Turkish government, which is in a crisis, etc.

"Every government of the world is in a crisis, and why? Because of a rash of incompetence? Well, maybe these governments have been around for a long time. Kohl has been in since 1982 in Germany, continuously. The Major govern-

ment is a continuation largely of the Thatcher government, with some errors, and will go down over Maastricht [treaty for European union], essentially, the way it is programmed now. Spain is disintegrating; Italy is being disintegrated; France is on the verge of going into a disintegration spiral; Germany similarly, and so forth and so on. And the United States also. The developing sector governments, the same."

### The Versailles syndrome

"What is the common characteristic of this epidemic of incompetence of governments throughout the world?" LaRouche asked.

"Essentially, there are two things that are crucial. One, the world is being destroyed by the remnants of the Versailles Treaty of 1919. There are two things which are remnants, which are characteristic. One example is the case of former Yugoslavia, and the capitulation of the U.S. government to the whims of an Anglo-French Entente Cordiale on this issue: Versailles. Complicity with the myth of German war guilt in two preceding world wars. Yes, Hitler was evil, but that isn't the full story of the war. You have to go back before Hitler to ask, who put Hitler into power in Germany, which was the Anglo-Americans, not Germans."

LaRouche went on to score the propaganda effort by which reunified Germany has been widely branded as a Nazi-like imperialist state in the footsteps of Hitler's Third Reich since the Berlin Wall came down. "Sticking to the 'Fourth Reich' mythology, which was announced by Mrs. Thatcher's government in November 1989, as the danger, has shaped the history of Europe and geopolitics since then.

"Otherwise, it's the support for free trade, for the General Agreement on Tariffs and Trade (GATT) proposal, for International Monetary Fund (IMF) and World Bank conditionalities; and for the maintaining of the Federal Reserve System

and its policies in the United States.

“As long as governments refuse to tackle head-on these policies—Versailles geopolitics on the one side, and the monetarist policies of the IMF, the World Bank, central banking institutions, and others,” he underlined, “any government which fails to attack these problems, is incompetent and is doomed to an early destruction by its own stupidity or cowardice, or a combination of the two.

## Reversing the breakdown

“There is no solution to any of the problems—social, political, economic, or strategic—facing any government, including that of the United States, which does not depend upon:

“1) getting rid of globalism; going back to the principle of the sovereign nation-state;

“2) accepting the principle of national political economy and cooperation among national political economies, as the basis for global and domestic policy;

“3) reemphasizing scientific and technological progress;

“4) eliminating central banking systems, which give to private corporations, effectively—banks, that is, and other institutions—a franchise to administer the monetary and credit affairs of a nation; and bring back national economy, as, for example, U.S. Treasury Secretary Alexander Hamilton laid down, in accord with Article I of the U.S. Constitution, in the first administration of President George Washington.

“Eliminating the IMF and World Bank conditionalities, and eliminating British geopolitics (or shall we call it Anglo-American geopolitics), attacking the counterculture, deconstructionism, as the source of the rot; these are the things that any government must do, or it will not survive.”

LaRouche, who has won esteem internationally as an ardent defender of national sovereignty and the right to development, addressed some of the fears expressed by leaders of foreign governments to tackle these almighty supranational institutions. “Governments will say, ‘We don’t dare do it, they’ll topple us.’ Well, you’re not going to survive anyway, buddy. And no government of a nation, of *any* nation, that is, as a government, as a state, will fail to disintegrate during the several coming years ahead, unless this issue is faced with courage and with effectiveness head-on.”

He dismissed efforts to discover the “secret mistakes” of nerve, mentality, and so forth, of Clinton. “The determining context,” he reiterated, “is that we have a wide variety of heads of government, party composition of government around the world, and every one of these governments, from Moscow to Washington and in between and on the side, is a failure; and is in the current process of disintegration.”

Mr. LaRouche returned to these themes in his weekly radio interview, “EIR Talks with Lyndon LaRouche,” hosted by Mel Klenetsky, which was recorded June 16.

In backing away from taking action against the fascist

clique around Serbian leader Milosevic, “Clinton capitulated to Anglo-French pressure, which is *Entente Cordiale* pressure, as the French and British are calling it, which is Versailles pressure. That’s number one: He capitulated to Versailles. As long as we capitulate to the Versailles System, which comes up in the form of certain tendencies to make the U.N. a world supergovernment and reduce the sovereignty of nation-states—including the United States—then you can’t solve any of these problems.

“Number two, Clinton, like Ross Perot and like George Bush, faced an economic depression, which is what the United States is suffering and what the rest of the world is sliding deeper into, saying he would not change or alter the role in controlling U.S. domestic and foreign monetary affairs by a private organization, government chartered, but owned by the New York banks in particular, called the Federal Reserve System,” he said.

The reason that present governments cannot escape their current crises is “because none of them will take on this Versailles issue. None will take on this issue of geopolitics and what it’s led to. None will take on the question of the Federal Reserve system, and what it typifies, or monetarism. None of them will say that free trade has been a disaster; deregulation has crashed our airline industry, which used to be very prosperous. Deregulation has crashed our trucking industry. Deregulation has ruined our banking system; we ought to know that by now. It’s ruined everything. Deregulation has taken jobs out of the United States and dumped them on the coast of China.”

## Balancing the budget?

“Now we want to balance our budget, and we’ve put people out of work who used to have those jobs and used to pay their taxes. But we cling merrily on to this lunacy of free trade, deregulation, and so forth. We have thrown away the idea of a national economic interest, a national economic security.

“We throw our economy away all over the world. We complain about our import deficit, but we create our import deficit by throwing our jobs away, by throwing them overseas. We complain about this and that, we complain about the environment, but we let the water system decay. . . .

“And as long as governments refuse to attack these things and change them head-on, there is nothing they can do about the trend in which things are going. We are going into a depression. The United States *could disintegrate* somewhere about four or more years down the line—actually disintegrate. We could get into such a problem with this collapse of our morals due to ‘World of Difference’ and similar kinds of programs in the schools—countercultural programs.

“We could get into such financial problems, where entire communities are shut down for budget balancing reasons, where the federal government is going bankrupt, that the United States virtually disintegrates, and as a result of that, the United States begins to disintegrate,” warned LaRouche.

## Companies ask return of stolen property

Attorneys for companies associated with Lyndon LaRouche filed motions in Roanoke, Virginia on June 16, seeking the return of property illegally seized by agents of the Commonwealth of Virginia, at court proceedings in Roanoke Circuit Court before Judge Clifford Weckstein.

In announcing his intention to file the motions June 15, attorney John Flannery, representing *Executive Intelligence Review*, told Judge Weckstein, "We want back what was stolen from us by Don Moore and his gang of thugs."

The motions seek 1) the return of property seized during the Oct. 6, 1986 raid on LaRouche companies' offices in Leesburg that was not used in Virginia trials against LaRouche associates; and 2) property illegally seized by then-Loudoun Deputy Sheriff Don Moore. Moore was revealed to be part of a kidnap-for-hire ring during last winter's trial for the conspiracy to kidnap Du Pont heir Lewis du Pont Smith, a LaRouche associate. Although that trial ended in acquittal, much evidence of illegal activities against LaRouche by Moore came into the court record during the trial through recorded surveillance audiotapes made of conversations Moore had; and one of Moore's fellow defendants, Galen Kelly, has subsequently been convicted for another kidnapping.

The filing of the two motions coincided with the trials of the last remaining Virginia LaRouche-associated defendants, Kathy Wolfe and Stu Rosenblatt. They were convicted in separate bench trials before Judge Weckstein of securities misdemeanors. They were sentenced to \$1,000 fines each, and one-year suspended sentences.

The motions incorporate the entirety of an Omnibus Motion filed before Judge Weckstein in April by attorneys for LaRouche-associated companies EIR, CDI, PGM, CPI, and the Fusion Energy Foundation (FEF). That motion detailed the "warrantless searches" of then-Deputy Moore, as he illegally gained entry to the companies' offices and took documents, including a notebook off an employee's desk.

Deputy Moore also admitted to illegally obtaining Social Security numbers of LaRouche associates through the Loudoun County, Virginia Board of Elections, which information he then had entered into computer files of a computer donated by millionaire Pennsylvania socialite E. Newbold Smith, the father of would-be kidnap victim Lewis du Pont Smith. The elder Smith had been a co-defendant with Moore in the Smith kidnap trial.

In an affidavit submitted with the Omnibus Motion, former Deputy Sheriff Doug Poppa had also stated that Moore illegally possessed FBI witness reports, called "302s," which he kept in what Moore called his "black book." Other illegally obtained evidence was kept by Moore in what he called his "magic box."

While the Commonwealth has claimed it does not have defendants' property in its possession, the motions would compel the Commonwealth to account for the whereabouts of the property.

The motion cites the Virginia state Code, to the effect that "the prosecution, by its agents, seized this property . . . in violation of Defendants' rights . . . the detention of this evidence by the prosecution is unlawful . . . the prosecution has conceded, by its principal counsel, Asst. Attorney General John Russell, that it has *no* intention of using either the property seized or the communications intercepted, as further described herein, as evidence. . . ."

### Last trials

On the same day that Mr. Flannery filed the two motions, two LaRouche-associated corporations, EIR News Service and PGM, were also convicted of securities misdemeanors and sentenced to \$1,000 and \$2,000 fines, respectively, in separate bench trials before Judge Weckstein.

The conviction of PGM is particularly outrageous, as the two alleged "securities" for which they were found guilty were acknowledged by the prosecution, defense, and judge to be zero-interest loans.

Using the "Ascher precedent," prosecutor John Russell argued that based on the conviction of LaRouche associate Rochelle Ascher, any notes are securities, even zero-interest loans. Judge Weckstein agreed with the prosecution's argument.

The Commonwealth of Virginia also dismissed outright the indictments against three corporations, CPI, CDI, and FEF, shut down in the federal government's infamous 1987 involuntary bankruptcy.

### Political prisoners

Defendants tried earlier in the Virginia "securities" cases against LaRouche associates, Rochelle Ascher and Michael Billington, remain in state prisons where they are serving lengthy sentences for crimes they never committed. Billington, who is serving a 77-year term, has become an international *cause célèbre* due to the particularly outrageous nature of his trial and sentence. Mrs. Ascher is serving a ten-year sentence.

In addition, LaRouche associates Laurence Hecht, Paul Gallagher, Anita Gallagher, and Donald Phau are currently going through an appeals process to contest the onerous sentences to which each of them was condemned following trials in Judge Weckstein's court. Hecht faces a 33-year sentence, Paul Gallagher 34 years, Anita Gallagher 39 years, and Donald Phau 25 years.

# The ADL's 80th anniversary conference may be its last

by Scott Thompson

From June 9 to June 12 the National Commission of the Anti-Defamation League of B'nai B'rith met at the J.W. Marriott Hotel in Washington, D.C. to celebrate the ADL's 80th anniversary. The celebration was replete with congressional resolutions of congratulations, a host of foreign diplomats, and a speech by Attorney General Janet Reno endorsing "hate crimes" sentencing enhancement. But the fête was in reality a Potemkin Village. Although the press packet was replete with items like the May/June edition of *ADL on the Frontline* defending the League from charges that it had conducted illegal spying on behalf of the Israeli and South African governments, there was almost no mention at the meeting of the spy case or of pending indictments of ADL officials in San Francisco.

In fact, the only mention of the spy case came during the opening dinner on June 9, which was attended by representatives of 25 embassies, in a message that Israeli Ambassador to the U.S. Itamar Rabinovich delivered from his government: "The Israeli government gives its full support to the ADL while it is being defamed in San Francisco. We are with you. It is significant mainly because it reflects the importance of the work the ADL has been doing. You will weather this mini-storm. The relationship between the ADL and the Israeli government has been a reciprocal one. The Israeli government supports you."

One indication of how thin support for the ADL has become, was that a resolution praising the ADL, Senate Concurrent Resolution 30, issued with ADL arm-twisting on June 11, drew only 13 co-sponsors from among U.S. senators. Although many of these were hard-core ADL supporters, like Sens. Daniel Patrick Moynihan (D-N.Y.) and Alfonse D'Amato (R-N.Y.), the irony was that the chief sponsor of the resolution, Sen. Hank Brown (R-Colo.), had not even been informed of ADL illegal spying on civil rights, anti-apartheid, and Arab-American citizens.

In a press release on June 11, Senator Brown was effusive in his praise of the ADL, stating: "The Anti-Defamation League, founded in 1913, is one of the nation's oldest civil rights and human relations organizations. . . . The Anti-Defamation League has been a leader in developing educational materials, programs and services designed to build bridges of understanding among diverse faiths and all racial and ethnic groups. We celebrate its quests for justice and fair

treatment for all citizens . . . and commend it for effectively pursuing the goal of tolerance throughout the world."

But when Senator Brown's press secretary, Steve Chase, was confronted with the findings of the joint FBI-San Francisco Police Department investigation of ADL illegal spying, he almost dropped the phone and said: "We knew nothing about it," adding, "Senator Brown is on the Judiciary Committee, and he just thought the ADL was doing useful legal work to fight discrimination."

## On the defensive

The May/June issue of *ADL on the Frontline* carried a schizophrenic series of articles defending the League from charges of illegal spying. The lead article, entitled "The Big Lie—An Attack on ADL's 80-Year Mandate to Protect All Americans," simply lied that the ADL has done no spying, least of all on "legitimate organizations like the NAACP [National Association for the Advancement of Colored People], or Greenpeace." There is no mention, of course, that police raids on the ADL offices found the League had spied on people ranging from Israeli leader Moshe Arens's pro-peace son to the recently slain African National Congress leader Chris Hani, as well as 980 groups including the NAACP and 12,000 other individuals on the West Coast alone, and that it had turned key information over to Israeli and South African intelligence agencies.

After simply denying the evidence in police hands, a second article by Rabbi Allen I. Freehling of University Synagogue in Brentwood, California stated that undercover spying is essential to fight anti-Semitism. He claims that this necessary "ADL-investigator arrangement" is being destroyed by a handful of people, including "a renegade member of the San Francisco Police Department." This is an apparent reference to Tom Gerard, a former San Francisco policeman who turned over law enforcement files on targets in which the ADL had an interest.

Although Rabbi Freehling and ADL officials have called for "the Jewish community to speak as one voice to combat the charges," it is notable that a third article on statements of support was only able to draw on organizations in the immediate ADL orbit. Among these is the World Jewish Congress, which the article claims is representative of Jews in 86 countries, but whose chairman, Edgar Bronfman, is an

honorary ADL vice chairman and was the keynote speaker at the 80th Anniversary ADL National Commission meeting. Likewise, the article claims a statement of support from the World Zionist Organization, which represents 21 Zionist groups; but the statement is in the name of Seymour Reich, who is a long-time League officer, as well as former chairman of the ADL National Executive Committee.

Clearly, it is the ADL that is practicing the "big lie" technique to cover up its illegal spying, but this cannot hide the fact that it is rapidly losing the support of the Jewish community.

### **ADL penetration of Washington**

Although the ADL is on the defensive and is facing a knockout blow for illegal spying on U.S. citizens, it has still displayed some ability to maneuver in Washington. Jess Hordes, who heads the ADL's Government and National Affairs Office in Washington, D.C., briefed the press on his fears of a backlash to the League's role in helping scuttle Lani Guinier's nomination to head the Civil Rights Division of the Justice Department. He told journalists that as soon as Guinier was appointed, the ADL wrote asking for a meeting, but that the White House thought it should wait until after confirmation hearings.

Hordes said that the White House had made every conceivable error, from not properly vetting Guinier to postponing their ability to meet with her. The ADL subsequently became the only Jewish group to abstain from the Conference of Jewish Organizations endorsement of Guinier, and it lobbied the Hill against her nomination. Hordes told an Afro-American journalist with the *Washington Post* that he was now concerned, after President Bill Clinton withdrew the nomination, that *Legal Times* is trying to depict the conflict as a black versus Jewish confrontation.

Attorney General Janet Reno, despite her many admirable qualities, has been a long-time supporter of the ADL, and spoke at the ADL breakfast on June 10. The ADL has been invoking Reno's name in recent fundraising letters, ostensibly to get money to better inform law enforcement on the danger of Skinheads—an ironic pitch, given that at least three major city police departments are investigating ADL illegal attempts to suborn their officers. On three occasions in her speech to the ADL, the attorney general referred to the need to combat "hate crimes," stating at one point about those "who deal in hate" that "I want to make sure that we have enough cells to house those people for the length of time the judges are sentencing them." In a press release by ADL chairman Mel Salberg on Reno's speech, he emphasized the attorney general's apparent commitment to "hate crimes" penalty enhancement, adding: "Attorney General Reno clearly understands that collecting information regarding hate crimes nationwide is the first step toward allocating the resources necessary to fight such crimes effectively on a national basis." The Justice Depart-

ment's Solicitor General argued on behalf of ADL model "hate crimes" legislation in the case *Wisconsin v. Mitchell*, where the Supreme Court upheld penalty enhancement for racial or sexual bias motivating crimes covered by existing statutes, during the ADL meeting.

Secretary of State Warren Christopher has also been cultivated by the ADL on several issues. One instance emerged on June 9, when, in the midst of speaking to the NATO foreign ministers on Bosnia, Christopher went into a digression on the need to control transfer of "dual use" technology to Iran, charging Iran was building atomic, biological, and chemical weapons. This is partly the result of Zionist lobby member Martin Indyk, who heads Middle East Affairs at the National Security Council. Indyk announced a policy of "dual containment" of Iran and Iraq at the Washington Institute on the Near East, which was founded as a front of the American-Israel Public Affairs Committee (AIPAC). However, ADL officials told *EIR* that they had written a letter to Christopher accompanied by a report released at the June 9-12 meeting compiled by the League's office in Jerusalem with "Israeli military intelligence sources" and "Israeli defense planners." This report, titled "A Growing Strategic Challenge," stresses that Iran is building atomic, biological, and chemical weapons systems capable of hitting Tel Aviv with the assistance of China, North Korea, Austria, Sweden, France, and the United States. The report stresses the role of German firms "in providing materials for Iran's chemical weapons effort as they did Iraq."

At the United Nations Conference on Human Rights, which began in Vienna on June 14, Christopher's speech also contained references to the need to put anti-Semitism on the agenda. Again, ADL officials told *EIR* that they had lobbied Christopher on this issue, working with Edgar Bronfman's World Jewish Congress. A press release for the June 9-12 meeting is signed by ADL national director Abraham Foxman and titled "Anti-Semitism Should Be on the International Agenda." Foxman claims that anti-Semitism is a more serious long-term problem than "ethnic cleansing" in Bosnia, and he singles out the rise of anti-Semitism in Germany, Japan, Russia, and Hungary. The June/July issue of *The WJC Report* notes that Edgar Bronfman had begun this campaign by meeting with United Nations Secretary General Boutros Boutros-Ghali, who referred the matter to the U.N. Conference on Human Rights. After this, Bronfman held a strategy session with U.S. Ambassador to the U.N. Madeleine Albright on getting the anti-Semitism resolution passed.

The ADL also released several new reports smearing its enemies at the June 9-12 anniversary meeting. Among these was a new attack on Louis Farrakhan's Nation of Islam titled "Jew Hatred as History: The Nation of Islam's Secret Relationship." The report maliciously attacks the Nation of Islam for teaching the truth that some apostate Jews were slave traders who openly backed the Confederate revolt against the United States.

# New York's leading Classical station features fight for natural tuning

*The following is a transcription of an interview with renowned Italian tenor Carlo Bergonzi, Kathy Wolfe of the Schiller Institute, and others, which was aired on WQXR Radio in New York City on June 9. The interview was taped on April 6, two days before Mr. Bergonzi held a special master class at Carnegie Recital Hall demonstrating the superiority of the natural tuning of C-256 Hz over the arbitrary high modern tunings of A-440 and above. The interview has been slightly abridged for readability, and some minor errors in the simultaneous translation of Mr. Bergonzi's remarks have been corrected. June LeBell was the interviewer.*

**June LeBell:** Tonight ITT's Salute to the Arts will visit with Carlo Bergonzi and several friends, for a look and a listen, to tuning and registration. . . . We're listening to music by Beethoven. It's a violin sonata in C minor, but there's something a bit different about it and we have with us today several people, including Maestro Carlo Bergonzi, and I welcome you to our program, and Kathy Wolfe. Maestro—before we speak, Kathy, tell us a little about what we're doing here and what makes this Beethoven different from many other Beethovens.

**Kathy Wolfe:** This is the first performance in modern times that I know of, by Norbert Brainin of the Amadeus Quartet and Günter Ludwig of Cologne University, of the Beethoven violin and piano sonata at the "Verdi" pitch, which is also the same pitch that Mozart and Beethoven used, an A of approximately between 430 and 432 Hertz. It was a demonstration that they put together in Munich in 1988, five years ago, to show the superiority of the original tuning for the Stradivarius and other old instruments and for all contrapuntal music.

**LeBell:** All right. Now, I can understand the violins that were made at that particular time, since they were tuned to that pitch. But, modern instruments and voices, what difference does it make?

**Wolfe:** For a modern guitar that's fine. But we don't play Beethoven or Mozart or Verdi or Brahms on a guitar. Most of the finest string instruments in the world, of course, were produced by Guarneri and Stradivari during the 17th and 18th centuries. That's for instruments. The human voice has not changed appreciably. Certainly people have not got-

ten shorter and their vocal cords haven't produced a higher pitch since the time of Mozart, Beethoven, and Verdi, and it's very destructive, as I'm sure Maestro Bergonzi will tell you, of the voices in particular, as well as of the old instruments.

**LeBell:** We're talking about less than a half-step down, considerably less than a half-step down. First of all, why has it gone up over the years?

**Wolfe:** One of the chief culprits of that was Richard Wagner, who tripled the size of the orchestra during the 1840s and '50s, and in general, conductors of his line of thinking, who were not interested in music as a Classical art form, but wanted to produce what he called, of course, "the new music": novelty for the sake of novelty, brilliance for the sake of brilliance. In the end, there became a movement, in fact, of these people to make it almost impossible to hear the original Classical compositions, the *bel canto* compositions as in fact they were written. . . .

**LeBell:** Music by Beethoven played at A-432 Hz. This is what we're dealing with today: Not only the music, but primarily how it was played. Kathy Wolfe, how did you get involved with this whole movement?

**Wolfe:** About 1986, a group of people from the Schiller Institute, which was founded by Helga Zepp-LaRouche, who as you probably know is the wife of Lyndon LaRouche—

**LeBell:** I was trying to leave that out of this. How did he get involved in this?

**Wolfe:** I'm trying to give you a straight answer.

**LeBell:** I know, I know. I'm also trying to be very honest. Why is he involved in music? Where did this come from?

**Wolfe:** He himself is a mathematician and a physicist by training and he's always played the piano, loved Classical music. As I believe Maestro Bergonzi will tell us later, many people believed that the tuning was lower as recently as the 1950s, down about A-435. He [LaRouche] walked into the living room of his home one day, where a group of us were having a *Musikabend* [musical evening], singing and playing some Classical music, and he said, "The pitch of physics has always been at 256 cycles," which is C-256. You can open any physics textbook and you'll see that your C is 2<sup>8</sup>, 256. "Why, pray tell, should music be at any other pitch? That seems incoherent." And he said, "I remember it being lower



*Tenor Carlo Bergonzi as Nemorino and Andrea Rost as Adina in the Baltimore Opera's production earlier this year of Gaetano Donizetti's opera L'Elisir d'amore. It was Mr. Bergonzi's farewell performance on the opera stage in the United States, just before the WQXR interview.*

in the '50s, the pitch being lower in the '50s." And a great many people have said that to me subsequently.

So we looked into this and we found, surely enough, that Verdi had written *legislation*—of all amazing things—back in 1844, requesting that the Italian government set a ceiling of the pitch at 432 for the A, which is about, depending on how you calculate from C to A, it's about as high as you could set the A.

**LeBell:** Yes, all right. Carlo Bergonzi, tell us how you feel about this and how you got involved in the movement yourself to move the pitch back down again.

**Carlo Bergonzi:** I'm sorry for my poor English. But I will have my friend Nora [Hamerman, editor of *EIR*] translate it for me.

There is a very great difference. Four hundred thirty-two was the normal tuning fork that Verdi wanted. That was the tuning fork for voices, for the vocal technical question. In fact, we are going to hear some examples, and we'll see the difference between A-432 and A-442.

**LeBell:** We have an electronic instrument here, and we're going to go back and forth between that and our piano, which is tuned approximately to A-442, which is even higher than the 440, and we'll see what happens a little bit later in our program.

But, Maestro, how are you comfortable singing? At

which pitch?

**Bergonzi:** In my career I've sung a lot, naturally, not at A-432 but at a maximum of A-440. Today things are getting exaggerated. I'm bringing in the standpoint of vocal technique. Nature is always the same. Today we have young voices which in their quality are the same as 100 years ago. Why do we say that there are no voices? There is a reason. This is my personal opinion, and I appreciate very much the work of the Schiller Institute, which points to this necessity of returning to the normal tuning pitch.

**LeBell:** All right. We're going to hear more about this from Carlo Bergonzi and several of the people that we have in our studio, who are going to be singing for us. We're also going to get to a tape of a Bach partita, and hear the two different tunings of that. . . .

We are discussing tonight the idea of different types of pitch. We have gone up to, actually, 442 these days for the A. When you hear the oboe tuning in the orchestra, it may very well be in this country now and particularly in New York, 442. A while ago, it was down to 432. And Verdi actually had legislation in Italy saying that that should be the ceiling.

We're going to hear a tape, and I have to warn you that the quality is not that terrific, but it gets the point across very well, of part of a Bach partita, and this is tuning you're going



to hear, a lot of tuning back and forth. The violinist once again is Norbert Brainin. And he's going to be explaining what's happening first in the lower pitch, and then you'll hear the same music in the higher pitch, with the tuning.

**Voice of Norbert Brainin:** And now, I'm going to play this Sarabande and Double, first of all in the higher pitch of 444. And just that you see that there's no hanky-panky, I'm going to show you now: I'm going to tune this up [strikes A-444 tuning fork and tunes up to it from A-432]; after which I'm going to tune back to the lower pitch and play the same again, and I leave you to judge. [Plays example at A-444, retunes down to A-432, and plays it again.]

**LeBell:** To my ears, this is a slightly richer, darker color than what we heard before. The first one was higher, this is the lower pitch. Is that right, Kathy Wolfe?

**Wolfe:** Yes.

**LeBell:** And is it mainly color that you hear, aside from the fact that this is better for the instrument, that it doesn't stretch the strings quite as much?

**Wolfe:** Color is important, but instruments, just as voices, have many registers, the human voice having primarily three registers and the violin has four, it has four strings—those are the registers. Those get knocked out of whack, so that the actual voicing, as musicians call it, is changed and harmed by raising the pitch.

**LeBell:** Carlo Bergonzi, here's where we get back to you. Kathy talked about the registers in the voice. The registers are in different places with each voice and each voice can do different things, is this not true? It's not like a violin or a piano, where you see everything's all—

**Bergonzi:** This is the question. With the violin you can adjust the pitch with the peg. But if you heard those two interpretations, the second one is sweeter. The second is softer, a velvety sound. The first is a little strained, a little shrill. It doesn't please the ear truly.

Such is the human voice: The human voice hasn't changed, the anatomy is the same. We are all born a certain way. A man is born a man, a woman is born a woman. When the tuning is high, there's a strain upon the vocal cords. The vocal cords are the way they are. If you stretch those vocal cords in an artificial tuning, then there's a strain on the vocal cords and it sounds artificial. And you lose even the interpretation of the text. What happens is that the singer is so concerned about placing this high sound, he forgets about it and is not able to express it.

**LeBell:** Yes, but if I am brought up in a certain way and at a certain pitch, and that's the only thing I've ever known, am I not attuned to that? Is that not what I'm used to doing so it's not foreign to me? If I've not started off at a lower pitch.

**Bergonzi:** That's the mistake, that the young people don't know that there *was* a correct position. With the teachers you have today, who want to produce this sound like a great orchestra, they try to make these singers make that kind

of sound artificially, like you could adjust a string.

Let me give you an example. Not to mention teachers of my days, there was just one great voice teacher: Tullio Serafin. He always fought for this tuning. When they sang Verdi, Tullio Serafin always said, "I don't want to hear castrato voices! I want to hear the covered, dark, velvety voice for Verdian singing." And I follow that school.

**LeBell:** All right. I remember at least 10 or 15 years ago now, the Chamber Music Society at Lincoln Center gave a concert that was televised. It was from Alice Tully Hall and they played Bach, and they had two different groups. One was the Chamber Music Society of Lincoln Center and the other one was an earlier music group with the original instruments and a lower pitch. I remember the audience visibly and audibly laughing and sort of gasping as the pitch was higher and they liked it better. They thought the higher pitch was the better pitch because it was brighter and it was more exciting, and I think that's the reason that the pitch has gone up over the years, because it's a brighter sound, just as we are using microphones now. We're so used to *loud sounds* that when you go into a concert hall and you hear something that's not miked. . . . It depends on what you're used to. But I understand what your point, what you're saying, that the natural—

**Bergonzi:** Yes, *natural*. It's very important for the interpretation, because the singer must be tranquil, he must feel natural, even in the technical position of the voice—not thinking that he has to sing up a half-tone. If I sing *Il Trovatore*, "Di quella pira," as a tenor at A-440, A-442, then that high C becomes a C-sharp, almost. All tenors, before the performance: "a te!" [sings high G to high C]. They try the C thousands of times, over and over again. By the time "Di quella pira" comes, either he sings it badly, or his voice breaks on the note, because he has no more voice! But he ruins the whole opera before that—because he's so worried about whether he's going to make that high C.

**LeBell:** All right. Let's hear some of our singers in the two different pitches, and I think we're going to start at the top in terms of pitch with the soprano and work our way down to a baritone later on. We're going to stay with music straight through with Verdi.

Our first singer is a soprano, who is a student of Rita Patané. You are a lyric soprano? You call yourself a lyric spinto? [A lyric spinto is a relatively bigger soprano voice, but not quite as demanding as a dramatic soprano—ed.]

**Andrea Cawelti:** Perhaps a little heavier; we're not sure yet.

**LeBell:** How long have you been singing?

**Cawelti:** A long time.

**LeBell:** You sang professionally?

**Cawelti:** Yes. I sang as a mezzo[soprano] for a long time, because it was very difficult for me to sing in today's—well, in any registration, of course, one has to learn how to sing first, but I find it extremely difficult still to sing in the

extreme ranges that of course are called for in all opera roles.

**LeBell:** That's interesting. All right, but you started as a mezzo and you are now singing soprano, and you're not sure whether you're going to go into the spinto, or exactly which direction it's going. All right, let's hear a little bit of this. We're going to treat this as a master class with Carlo Bergonzi speaking to our singer.

This is starting at our piano in our studio, which is tuned really to 442, so this is the higher pitch. [Cawelti sings "Tu che le vanità" from Verdi's *Don Carlo* at A-442.]

**Bergonzi:** Now we're going to pass to the other example at 432. And let's pay very careful attention to the passage in the last note. [She sings same at A-432.] What you heard was the voice rounder, darker, and more supported on the breath. The diaphragm is very important, to have that kind of support and not *push* to get the sound out. The first time she did it with a thinner voice, a little bit forced, just because it is almost half a tone higher, and it's more difficult.

**LeBell:** All right. Now, I've got to ask our singer, Andrea, did you do anything? Are you prejudiced in any way? I have to ask this question because, certainly to my ear, the second one was much richer, easier.

**Cawelti:** It fits. I find it extremely difficult to sing it at 442 because it seems too high. It doesn't fit. And at the lower pitch it feels more comfortable. I'm able to give the space to each note that they require, whereas I have to work much harder at a higher pitch, and I just can't do it sometimes.

**LeBell:** I hear quite a difference. I'm very surprised, because I started out, I have to say, because I was prejudiced, the other way. I have always liked a higher, brighter sound. You're changing my idea.

All right, let's see where we go from here. I'll go back to where I was in school, my teacher always said: "next victim." Our next victim is a tenor, and he is Steven Tillman. You're going to be doing a little bit of what for us?

**Steven Tillman:** "Celeste Aïda" [from Verdi's *Aïda*].

**LeBell:** This should show us something very different, because this is a higher, brighter sound in itself as an aria. [He sings aria at A-442.] This next is at the lower pitch on the electric keyboard, not the piano. [Tillman sings same at A-432.]

**Bergonzi:** Here the difference was heard on the F-natural, "del mio pensiero" and "mistico serto." The "mistico serto" the first time, he did it with the *force* of his voice. The second time, he did it as Verdi wrote it, *dolce*, which means sweet. Because it's no longer a G-natural, but it's an F-sharp. Try it once more, "mistico serto," from "Celeste Aïda." [Tillman sings again at A-432.] This is the color with which he's able to soften the voice going over that passage on the G-natural and then grow after that, the way Verdi actually wrote it.

**LeBell:** I'm curious, Steven Tillman, how do you feel singing each example? What's the feeling inside of your face?

**Tillman:** At the lower pitch, of course, it is a joy. All I can say is, *it is a joy*. It allows me to express those innermost feelings about Aïda, her softness and how tender she is, and otherwise, you know, I'm constantly at the higher pitch trying to be aware of where I am with the voice and trying again to keep it high and light, but it's very difficult.

**LeBell:** This is the way that Verdi intended it to be. Now, what about contemporary operas, when you get into music by, I'll go back to 20, 30 years ago, music by Menotti, which is still that kind of sound, but it's contemporary. Did he write for, or does he write for this pitch, the 440, or for the lower pitch?

**Bergonzi:** If I could command, if I could give the orders, I would have the tuning pitch go back to what Verdi wanted.

**LeBell:** No matter what you were singing?

**Bergonzi:** I would do this not to go against the symphonies or those conductors who want a brilliant sound, but to safeguard the human voice, because not only in New York, not only in Milan, not only at La Scala, or at the Metropolitan, but in all the world, we don't have the singers for lyric opera anymore. When I debuted as a tenor in 1951, there were 200 great tenors. Today, there's two and a half!

**LeBell:** How different is the pitch in different countries? Does it change very much from the United States to England to France to Italy? Is it very different?

**Bergonzi:** America up till two years ago, I think, was generally 440. Now it's 442 or more. In Italy and Austria and Spain, it's higher.

**LeBell:** Higher than this?

**Bergonzi:** Yes.

**LeBell:** Oh my!

**Wolfe:** Maestro, you told us in an interview three years ago that the pitch in Vienna was almost up to 450.

**Bergonzi:** Yes.

**LeBell:** What happens when someone comes along to sing the Queen of the Night [from Mozart's *Magic Flute*]?

**Bergonzi:** I was coming back [to Italy] from the Metropolitan, where I'd sung [Gaetano Donizetti's] *L'Elisir d'Amore*. I went to Florence. I came to the pre-dress rehearsal, and they said, "Carlo, this is the pre-dress rehearsal, what would you like to try out?" I said I would like to sing [Nemorino's aria] "Una furtiva lagrima." I had just sung it here [at the Metropolitan Opera] at 440. Two days later I'm in Florence, and I start to sing: "Una furtiva lagrima. . . . Maestro, excuse me please, I have to speak to you! We're more than a half-tone too high."

The conductor says: "But, it's impossible!" So I call up my friend, the oboe player. I said, "Excuse me, what pitch are we at?" "Maybe 448." I said, "Well, then Maestro Bergonzi will not sing Nemorino." So the oboe came and he adjusted his reed, and we came down to 440. And Bergonzi sang Nemorino with great success!

**LeBell:** All right, we have one more singer to hear, and this is our baritone, Hector Martínez. And we are still hearing

Verdi. And we're going to start again at the regular piano at 442. [Martinez sings "Il balen del suo sorriso" from Verdi's *Il Trovatore* at A-442.]

**Bergonzi:** Okay—432! [Martinez sings same at A-432.] This is a rounder and a warmer sound. Please repeat again that phrase, in a more relaxed way, "Sperda il sole" at 432. [Singer repeats the phrase.] Okay.

**LeBell:** There's quite a difference. What I feel is not only the warmth of the tone but also, in all cases, I feel more relaxed. And since music is something that really gets to me and, I think, to all of us who love it, right in our gut, it either relaxes you or makes you tense and uncomfortable, and this just kind of soothes and calms you.

**Bergonzi:** The thing that I would like to say is that this baritone, if he studies in this tessitura, will soften his sound, and his voice will become more round and have more body. This is a voice that needs to be developed, but not developed by force.

**LeBell:** This is fascinating. I wish we could go on for much, much longer to talk about this and give more examples. I would love at some point to do more with this whole idea. I know that you're doing a master class in New York. It will already have taken place before this program goes on the air. Since this book says Book I, I assume that there will be more books to come on this, Kathy Wolfe?

**Wolfe:** I think, in our great haste to hear the musical examples, we've forgotten about the book. I did want to say that this particular program arose when I sent Ms. LeBell the copy of Volume I of the Schiller Institute's new *Manual on [the Rudiments of] Tuning and Registration*, which has a very nice endorsement by Maestro Bergonzi on the back, for which I thank him very much. Volume I is entirely on the singing voice, and what we try to do in Volume I is go through each of the voices in turn, giving about 20 or 30 examples on the soprano, the mezzo, the tenor, the baritone, the bass, and the examples you've heard today are from the book. We show how the voice registers would function properly at the Verdi pitch, the lower pitch, and we show what the distortions in the registers are at the higher pitch.

**LeBell:** I wish that our audience could all be singers, so that they could *feel* the difference. I think that feeling it is even more than hearing it. But I think we've made the point today. Where is the book available? How can they get it?

**Wolfe:** I believe that it's starting to be sold at Patelson's. . . . The number to order the book directly from the Schiller Institute is in Washington, D.C., 202-544-7018. . . .

To answer your earlier question, Volume II will deal with all the instrumental voices, and we hope to be able to go through all 25 instruments of the orchestra, but we hope it won't be any thicker than Volume I, which is already thick enough to sit on to play the piano.

**LeBell:** If you're tall. I want to thank all of you for being here. . . .

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## The Randy Weaver Trial

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# The wrong party is being prosecuted

by Patrick Ruckert

On June 15, in Boise, Idaho, the Randy Weaver case was sent to the jury. The case is an example of a government gone mad, a government that deployed more than 400 FBI agents and U.S. Marshals to a remote Idaho mountaintop to "get Randy Weaver."

Randy Weaver, his wife Vicki, their four children, and friend Kevin Harris have become a cause célèbre among "anti-government/anti-establishment" political networks throughout the West.

It began last Aug. 21, when U.S. marshals initiated a shoot-out with the Weavers and Kevin Harris near Bonner's Ferry, Idaho. During the assault against the Weaver household, the federal agents managed to murder the Weavers' 14-year-old son, shooting him in the back as he ran toward his home, assassinated Vicki Weaver as she stood in her doorway with her baby in her arms, wounded Randy Weaver and Kevin Harris, and even killed the Weaver's dog, with a shot in the back as it was running away.

After an 11-day siege, Weaver, Harris, and the surviving children surrendered to the FBI, after former presidential candidate Bo Gritz intervened and helped to negotiate the surrender. If it had not been for Gritz's personal intervention, the FBI would have undoubtedly ensured that there would have been no live witnesses to testify in court.

The assault on the Weavers by the FBI and the Bureau of Alcohol, Tobacco, and Firearms (ATF) was run by the same FBI "Hostage Rescue Team" that carried out the assault and murder against the Branch Davidians in Waco, Texas earlier this year. The government learned several lessons in the Weaver siege that were applied in Waco, among them not letting the media get too close, destroying all the evidence, and killing everyone possible, i.e., not leaving any evidence on the scene that could point to government misconduct.

Weaver and Harris are charged with eight counts—including murder, conspiracy, selling illegal weapons, assault, harboring a person charged with a crime, using firearms in the commission of a crime, and committing crimes while on release from custody pending trial. Two other charges were dismissed by U.S. District Judge Edward Lodge.

The federal marshals had had the Weaver home, located in an isolated area of northern Idaho, under surveillance for 18 months, attempting to arrest Weaver on a warrant that

charged him with failure to appear on a 1990 weapons charge for illegally selling two sawed-off shotguns to an ATF undercover informant.

### **The government set up Weaver**

As revealed in court testimony, this original charge was a complete setup by the ATF, using a government-paid provocateur named Kenneth Fadeley, who is now finding himself a new identity under the Federal Witness Protection Program. Fadeley is a self-described spy for the ATF in its investigation of white supremacist groups, who was posing as a firearms dealer and using the alias Gus Magiosono. According to Weaver's attorney, Chuck Peterson, Fadeley was so determined to set Weaver up, that he even pointed out where to cut on the barrel of the shotgun, to ensure that Weaver cut it short enough to qualify it as "sawed-off," and therefore as an illegal weapon.

Weaver was targeted by the ATF because he and his wife were reputed to be believers in racial separation, and Randy Weaver was running an increasingly popular campaign for county sheriff. By setting Weaver up for criminal charges, the federal agents believed that they could blackmail Weaver into becoming a spy for them against the white supremacists.

Herb Byerly, an ATF agent in Spokane who supervised Fadeley, testified that after two sawed-off shotguns were sold to the informant, allegedly by Weaver, Byerly and another agent confronted Weaver with the evidence, to try to coerce him into becoming their agent.

Despite the threat of prosecution, Weaver angrily refused to become a "snitch." So, he was arrested on Jan. 17, 1991, at the same cabin which in 1992 would become the scene of the deadly shootout.

The setup continued. Weaver was ordered to appear for trial on Feb. 19, 1991. After Weaver had left the courthouse, the trial date was changed to Feb. 20. Then a court official supposedly made a mistake and notified Weaver that the trial date was March 20.

When Weaver did not appear on Feb. 20 for the trial, a federal judge issued a bench warrant for his arrest for failing to appear. Even after authorities discovered their error, Weaver was indicted for failing to appear. Maurice Ellsworth, U.S. Attorney for Idaho, testified that after Weaver failed to show up for the Feb. 20 trial, he directed his staff to obtain the indictment, even though he knew a court officer had told Weaver in a letter that the trial would begin March 20.

### **The marshals shot first**

The key question in the trial, around which the charges of murder and conspiracy to commit murder (of Federal Marshal William Degan) revolve, is who shot first, the marshals or the defendants.

The first shooting on Aug. 21, 1992, began when six specially trained marshals, including Degan, approached the Weaver cabin with silencer-equipped assault rifles and camouflage gear.

The government prosecutors claim that 14-year-old Sammy Weaver's dog Striker alerted Sammy, Weaver, and Harris, and they followed the dog to the agent's hiding place. Then, the prosecutors say, Harris fired the first shot, instantly killing Degan.

What the prosecution has yet to explain is how Marshal Degan was able to fire seven single shots from his weapon after he was dead, since that is the number of spent shell casings from his weapon that were later found where he was shot. Since Degan's weapon was set on semi-automatic, it required him to pull the trigger seven times.

In summation, just prior to the case being sent to the jury, defense attorney Gerry Spence set off a bombshell when he referred to the testimony of the government's own ballistics expert witness, who had testified that the bullet hole in the backpack of Marshal Degan had been fired by Marshal Cooper. Spence told the jury that they should not rule out the possibility that Degan was killed by Cooper, and not by Kevin Harris.

In addition, several prosecution witnesses have testified that they distinctly first heard the report from the marshal's weapon, which makes a sharply different sound than the weapons of the defendants. Weaver's lead defense attorney, Gerry Spence, and Harris's attorney, David Nevin, presented a much different and more believable reconstruction of this confrontation than did the prosecution.

Nevin said that the first round fired was that of another marshal, Art Roderick, shooting the dog. The second shot was supposedly that of Sammy Weaver, reacting in anger to the shooting of his dog, while at the same time turning to run from the marshals. The marshals then opened up with a full return fire. Marshals Larry Cooper and Degan both shot at Sammy Weaver, killing him with one or more bullets in the back, as he ran for home.

Attempting to defend Sammy, Harris then fired toward the marshals. But no evidence was presented by the prosecution that proved that Kevin Harris killed Degan.

Bolstering the defense's arguments was the testimony given on June 3, by one of the other federal marshals present that day. Marshal Frank Norris, a prosecution witness, stated that the first shots he heard were from the rifles of the marshals. A paramedic, on the scene as part of the backup for the marshals, also testified that he distinctly heard the report of the marshals' weapons first.

### **Prosecutorial misconduct**

Prosecutorial misconduct has permeated this case. In court on May 22, the defense announced that they had just been informed that notes "found in a desk drawer in FBI headquarters," written by agent Cooper and another agent, contradict the testimony of the marshals, clearly stating that Marshal Roderick fired first, shooting the dog. This piece of evidence had been withheld from the defense for weeks.

The most egregious example of government misconduct, and one that finally pushed U.S. District Judge Edward

Lodge to impose sanctions on the prosecutors on June 8, was revealed in court on June 4. The judge, calling the conduct of the FBI "totally inexcusable," ordered the federal government to pay all defense attorney fees for one day, and to recall FBI sniper Lon Horiuchi, who had killed Vicki Weaver, from Washington, D.C. to testify again. Horiuchi had testified that he was aiming at Kevin Harris as Harris ran into the house, and that the killing of Vicki Weaver was an accident. The FBI documents received by the defense indicate that Horiuchi knew that Vicki Weaver was in the line of fire.

These internal FBI documents that defense attorneys had subpoenaed in mid-April for use in cross-examining FBI witnesses, including Horiuchi, were not given to them until noon on Friday, June 4, just minutes after Horiuchi had stepped down from the witness stand and had been hurriedly put on a plane heading for Washington, D.C.

The FBI sent the documents from Washington by fourth-class mail, which took two weeks to reach Boise!

Judge Lodge wasn't buying any excuses. He said that this incident culminated a clear pattern of delayed disclosures and mishandling of evidence by federal prosecutors and investigators.

In trial on May 26, the prosecutor apologized to the court after admitting that he had been told eight weeks earlier that FBI investigators had fabricated photographs of evidence from the shootout. Prosecutor Howen said that photos turned over to the defense showing evidence at the scene of the shootout were staged by the FBI. They were reconstructed—taken after FBI agents removed the evidence and then put it back where they thought it came from.

As part of this pattern, in May FBI agents testified that they had either lost or mishandled key pieces of evidence from the shoot-out.

Back on May 13, the jury had heard testimony about how desperate the federal agents were to get Randy Weaver. The enforcement chief of the Marshal Service, Tony Perez, acknowledged that to ensure the loyalty of a northern Idaho sheriff, he had considered bribery. The notes he kept during the surveillance of Weaver stated, "Approach the sheriff!!!! (offer him some money)."

### **'A watershed case'**

The ones who should be on trial here are the federal agents of the ATF, the Marshals Service, and the FBI, who murdered Sammy and Vicki Weaver and are also responsible for the death of Marshal Degan. The only conspiracy in this case is that created by the federal government: a conspiracy to entrap an innocent man, blackmail him, prosecute him, and then attempt to assassinate him and his entire family.

In his closing arguments to the jury, lead defense attorney Gerry Spence said that after the federal agents murdered Sammy Weaver and had the dead body of their colleague Marshal William Degan lying in the woods beside them, they awoke the next day and realized that they had really blundered. The rest of the siege, including the assassination

of Vicki Weaver, and the entirety of the prosecution's case, was and has been an attempt by the federal government to cover up its own crimes, Spence argued.

As revealed in court, the lead prosecution attorney in the case, Ronald Howen, was on the scene at the Weaver cabin the day that Vicki Weaver was murdered. On that day he began constructing the government's coverup, outlining the scenario for the agents' stories, and planting and altering the evidence. Spence had sought to disqualify him as the prosecutor, and to have him called as a witness. The judge refused that request.

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*The FBI learned several lessons in the Weaver siege that were applied later in Waco, Texas, such as not letting the media get too close, killing everyone who was a witness, and not leaving any evidence on the scene that could point to government misconduct.*

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Ronald Howen, in his closing arguments on June 11, looking pale and speaking almost incoherently, stopped midway through his presentation. He told the judge that he could not continue, and left the courtroom. He did not return, and the government will not say what happened to him.

Howen's behavior throughout this case reflected the philosophy and identity of the prosecutorial team generally—a point that was ironically made during an argument among the judge, the defense, and the prosecutors on June 14. Defense attorney Spence complained to the judge that he should not be restricted to a podium 30 feet away from the jurors. He said that "being required to be married . . . in spastic embrace to a podium" would make his closing argument less effective.

The prosecutor responded that that was the way it had been done in England for centuries and that the English courts looked down on the U.S. courts for not being more formal.

Spence, in a very sarcastic voice, told the prosecutor that he had no desire to try to emulate the British. He then asked the prosecutor if he thought they should all wear long, white wigs.

The case was then handed over to the jury. Defense attorney Spence told the jurors that this is a watershed case, and what they do will be permanent and magnificent. He said that "eternal vigilance is the price of liberty," that government agents couldn't hide facts just because they were the government, and that they could not act with impunity just because they were arrogant with power. Spence said that the government agents murdered Sammy and Vicki Weaver. That, he said, is the only murder and conspiracy that has occurred in this case.

## Differences remain on Clinton tax bill

The controversial BTU tax has all but disappeared from the negotiations being conducted by Senate Finance Committee Democrats, who huddled together June 10-11 to try to work out an alternative which would be acceptable to most Democrats. It appears that no options except the Republican option will be acceptable to Senate Republicans, who are intent on making as many waves as possible for the Clinton administration.

Although the BTU tax, meeting stiff opposition from oil state Sens. David Boren (D-Okla.) and J. Bennett Johnston (D-La.), was pretty much dead on arrival, the alternatives posed are no better. Among the proposed changes in the program are the elimination of \$15 billion in tax breaks, reducing or eliminating a planned \$7.1 billion increase in food stamp allocations over the next five years, and upwards of \$10 billion in cuts in health care entitlement programs, such as Medicare and Medicaid.

Boren has called for deep additional cuts in Medicare to make up for revenue lost by dropping the energy tax. But 11 Democrats who are not on the Finance Committee wrote a letter to Finance Committee Chairman Daniel Moynihan (D-N.Y.) saying that they would oppose any additional cuts in Medicare and Medicaid which would increase out-of-pocket costs for the elderly and poor, reduce access or quality of health care, or threaten enactment of health care overhaul.

Representatives of senior citizen groups, including the American Association of Retired Persons (AARP), are warning that they will target any congressman who tries to force more cuts in entitlements. The Congressional Black Caucus, angry with President Clinton for dropping the nomination of Lani Guinier as head of the

Justice Department's Civil Rights Division, has also threatened to reject any package which would include significant cuts in welfare.

Senate Majority Leader George Mitchell (D-Me.) has nevertheless predicted that Finance Committee Democrats will come up with an acceptable compromise by June 18. But even within the administration there are considerable differences of opinion on the options. When Transportation Secretary Federico Pena voiced objections to a tax on transportation fuels as an alternative to the BTU tax, the White House made clear that Pena was expressing his own opinion or that of the transportation industry, and not that of the administration.

## House passes arms aid for Bosnia

The House passed on June 17 the Foreign Assistance Authorization Act on a voice vote. The legislation included the "Bosnia-Herzegovina Self-Defense Act of 1993," the so-called Hyde Amendment introduced by Rep. Henry Hyde (R-Ill.), which authorizes the United States to unilaterally break the U.N. arms embargo against Bosnia and authorizes \$200 million in U.S. military assistance for that nation.

Action on the corresponding legislation in the Senate, which has been introduced by Sens. Bob Dole (R-Kan.) and Richard Lugar (R-Ind.), has been bogged down. It has yet to be taken up by the Senate Foreign Relations Committee, where committee chairman Sen. Claiborne Pell (D-R.I.) opposes the legislation. Capitol Hill sources indicate that when (and if) it is taken up in committee, a fight will be required to push it through.

The victory in the House, however, could help force a number of senators to act who would like to punt on the issue, considering it as a criticism of the Clinton administration policy on Bosnia. The bill must pass the Senate before it has any effect.

In bringing the bill to a vote, assurances were given to House Armed Services Committee Chairman Ron Dellums (D-Calif.) that he would be permitted to select conferees for the conference committee that would work out any differences which might arise between the two bills. Dellums is opposed to the amendment.

## Fight escalates over Space Station Freedom

In a hearing on June 8 to consider the fiscal year 1994 budget authorization for NASA, it was clear that the Congress was not at all inclined to go along with White House demands which might emasculate Space Station Freedom.

Three months ago White House science adviser John Gibbons requested that NASA do a redesign study, to try to limit spending on a Space Station budget from 1994 to 1998 to either \$5, \$7, or \$9 billion. Completing Space Station Freedom was projected to cost \$17-plus billion. Over \$11 billion has been spent on the program since its inception in 1984, and fabrication of hardware has already begun.

NASA Administrator Dan Goldin, accompanied by about a dozen NASA engineers who worked on the redesign options, presented the results to angry members of the House Science, Space, and Technology Committee's Subcommittee on Space, who do not want yet another design and more procrastination, but rather a completed space station. The options

developed by the redesign teams range from a single-launch, "man in the can," stripped-down station for \$11.9 billion, to an "improved" (i.e., cheaper) version of Space Station Freedom, for \$13.3 billion. None of the options came in within the \$9 billion spending ceiling Gibbons had given NASA.

When the report was released on June 7, Malcolm Peterson of the NASA Comptroller's Office simply stated that obtaining a permanent manned presence in space will cost "clearly more than \$9 billion."

## **Radon hoax gives rise to drastic legislation**

Draft legislation is now in both houses of Congress which could deal a serious blow to homebuilding and to the capital budgets of school districts throughout the country, all in the name of protecting against the "threat" of radon exposure. The legislation is being rushed through in the next 60 to 90 days.

The Department of Energy has a radon research program, which shows that we are a long way from having enough data to say what legislation, if any, is required. Nevertheless, legislators are scampering desperately to put together a bill which is meant to deal with people's "fears" of the scare.

Details of the current bills are not yet known, but members of Congress have said in the recent past that a limit of 1 picocurie of radiation per liter of indoor air should be the limit. The Canadian limit is 20 picocuries. Meeting the 1 picocurie limit would cost about \$1 trillion.

The burden on the capital budgets of school districts could be consider-

able. In the previous scare over asbestos, it cost the school systems about \$150 billion to needlessly remove asbestos from their buildings. The National Education Association (NEA) and the National Parent Teachers Association (NPTA) are supporting the legislation, while the National School Boards Association is fighting it.

The Senate bills are S. 657, the "Indoor Radon Abatement Reauthorization Act," and S. 656, the "Indoor Air Quality Act," sponsored by Frank Lautenberg (D-N.J.), John Chafee (R-R.I.), George Mitchell (D-Me.), Daniel Moynihan (D-N.Y.), Claiborne Pell (D-R.I.), and others. One is scheduled to be marked up at the end of June and the other at the end of July. The House companion piece to the legislation is being drafted by Edward Markey (D-Mass.) and Henry Waxman (D-Calif.).

## **Environmentalism attacked as economy worsens**

In what is becoming an ever-more typical response these days on Capitol Hill as the economic crisis becomes acute, the environmentalist agenda is coming under increasing fire. In remarks on the floor of the Senate on June 7, Sen. Slade Gorton (R-Wash.) commented, "A strong economy is the cornerstone of a healthy environment."

"The environmental movement has been fueled, in part, by a new belief that industry and the environment are incompatible," Gorton said. "According to this theory, a healthy environment and a healthy economy are diametrically opposite. The presence of this tenet is particularly apparent in the Pacific Northwest, where, during the last five years, attempts have been

made to halt timber harvesting in the name of environmental protection. I do not subscribe to this philosophy. I believe, instead, that our challenge is not to choose between a healthy environment and a healthy economy, our challenge is to have both. I contend, and a review of environmental conditions in Third World countries confirms, that a strong economy is a cornerstone of a healthy environment."

## **Campaign finance reform blocked by filibuster**

The Campaign Finance Bill, crafted by Democratic legislators, is being held up by Republicans, who have initiated a filibuster to stop the legislation. The bill would set voluntary spending limits on congressional campaigns—\$600,000 for House races and variable limits for Senate races, depending on the size of a state's population.

Republicans have been strengthened by the victory in Texas of State Treasurer Kay Hutchison over Paul Kruger, who was appointed by President Clinton to take Lloyd Bentsen's seat. The Democrats need 60 votes to invoke cloture and cut off debate, but hold only a 56-44 majority.

Republicans want to introduce amendments to the legislation which would reduce or eliminate entirely the financing of campaigns with public tax dollars. Senate Majority Leader George Mitchell (D-Me.) has threatened to shelve the legislation if a compromise is not worked out acceptable to enough Republicans to secure passage. "If we can't get cloture on campaign finance reform because Republicans succeed in their filibuster, the bill will be dead, and, of course, they'll be responsible for killing it," said Mitchell on June 14.

# National News

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## U.S. Rhodes scholars hold major reunion

Over 700 Rhodes Scholars met over June 11-13 at Georgetown University for their first reunion in 30 years, including a reception at the British Embassy. The scholarship was established in the testament of British imperialist Cecil Rhodes to train "native" administrators of the British Empire at Oxford University. Rhodes considered the United States simply a temporarily separated part of the empire, hence the decision to award it to promising U.S. citizens.

The *Washington Times*, after noting the large number of Rhodes Scholars in the Clinton administration, including George Stephanopoulos, Strobe Talbott, Robert Reich, Ira Magaziner, James Woolsey, and President Clinton himself, then quotes a British journalist: "Broadly speaking, the Executive branch of the world's only superpower is now a Rhodes operation . . . the only area that is off limits is the economic establishment. Rhodes Scholars have not yet cracked the Treasury or the Federal Reserve."

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## Justice Goodloe blasts jailing of farmers

Retired Washington State Supreme Court Justice William C. Goodloe has issued an urgent appeal to the Nebraska congressional delegation and state officials for a moratorium on farm foreclosures, pending an investigation of evidence of fraud and abuse by banks in the handling of farm loans in response to the June 4 jailing of Nebraska farmers Margaret and Joe Nelson of Morrill County (see *Agriculture* in *EIR*, June 11).

The Nelsons had sued their creditors, including the Production Credit Association of the Midlands (PCAM), for fraud in 1989 and won a \$1.2 million judgment after a jury trial. Although jurors later said they believed that PCAM officials had lied under oath, the trial judge overturned the jury verdict. The Nelsons were evicted from their property and sentenced to 30 days in jail for

contempt of court.

Justice Goodloe said:

"I spent four days last December chairing public hearings on human rights violations against family farmers in North and South Dakota. After hearing over 20 hours of testimony, I reached several very harsh conclusions concerning the deliberate liquidation of the independent farm system. Given the facts of the Nelson case, it seems that these conclusions apply to Nebraska as well.

"My findings of gross injustices and fraud helped move Congressmen Fred Grandy of Iowa and Tim Johnson of South Dakota to call for a moratorium on farm foreclosures, pending a congressional investigation. I appeal to the Nebraska congressional delegation and state officials, particularly Congressman Bill Barrett and Gov. Ben Nelson, to do likewise, and to intervene immediately in the Nelson case.

"I applaud the courage of Margaret and Joe Nelson. They are acting in the best non-violent tradition of leaders like Mahatma Gandhi and Martin Luther King. . . . Their courageous sacrifice will not be in vain."

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## RJR promoting 'New Age' education reform

RJR Nabisco, the junk bond empire whose bankruptcy was averted in 1988 by one of the biggest leveraged buyouts in history (\$20 billion), is now in the business of turning children into zombies. The RJR Nabisco Foundation is sponsoring a three-day "summit on education reform" in Leesburg, Virginia June 20-23. The meeting will bring 80 "radical educators" from around the country for what they call a "China Breakers Conference." The meeting is closed to the public, organizers said, because it is "very prestigious."

"The China Breakers Conference is designed to recognize educators who have bucked the system and created effective new learning environments," said Roger D. Semerad, president of the RJR Nabisco Foundation. Moderators will include Theodore Sizer, formerly of Harvard University, a guru of the "outcome-based education" plan for replacing academic education with "values clarification"; Frank Newman of

Education Commission of the States; John Murphy of the Charlotte-Mecklenburg, North Carolina Schools; Floretta McKenzie, former superintendent of schools in the District of Columbia.

RJR Nabisco's Next Century Schools project boasts that the foundation "bypasses bureaucracy and provides venture capital directly to individual schools, the frontline educators who have developed bold approaches. . . . At \$30 million, Next Century Schools is the largest corporate K-12 public schools partnership in history."

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## Ozone hoax defended in 'Science' magazine

The book *Holes in the Ozone Scare* by Rogelio Maduro and Ralf Schauerhammer is the main feature of the lead news article in *Science* magazine, published by the American Association for the Advancement of Science. The article, titled "The Ozone Backlash," is intended to curtail the growing impact the book is having among scientific circles and laymen, and complains that ozone hole proponents "have recently been subjected to vocal public criticism of their theories—and their motives." However, a picture caption accompanying the book cover, points out: "Arguments detailed in *The Holes in the Ozone Scare* were cited in *Trashing the Planet*," by Dr. Dixy Lee Ray.

Author Gary Taubes tried to smear Maduro, whom he interviewed, noting that he is "an associate editor of *21st Century Science & Technology*, a magazine published by supporters of Lyndon LaRouche." He continued, "Although it's not common for a LaRouche publication to have an impact in mainstream thought, Maduro's arguments . . . are also the basis of much of the information in the *Omni* article, its author, novelist Jim Hogan told *Science*. In addition, *21st Century* has circulated a petition around the scientific community citing Maduro's arguments calling for the repeal of the Montreal Protocol [to phase out chlorofluorocarbons by the year 2000]. Among the dozen American researchers who have signed it are Derek Barton, a Nobel Prize-winning chemist at Texas A&M. . . . Barton told *Science* that he signed because he's 'one of these



people who are opposed to getting scared about imaginary problems. I think the ozone hole and global heating are nonsense.' ”

## Galen Kelly accomplices charged with kidnapping

At least three accomplices of Cult Awareness Network operative Galen Kelly were charged in June with the May 1992 kidnapping of Debra Dobkowski in the criminal complaint presented by federal prosecutor Lawrence J. Leiser in Alexandria, Virginia. The three are Michelle and Ira Phil Burschansky of Lakewood, New Jersey and Becky Winstead of Virginia Beach, Va. Galen Kelly was convicted in May, and denied bail while awaiting sentencing.

According to an affidavit by FBI Special Agent Thomas M. Flosnik of the Washington Metropolitan Field Office, a confidential source (CS) indicated that Ira Burschansky is “officially unemployed, but does freelance work for people in the Brooklyn and Crown Heights sections of New York City. CS stated that Ira Burschansky was once a member of the Jewish Defense League, and has mentioned doing jobs for parents who want their children taken forcibly from cults.”

Kelly, among others, narrowly evaded conviction on conspiracy charges late last year stemming from a plot to kidnap LaRouche associate and Du Pont heir Lewis du Pont Smith, in what became known as the “Kidnappers, Inc.” case. In FBI surveillance tapes for that case, Kelly’s sidekick, former Loudoun County, Va. Sheriff’s Lt. Don Moore referred to the Burschanskys and Winstead as members of the Jewish Lubavitcher sect who would carry out kidnappings.

## Israel agrees to extradite JDL killers

Israel agreed on June 11 to extradite Robert Manning, an American-Israeli wanted in the United States for the letter-bomb killing of a computer firm employee in a 1980 business

dispute. Justice Minister David Libai signed the extradition order after receiving assurances that Manning would not be given the death penalty if found guilty, a spokeswoman said. Manning, 39, and his wife Rochelle, 51, are wanted for the murder of Patricia Wilkerson, employed by a computer firm in Manhattan Beach, California. The couple have also been implicated in the 1985 JDL murder of Arab-American Anti-Discrimination Committee leader Alex Odeh in San Diego.

Both Manning and his wife are Jewish Defense League activists. Manning formerly ran a New York detective firm which provided security for the JDL. Both had earlier been arrested for running JDL “deprogramming” kidnappings in New York with the aid of the same Lubavitch Hasidic group used by jailed Cult Awareness Network operative Galen Kelly.

## Suicide ‘how-to’ group formed in Washington

Right-to-die enthusiasts in Washington State have formed a group called “Compassion in Dying” and opened an office in downtown Seattle. The purported object of the group, founded in early June, is to assist people judged incurably ill and in pain, to take their own lives. “We’re the first group to say publicly that we will help people die,” executive director Ralph Mero proudly told the press. “We’re trying to provide a humane process that respects the rights of patients and their families.”

The group said it plans to first verify that victims have fatal illnesses, and then it will instruct them on the most effective means to end their lives, and tell them what to expect with each method. Volunteers will attend the suicide. The group says it thinks that, by these procedures, it will avoid sanction from a 1975 Washington State law prohibiting assisted suicides.

“Compassion in Dying” says its methods differ from those of pathologist Jack Kevorkian, who has killed 16 so far, in that they will not provide the means of suicide, but will insist that people obtain lethal doses of medications like morphine from their own physicians.

## Briefly

● **REGINALD** Bartholomew, currently U.S. envoy to Bosnia, has been appointed new ambassador to Rome. Bartholomew started his career under Henry Kissinger in 1974, and followed the “destabilization trail” from there, as special Cyprus coordinator in 1981-82, and ambassador to Lebanon in 1983-86.

● **NEW BEDFORD**, Massachusetts became the fourth city in June to pass a resolution seeking the removal of the statue of Ku Klux Klan founder, Confederate Gen. Albert Pike, from Judiciary Square in Washington, D.C. The other three were East Palo Alto, Richmond, and Oakland in California.

● **LYNDON LAROUCHE** partisans have a protest rally planned outside the 80th anniversary awards dinner of the Anti-Defamation League of Minnesota and the Dakotas in Minneapolis. Ambassador to Japan-designate Walter Mondale was the guest of honor.

● **THE CLEVELAND Plain Dealer** was the first U.S. newspaper, on June 11, to break the blackout on the amendment offered by Rep. Henry Hyde (R-Ill.) and the bill by Sen. Robert Dole (R-Kan.) for the U.S. to lift the arms embargo against Bosnia.

● **DAVID GERGEN**, President Clinton’s new communications director, has resigned from most of his memberships in Eastern Establishment outfits, including the all-male Bohemian Grove, the Aspen Institute, National Committee for U.S.-China Relations, the National Endowment for Democracy, the Council on Foreign Relations, and the Trilateral Commission.

● **MARK THATCHER**, the son of former British Prime Minister Margaret Thatcher, is being issued a subpoena by Texas State District Judge Dan Downey, which was requested by two former business associates of Dr. Ihsan Barbouti, an alleged arms trafficker to Iraq and Libya who was based in Houston.

### *The Entente Cordiale*

On June 15, President Clinton, in answer to a question from the press, reaffirmed his policy commitment for military steps to rein in Serbian aggression in the Balkans. Unfortunately, the President said, his policy had not changed, but U.S. allies still do not agree with it. What he was referring to was the disagreement with the British and French, who object to any such action being taken; more precisely, the agreement between them to continue support to the Serbian aggressors.

Despite efforts by the U.S. administration to try and claim that the war in the Balkans is not a matter of vital U.S. national security interests, it is clearly just that. In fact, the stronger Serbia gets, the more we see similar forces coming to the fore in the former Soviet Union, to reassert a "Great Russia" policy. What has occurred is that the U.S. President has simply capitulated to pressure from the reincarnated Entente Cordiale—the Franco-British alliance which first arose in 1898 and led to the outbreak of World War I.

Historically, on those occasions when France has acted in accord with the British balance-of-power geopolitical gameplan, the whole world has suffered. Clinton's backdown is leading to one more debacle for mankind. This century began with the submission by the nations of Europe to the British liberal economic, political, and pseudo-scientific worldview. It is ending with an equally great disaster as so-called free-market economics are used as the tool to reimpose the rule of oligarchy on an economically ravaged world.

While no imperialist policy can be justified, still, a comparison between British policies in what is now known as the "Third World," and those of France and Germany, show the monetarist British taking the lead in the depredation of subject populations. Crucial to this is their racist outlook justified by the theories of Parson Malthus. Thus, the British brazenly ruled out the possibility of development for any people they had subjugated. They asserted that no improvement in the lives of subject "races" should occur because it would only occasion a countervailing increase of hunger and famine.

When the Entente Cordiale was originally formed in 1898, the key issue was Franco-German relations. Would France and Germany continue in fratricidal wars, or would they ally on the basis of a joint commitment to inter-European economic development—based upon the expansion of major infrastructure projects such as the trans-Saharan and trans-Siberian railways—which would also allow the export of technology to Africa and Asia?

The latter was the policy of France's Foreign Minister Gabriel Hanotaux. Unfortunately for the future of world politics over the past century, despite his tenure in office during 1894-95 and then again during 1896-99, his policies were defeated. Hanotaux capitulated to British policy directives. Forced to choose between the British and French, he acceded to the formation of the Entente Cordiale, which also included Russia.

The consolidation of that unholy alliance occurred during a standoff between the British and the French in Sudan, at Fashoda, where a French military mission opposed the British on Sept. 20, 1898. The French government backed down before British pressure, and military forces were withdrawn on Nov. 4. A comprehensive military alliance against Germany and Austria-Hungary was then drawn up by the two nations, which split Europe down the middle.

From then on, the drumbeat was on for war.

While the United Nations is now ostensibly the forum where policy alliances are forged, the reality today is not far different from 100 years ago. The policy being followed today is precisely that of the wicked Entente Cordiale. The only difference is that the scale of nuclear weaponry and global integration of the world economy mean that another world war would be a quicker descent into hell.

The juxtaposition of military action in Somalia targeting innocent civilians, to the failure to take action to rescue Bosnia, tells it all. Essentially, all of the mistakes of the 20th century, those leading to World War I and those that brought us to World War II, are being repeated with a vengeance.

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*The LaRouche Connection*  
Wednesdays—9 p.m.

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*The LaRouche Connection*  
Thurs., July 1—6:30 p.m.  
Thurs., July 22—6:30 p.m.
- MTN. VIEW—MVCTV Ch. 30  
*The LaRouche Connection*  
Tuesdays—4 p.m.
- SACRAMENTO—Access Ch. 18  
*The LaRouche Connection*  
2nd & 4th Wednesdays—10 p.m.

## DISTRICT OF COLUMBIA

- WASHINGTON—DCTV Ch. 34  
*The LaRouche Connection*  
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Tuesdays—8:30 p.m.

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Fridays—1:30 p.m.

## IDAHO

- MOSCOW—CableVision Ch. 37  
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Weekly—usually Wednesday eve.  
(Check Ch. 28 Readerboard)

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- QUAD CITIES—Cox Ch. 4  
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Mondays—9:30 p.m.

## INDIANA

- SOUTH BEND—TCI Ch. 31  
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Thursdays—10 p.m.

## MARYLAND

- MONTGOMERY—MCTV Ch. 49  
*The LaRouche Connection*  
Tuesdays—11 p.m.  
Thursdays—2:30 p.m.
- WESTMINSTER—  
Carroll Community TV Ch. 19  
*The LaRouche Connection*  
Tuesdays—3 p.m.  
Thursdays—7 p.m.

## MICHIGAN

- TRENTON—TCI Ch. 44  
*The LaRouche Connection*  
Wednesdays—2:30 p.m.

## MINNESOTA

- MINNEAPOLIS—Paragon Ch. 32  
*EIR World News*  
Wednesdays—6:30 p.m.  
Sundays—9 p.m.
- ST. PAUL—Access Ch. 33  
*EIR World News*  
Mondays—8 p.m.

## NEW YORK

- BROCKPORT—Cable Ch. 12  
*The LaRouche Connection*  
Thursdays—7 p.m.
- BRONX—  
Riverdale Cable CATV-41  
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Saturdays—10 p.m.
- BROOKHAVEN—TCI Ch. 6  
*The LaRouche Connection*  
Wednesdays—3:30 p.m.

## ■ BUFFALO—BCAM Ch. 18

- The LaRouche Connection*  
Mondays—6 p.m.

## ■ HYDE PARK—

- U.S. CableVision Ch. 6  
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## ■ IRONDEQUOIT—Cable Ch. 12

- The LaRouche Connection*  
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Saturdays—12 Noon

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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

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### 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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