

# EIR

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bomb on a short fuse**



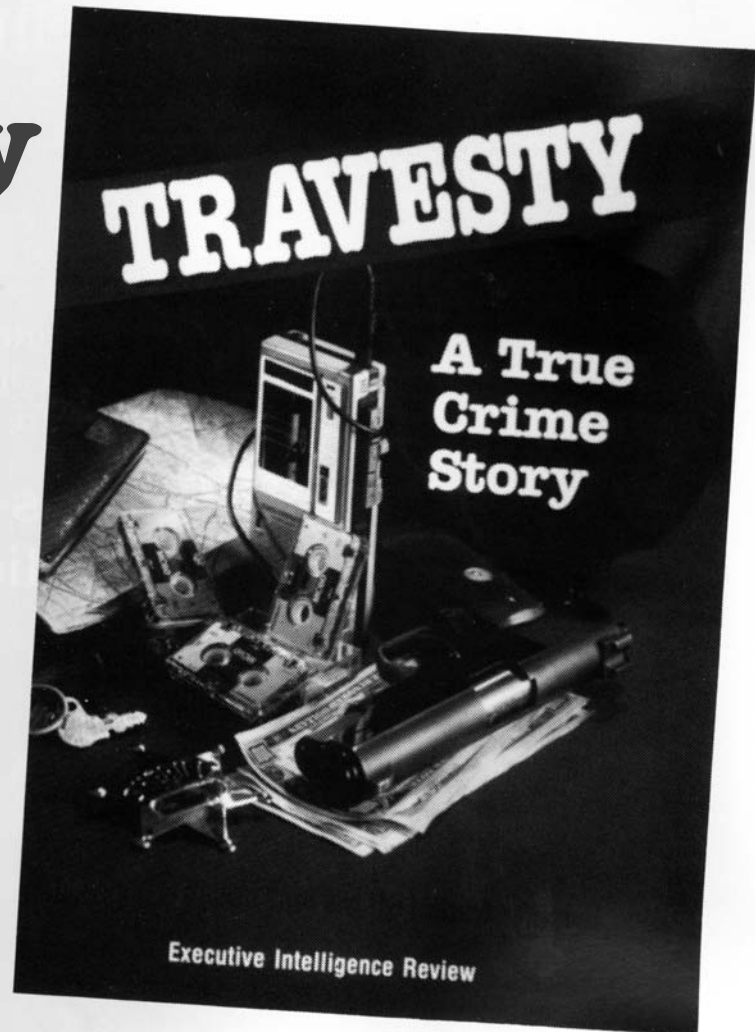
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## From the Editor

Quite honestly, we did not plan this issue as a monumental indictment of the crimes of the United Nations and the “new world order” oligarchs who steer it. But since we are obliged to report the facts, sad to say, the mere lawful course of events has ended up by weaving the thread of that indictment through all of our international news articles and featured sections this week.

*EIR* is in the middle of building the resistance to this one-world, freemasonic nightmare. Our newest Special Report on the United Nations is right to the point and needs to be in your hands, as well as on the desk of every policymaker in the United States and abroad. Presently, we will issue a White Paper on the recent Bonn conference of the Schiller Institute, which was the unique forum for debating the world strategic crisis and the way out of it, pivoted on the ideas of Lyndon LaRouche.

While *EIR*'s authority is taken for granted in leading circles around the world, we take pleasure in pointing out some recent public statements. Former chairman of the Group of 77 nations and Ghana's ambassador to the U.N. Dr. Awoonor (see interview) says of *EIR*, “you construct the debate for us,” and that he reads the magazine “religiously.” Rep. Henry Gonzalez of Texas, in a speech to Congress on June 18, cited *EIR* as a valuable source of documentation on the off-balance sheet accounts of the largest U.S. banks (see p. 6).

Even more dramatic was the front-page story in the *Baltimore Sun* on June 24, that Henry Kissinger had ducked a news conference where he was supposed to be drumming up business for Russia, in order to avoid answering the questions of LaRouche supporter and *EIR* reporter Mark Nafziger!

The *Feature* is a gripping report assembled by Mary Burdman, which proves that the real “population bomb” concerns the alarming depletion, not overabundance, of human beings on the planet. Among those voices which, along with those of Lyndon LaRouche and his associates, have been raised to protest the contempt for human life manifested by the zero-growth lobby, was that of the late Pope Paul VI; it is worth noting that his encyclical *Humanae Vitae*, defending the sacredness of human life from conception to natural death, was issued 25 years ago this month. Paul VI regarded the life issue as inseparable from economic justice, as he had unfolded it in the 1967 encyclical *Populorum Progressio* (“development is the new name for peace”). In this, he seems to have been prophetic.

*Nora Hamerman*

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**Note to Subscribers:** In keeping with our normal publication schedule, *EIR* will not appear in the second week of July. The next issue will be dated July 16.

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## Feature



"The Massacre of the Innocents" (detail) by the Italian painter Raphael, as engraved c. 1514 by Marcantonio Raimondi. In the Biblical story, the tyrant Herod ordered all male infants under two to be killed, in order to rid himself of a potential rival to his lawless power—not unlike the motivations of today's malthusian oligarchs.

### 14 Worldwide underpopulation crisis looms

While the malthusians babble about uncontrolled population growth, the fact is that for the past three decades, we have been undergoing a devastating collapse of fertility in the industrialized nations. The same pattern is hitting now in Third World nations as well, as people of child-bearing years are wiped out by disease and famine. Mary Burdman conducts a survey of demographic studies, carried out by both private demographers and public agencies, which show that *there is no such thing as zero growth*: Either population grows, or it collapses.

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# G-7 summit haunted by mass unemployment, Soros

by Richard Freeman

The highest level of unemployment in the industrial West since the end of World War II will confront the heads of state of the seven so-called industrial nations when they gather at the annual Group of Seven economic summit in Tokyo on July 7-8. Either the heads of state will tackle this crisis by building capital-intensive, energy-intensive "Great Projects" throughout the industrial and developing world, featuring infrastructure construction and technology transfer, or the industrial West and its governments, along with Japan, will be torn apart by riots and famine.

The prospects are not good. The head of the summit's host government, Japan's Kiichi Miyazawa, fell in a vote of no confidence in the Japanese parliament on June 19. Miyazawa will represent Japan, the second largest industrial economy in the world, in the role of a caretaker administration. In Canada, Prime Minister Brian Mulroney's popularity plunged so low because of the economy, that he was removed from power by his own Conservative Party in May. In France, with the new government of Prime Minister Edouard Balladur in office barely 12 weeks, splits immediately erupted, as he came under withering fire from Philippe Séguin, a member of Balladur's RPR party. As the French economy shrinks, and with unemployment at an official 10.9%, on June 18 Séguin attacked Balladur's reliance upon monetarist budget-cutting and called for creating jobs, but without specifying how that would be done. The same condition of disintegrating nation-states exists for the other G-7 members and their leaders, from Germany to the United States, Italy, and Great Britain.

Yet, with unemployment mounting, the world's leaders recommend band-aids for the hemorrhaging physical economy. Making this doubly dangerous is the studied silence and deliberate blindness that the world's leaders maintain to such street-scum as speculator George Soros. On June 9, Soros

announced that he would ravage the German deutschemark as a way of ravaging Europe's strongest economy. Between June 9, when the mark stood at 1.6350 to the dollar, and June 23, when it fell 3.4% to 1.6920—a very large fall for two weeks of trading—Soros and his band of foreign exchange arbitrageurs short-sold the mark. On June 24 an emboldened Soros announced that he would make a frontal assault on the German economy. Questioned about the relatively small size of his available funds, Soros told the German *Die Woche* weekly, "One million dollars is a small sum. On the other hand, the market between the dollar and deutschemark is trading 100 times that much every single day. So if the deutschemark falls, it's not just because of me."

Soros's remark is factually correct. He is personally reported to have a war chest of \$40 billion, subscribed to by such speculators as China drug money launderer Shaul Eisenberg. But beyond that, he must be counting on the institutional cooperation of the large money center banks with sufficient resources, Britain's Hongkong and Shanghai/Midland Bank and National Westminster, America's Morgan Bank and Citicorp, and France's Crédit Lyonnais, to deliberately break the mark through arbitrage in the multitrillion-dollar foreign exchange and derivatives markets.

If the leaders of the G-7 were serious about stemming unemployment, restoring their economies, and acting in a sovereign capacity, they would crush Soros and financially burn and prosecute his money center bank accomplices. The action against the mark and Germany goes way beyond the scope of single speculative action. Germany happens to be the only nation in the world today which is seriously interested in large-scale industrial investment in the East. The German thrust toward industrial development of the East would rejuvenate the world's physical economy, and would have spin-off effects throughout Europe and the developing sector. If that thrust is

TABLE 1

**Spectacular growth of unemployment in the West**

(in millions)

Year	Canada	EC-12	France	Germany	Italy	Japan	United Kingdom	United States
1989	1.0	11.6	2.3	2.0	2.6	1.4	1.8	6.5
1990	1.1	12.1	2.5	1.9	2.6	1.3	1.7	6.9
1991	1.4	13.0	2.7	1.7	2.7	1.4	2.3	6.4
1992	1.6	15.5	3.0	3.0*	2.7	1.4	2.8	9.4
1993**	1.6	17.0	3.1	3.3*	3.2	1.5	2.9	8.9

\* The number of unemployed in Germany, for 1989-91, reflects solely West Germany. The number changes in 1992 and 1993 to reflect the number for unified Germany as a whole. According to the Bundesbank, the figures for the number of unemployed in the former Western portion of Germany, are 1.8 million in 1992, and 2.2 million thus far in 1993.

\*\* The number of unemployed in 1993 is based on the reporting for either March, April, or May, depending on the country.

Source: Embassies of Canada, France, Germany, and Italy; Japanese External Trade Organization; British Information Service; U.S. Bureau of Labor Statistics, Department of Labor; Delegation of the Commission of the European Communities.

stopped, the world economy will be set back 10-15 years. Soros's British sponsors know this. Moreover, they have positioned themselves in Hungary, Poland, Slovakia, and Russia to pick up the pieces if Germany fails, instead turning these countries into speculative havens. That alone would change the course of future history. Moreover, with the German mark shattered, the European Monetary System and its rate mechanism would be turned into a British plaything.

**Labor power going to waste**

With this as background, the reader should turn attention to the above table. If one adds the officially reported unemployment levels for the European Community of 12 nations to the levels of unemployed in Canada, Japan, and the United States, then the total level of unemployment in the West, with the addition of Japan, is a staggering 29 million people. But even that enormous official number is an understatement: *The unofficial, real unemployment level is somewhere between 50 and 55 million.* This represents a criminal waste of resources: the margin needed to end the depression and launch the industrialization of the globe. But it also represents a potentially explosive force for social dissolution, as these men and women are tossed onto the scrapheap, while safety nets are eliminated. The European Community reports that just a shade under one-half of the 17 million officially reported unemployed European workers have been out of work for one year or more.

Terrified that they cannot think of how to put their own people back to work, at least two countries, France and the United States, have in the last month initiated discussion of immigration restriction laws.

As the table shows, in every nation but Japan, unemployment has skyrocketed since 1989. To some nations with a large labor force, Canada's officially reported level of unemployment of 1.6 million may not seem much; but consider that against Canada's working population of 13.9 million, this represents 11.4% of its work force. Six European Community members have an officially posted rate of greater

than 10%. They are: Britain, 10.5%; Italy, 13.6%; France, 10.9%; Spain, 21%; Ireland 19%; and Denmark, 11.5%.

The most worrisome part of the explosion in unemployment since 1989 is the layoff of manufacturing workers. In 1989, according to the British Information Office, Britain had 5.1 million manufacturing workers. In January 1993, it had only 4.1 million—a loss of one-fifth in four years. Britain is truly the junk-heap of Europe. In the western portion of Germany, between 1989 and the present the number of manufacturing jobs declined from 7.203 million to 6.977 million, a loss of nearly a quarter million. With the 12,500 layoffs announced at Volkswagen, and the continuing shutdown of the steel industry, that number will swell. An estimated 1 million manufacturing jobs may have been lost in the former East Germany during this same timeframe. This reflects the acceleration of a shift 20 years in the making: The Office of Economic Cooperation and Development calculates that in 1970, blue-collar workers outnumbered white-collar workers in all 12 EC states except the U.K., Germany, and the Netherlands. By 1990, white-collar workers were in the majority everywhere except Spain.

And these are only the official figures. The United States, for example, reports 8.858 million unemployed, representing 6.9% of the labor force. But if one adds in 6.580 million workers who work part-time for economic reasons, and 6.378 million workers who are "not in the labor force," but who answer government surveys saying that "they want a job," the total number of unemployed and underemployed is 21.816 million. For a labor force of 128.3 million, that is 17.0%, not the official U.S. government figure of 6.9%.

If the real unemployed in the other nations under consideration are brought to light, the total unemployed in the West, with Japan, is between 50 and 55 million.

That can either be the labor pool of "free energy" for the most massive development program the world has ever seen, or a festering pool for riots, chaos, and famine. The heads of state of the G-7 nations, were they real leaders, would have no difficulty deciding.

# Rep. Henry Gonzalez calls for congressional probe of George Soros

by Jeffrey Steinberg

Rep. Henry Gonzalez (D-Tex.), the chairman of the powerful House Banking Committee, delivered a speech on the House floor on June 18, calling for an investigation of international speculator George Soros. Gonzalez's speech caused immediate international shockwaves. Both Soros and the New York Federal Reserve issued responses within 24 hours; *Barron's* magazine, a publication of Dow Jones, featured the Gonzalez speech on its front page, and the *Baltimore Sun* gave prominent play to the Gonzalez-Soros conflict on June 19.

Gonzalez situated his call for a probe into Soros's multi-billion-dollar speculative run on the British pound last September, in the context of growing concern that the entire market in financial derivatives (see *EIR's Feature* on May 28) is totally out of control and is on the verge of a blowout. "I have long believed that growing bank involvement in derivative products is, as I say and repeat, like a tinderbox waiting to explode," the chairman warned.

In his speech, for the second time in June, Gonzalez credited *EIR* as a valuable source of documentation of "the enormous exposure on what is known as the off-balance sheet accounts of our largest banks." On June 10, Chairman Gonzalez had inserted the text of an *EIR* Banking column by John Hoefle into the *Congressional Record*.

## Did Soros manipulate the markets?

In his June 18 speech, Gonzalez announced that he would be calling upon the Federal Reserve and the Securities Exchange Commission (SEC) to launch a probe of Soros and his Quantum Fund:

"Another related concern I have about the derivatives market involves speculation. Recent press accounts state that Mr. George Soros, the manager of the Quantum Fund, made over \$1 billion in betting against the British pound. I am interested in knowing how Mr. Soros was able to make such profits, how much of his investment capital is from bank loans, the U.S. bank exposure to Mr. Soros's fund, and the role derivatives played in earning Mr. Soros that windfall.

"In the near future, I will ask the Federal Reserve and SEC to review Mr. Soros's impact on the foreign exchange market to determine if it is possible for an individual actor such as Mr. Soros to manipulate the foreign exchange market.

"At a minimum, it is in the best interest of the Federal Reserve and other central banks to fully understand Mr. Soros' methodology for manipulating the FX [foreign exchange] market. After all, they are competing head-on with Mr. Soros in an effort to manipulate the value of various currencies."

The very next day, a spokesman for Soros Fund Management defensively told Reuters that "the Federal Reserve, the U.S. Treasury, and the SEC are fully familiar with our foreign currency operations. If they have any further questions, we will answer them fully and candidly just as we have in the past."

Representative Gonzalez's call comes at a critical moment. Since early June, Soros has been personally leading an assault on the German *deutschem*ark, a move that could wipe out what little remaining real investment is going into Central Europe and the states of the former Soviet Union (see article p. 4).

## New salvo against derivatives

While Gonzalez's call for the Soros probe grabbed the headlines, the majority of his June 18 remarks were addressed to the broader crisis brought about by the increasing involvement of the largest commercial banks in the derivatives markets. Excerpts follow,

"Mr. Speaker, the reason I rise today is to supply for the *Record* some specifics on the discussions that I have been entailing here on the House floor in the last two special orders in which mostly it has been in general terms, with the exception of some very disturbing specifics that I entered into the *Record*, and for which I wish to acknowledge the source of the contribution of the enormous exposure on what is known as the off-balance sheet accounts of our largest banks to the publication known as *EIR*, and a very, in my opinion, a very eminent writer and expert on banking matters.

"These specifics today will have to do with the general question that, as I say and repeat, is a disturbing problem known as derivative products. If this is not properly confronted, it can be very well the most serious and critical major crisis in our next banking dilemma, and particularly as it would impact on the American banking and financial system.

"In the past year or so our domestic bank supervisors



and their international counterparts have begun to discuss and grapple to a certain extent with the risks posed by the banking involvement in derivative products. International conferences have been held, and impressive reports have been generated discussing a wide array of issues surrounding the ever-growing worldwide market in derivative products, which I have explained today represents a tremendous amount of money, a trillion dollars or so, being instantaneously transferred from the money capital centers of the world. . . .

“While these activities on the part of the regulators—for instance, the comptroller of the currency has expressed his intent to evaluate and see what could be done from the regulatory standpoint, and then the BIS [Bank for International Settlements] has announced, after the great debacle last Sept. 16 in the European currency market caused by the derivative, speculative movement, overnight. So that is how susceptible this whole situation is, and as I repeat, a house of cards, really. And how long can a house of cards stand?”

“So I think a lot more has to be done to ensure that the banks and the regulators fully understand the risks posed by derivative products; and that capital that is put aside to cover may not be necessarily the answer at this time as it was in the case of the convergence of capital standards or the enhancement of capital standards.

“The urgency of my message is underscored by the fact that the U.S. bank regulators admit that they still do not fully understand the individual bank and systematic risks posed by derivatives. They admit that there needs to be improvements in international regulatory coordination and that there is a desperate need for more standardized and detailed disclosure of derivative product activities.

“I have long believed that growing bank involvement in derivative products is, as I say and repeat, like a tinderbox waiting to explode. In the case of many market innovations, regulation lags behind until the crisis comes, as it has happened in our case with S&Ls and banks. And we are still not out of the woods there.

“We must work to avoid, if it is possible to do so now, a crisis related to derivative products before, once again, ultimately, because of our peculiar system of so-called bank deposit insurance system, the taxpayer is left holding the bag.

“Last year I directed that GAO [General Accounting Office] to study the issue of bank derivative products and their activities.

“That study has not been completed. It will be out later this year. Until then, some members of my staff, the most diligent, will continue to monitor this phenomenon.

“In the next several weeks I will ask the bank regulators for detailed information regarding their work thus far and what, if any, has resulted from their evaluations.

“I am dedicated to ensuring that this remains a front-

burner issue, as I have attempted to do now for some time. As I say and repeat, the stakes are very high, though they may not be apparent—as they were not in 1987, 1986, 1985, until the dam burst and we had the taxpayers to the tune of several hundred billion dollars, and it is still not finished, the great debacle of the S&L system and related financial institutional problems. . . .

“The entire situation, in my mind, is too volatile for us to act in a cavalier fashion and ignore it and not even discuss it. . . .

“Now, as I said, the primary purpose of a derivative is to guard against the fluctuation. But how can you guard against fluctuation if you are betting, as you do in the futures market generally, or the stock market, or for that matter in my book? The way the things are now and as manipulative as these markets are, I would just as soon take my risks, if I were the betting kind, at Las Vegas.

“The fluctuation in the price of the underlying value of the assets, these assets could be anything ranging from coal, currency, market-backed securities, pork bellies, orange juice, all of these are future gambling, if you will. . . .

“Steps need to be taken to ensure that bank managements and bank regulators fully understand the risks of derivative product activities. Market participants and bank regulators must ensure that banks have adequate risk monitoring systems in place and that those systems are functioning properly.

“The total credit exposure from derivative products at the money center banks is well in excess of 100% of their capital. This enormous concentration of risk could pose an ominous threat to an individual bank if the underlying assets associated with the derivative product turn sour. I am worried that a large credit default or systematic problem in an underlying market could cause a catastrophe that could easily eclipse the capital of our largest banks, and endanger our deposit insurance fund.

“I am concerned that banks and the bank regulatory agencies may not fully understand the implications of their activities and the dangers derivatives pose to the stability of our financial system. Statistics on derivative products held by bank holding companies indicate that credit exposure problems from derivative products held by individual banks, as well as collectively, are potentially enormous.

“The sheer magnitude of the bank holdings of derivative products and the vulnerability of certain banks raises serious questions about the systematic risks posed by derivative products and the means used to regulate derivative markets to ensure the deposit insurance fund is protected.

“This is disturbing because all you have to do is remember the threats posed by bank exposure to LDC [lesser developed countries] debt, real estate speculation, and highly leveraged transactions to realize that the bank regulators have a rather dismal track record of identifying systematic risks.”

# Mass protests in the Chinese hinterlands

by Mary M. Burdman

"The peasant movement bears the danger of triggering a student movement," reported the Hong Kong daily *Hsin Pao* on June 10, describing the violent protests by 10-15,000 Chinese peasants, still ongoing as of June 9, in Renshou county of Sichuan province. "If this happens, the second plan will possibly be carried out. If this happens, the June 4 [1989] incident [at Tiananmen Square] is likely to recur in Renshou county." Some 10,000 students from Chengdu City secondary schools also "voiced" their support for the peasant protests, *Hsin Pao* reported.

"The second plan" shows the extent of alarm among China's leadership about the troubled situation in China's hinterlands, where some 900 million peasants live. If the protests spread, *Hsin Pao* reported, and "Renshou county falls into the peasants' hands . . . the armed police will be sent to carry out an armed suppression of the peasants; . . . this incident will be curbed as soon as possible at all costs."

Peasants have been protesting in Renshou county since January; one Hong Kong paper reported demonstrations of up to 10,000 peasants already in April. Sichuan is China's most populous province, and the biggest source of the *man-liu*, the vast "blind current" of 100 million unemployed peasants who wander from the countryside to the coastal cities in search of work.

The spring demonstrations were triggered by the exorbitant taxes which local authorities levy on the peasants for any and every public "service," from road-building to rat-catching. The situation has reverted to that in pre-communist China, with armed tax collectors attempting to extract either cash or labor from the impoverished peasants. Under Deng Xiaoping's economic "reforms" first imposed in 1978, even the most basic maintenance of roads or water projects, previously carried out by the Maoist communes, has stopped—unless the peasants pay. This winter, peasants were hit especially hard because the cash-strapped central government has been unable to pay them for their grain, and they got worthless IOUs, the notorious "white chits," instead. There were smaller disturbances earlier in the year when peasants attacked post offices because they could not cash money orders sent to them by relatives working in the cities.

In Renshou county, the local Communist Party (CP) secretary had used a 60-man security force to collect taxes for building a national highway, and took the last rice reserves

from destitute peasants, according to Hong Kong press reports. They also attempted to arrest a local peasant leader, who had been elected to a local council because of his refusal to pay the exorbitant taxes. Protesting peasants flocked to the county seat and occupied the town hall. The protesters beat several dozen high-ranking officials, and set fire to the town hall and police vehicles. Their numbers were over 15,000 by June 8.

An official of the Sichuan Foreign Affairs Office admitted on June 13 that "there were serious incidents of beating, smashing, and looting," Reuters reported.

The peasants were enraged because on May 27 the Ministry of Agriculture had cancelled some 43 public duties imposed over 10 years ago, and announced that farmers were not to pay any more than 5% of their income in taxes. The farmers, who were paying 20-30% of their meager incomes (Chinese peasants earn the equivalent of about \$120 a year) asserted that they had already paid their taxes through the year 2000, and wanted their money back. This would mean that Renshou county, already 20 million yuan in deficit, would not be able to collect any taxes for the next six years, and would have to repay over 10 million yuan.

## Leaders are worried

China's leaders are clearly alarmed. Already in December 1992, the State Council had issued 10 measures to boost "farmers' enthusiasm," invoking the chief of the ancient leaders, Deng Xiaoping himself, who warned that "the economy in the 1990s may be hurdled by agriculture." In March 1992, Tian Jiyun, the vice prime minister for agriculture, warned the National People's Congress that "if there are problems in the villages, there is no one in the current government who can stay in power." If the peasants revolt, he said, "the consequences will be unimaginable." President Jiang Zemin warned at the same time that "if agriculture meets greater problems in Sichuan, the effects will be unimaginable."

On June 17, Deng was again invoked. He was quoted in the Hong Kong *New Century* magazine that "if economic trouble occurs in the 1990s, it is very likely to be in agriculture. If there is agricultural trouble, the country would not recover for many years."

The trouble is not confined to Sichuan. In late May, armed police were sent to deal with peasants who were demanding the right to farm government-owned land along the Yellow River in Henan province. The peasants blocked a road and demanded tolls from passing drivers. Confidential statistics from the Chinese Internal Security Ministry, reported in the Berlin daily *Tageszeitung* on June 15, show that there was unrest throughout China in 1992. There were, overall, 540 demonstrations and illegal gatherings, 480 strikes, and 75 attacks on government and CP institutions. While most unrest occurred in Sichuan, where there were 78 demonstrations and strikes, there was also trouble in Jiangxi

(the early base of the Chairman Mao) where there were 52 strikes and demonstrations. Other sources report that there were 100 peasant demonstrations in the last half of 1992, in nine provinces. On June 20, the *Farmer's Daily* published an order from the Public Security Ministry banning local police from extorting money and imposing arbitrary fines, saying the "ill wind" of police corruption "is severely affecting public security reputation and damaging relations between police and the people."

Most ominous for the Chinese leadership were the demonstrations in Lhasa, Tibet on May 25-26, the first since 1989. A group of at least 1,000 demonstrators began a march to protest inflation and rising food prices, which quickly turned into attacks on Chinese rule and the mass migration of Han Chinese into Tibet. Although the demonstrations were quickly suppressed, it must be remembered that the mass protests of 1989 began in Tibet; martial law was imposed on Lhasa in March 1989, two months before the Beijing Spring and Tiananmen Square.

This is exactly what the Chinese CP fears, wrote the leading German daily *Frankfurter Allgemeine Zeitung* on June 22. Just months ago, the CP was basking in the sunshine of the "economic miracle," but no longer. The peasant protests this spring could presage great outrage in the countryside. The peasants are discontented. In a country with a history of great peasant revolts, this is not something the government can take lightly, the paper wrote. It will be dangerous for the government if political demands grow out of the economic unrest, as happened in Tibet in May.

The communists know the dangers: They themselves used peasant revolts as their main weapon to take power in 1949.

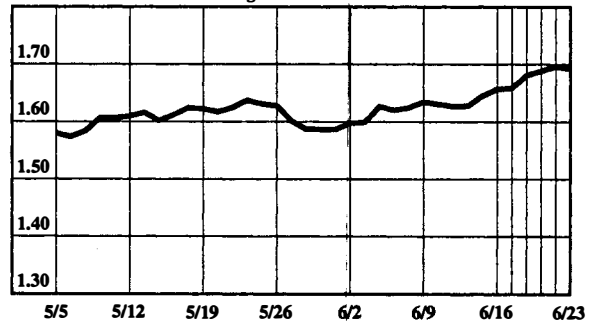
The worried Chinese State Council held a national "telephone conference" on June 21, to announce (once again) that 37 local taxes were to be abolished. Senior State Councillor Chen Jungsheng warned of trouble in the countryside. "Protecting the legal interest of farmers and their enthusiasm in farming and actually helping to alleviate burdens of farmers are an urgent political task," Chen was quoted by Xinhua, the official news agency. As of July 10, local governments will be prohibited from independently taxing the peasants; only the Ministries of Finance and Agriculture and the State Planning Commission will be authorized to do so.

As of mid-June, senior Chinese officials were told not to leave Beijing pending a series of top-level discussions on the economy. There will be a full meeting of the Communist Party Central Committee by the end of June or early July, to discuss the economy's problems and how to correct them, according to Hong Kong press reports. Traditionally, the entire Beijing leadership goes to the seaside for vacations this time of year. The leaders will not only be discussing the unrest among China's 800 million peasants, but also the reports that inflation and credit and money supplies are running out of control in the cities.

## Currency Rates

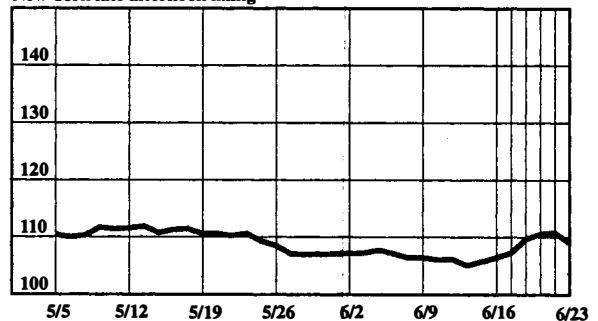
### The dollar in deutschmarks

New York late afternoon fixing



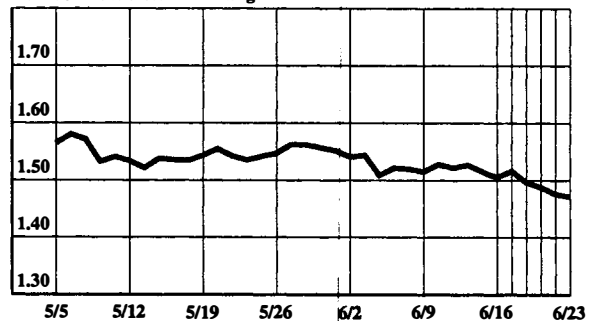
### The dollar in yen

New York late afternoon fixing



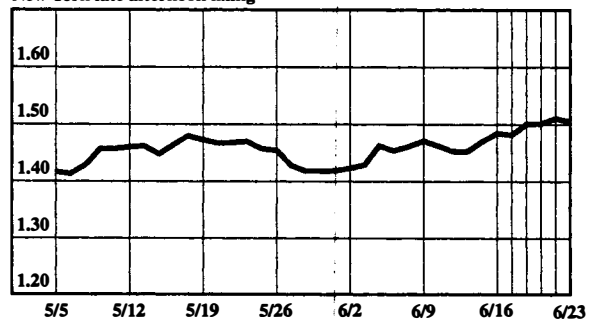
### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing



## Another airline may not fly much longer

*Northwest Airlines is threatening its employees with bankruptcy, as enormous debt payments loom.*

Northwest Airlines has told its employees that the company may be forced into bankruptcy if they do not grant nearly \$1 billion in contract concessions. In a letter to the International Association of Machinists (IAM) in the first week of June, Northwest's general counsel, Ben Hirst, wrote that if \$900 million in concessions are not granted, Northwest "will be forced by economic realities to seek the abrogation of our collective bargaining agreements and the judicial imposition of substantial labor cost relief."

Hirst's letter was written immediately after IAM members rejected the advice of their national leadership and overwhelmingly rejected a proposal to grant Northwest \$346 million in contract concessions. The International Brotherhood of Teamsters, which represents Northwest's flight attendants, immediately cancelled its vote on the issue. However, the Airline Pilots' Association has continued to negotiate with Northwest's management.

Northwest was one of the last large leveraged buyouts (LBOs) of the 1980s, completed just weeks before a failure to consummate the LBO of United Airlines triggered the October 1989 stock market mini-crash. Northwest has been crippled by \$4.16 billion in debt stemming from the LBO, which was engineered by Al Checchi, the sweet-talking former adviser to the billionaire Bass family; Gary Wilson, the master of financial legerdemain from Disney Co. and Marriott Corp.; and Fred Malek, the former co-head of George Bush's failed 1992 reelection campaign. Checchi, Wilson, and Malek put up only \$50 million of their own money in the financial maneuvers

that gave them control of Northwest.

The latest panic at Northwest is due to the fact that the first big repayments of LBO debt (\$1.5 billion) are due to begin in January. Their problem is that Northwest has been losing \$2 million a day over the past four years, and the three have already tapped every other source of credit in sight:

- In the original 1989 deal, \$400 million, or 70% of the equity, was provided by KLM-Royal Dutch Airlines, in return for only 20% voting rights. In November 1992, when Checchi, Wilson, and Malek asked KLM to ante up an emergency cash infusion of \$500 million, KLM's board turned them down flat. By February 1993, KLM had written off the entirety of its original \$400 million investment.

- In September 1990, Checchi, Wilson, and Malek obtained a \$500 million loan from Airbus Industrie (the European jetliner maker) and General Electric Co., in exchange for Northwest agreeing to buy 75 Airbus A-320s equipped with GE engines. This spring, Northwest was forced to cancel the rest of its Airbus order.

- In May 1991, the Minnesota legislature approved \$740 million in low-interest loans to Northwest, supposedly to build maintenance facilities for Northwest's new Airbus A-320 passenger jets. Gov. Arne Carlson quickly signed the package into law. Soon afterwards, the Minneapolis-St. Paul Metropolitan Airports Commission agreed to back an issue of \$320 million of 30-year bonds. Northwest promptly used half of the \$320 million to pay operating expenses;

the stunned MAC quickly sequestered \$50 million in a separate account to make sure interest payments would be made.

- By November 1992, Northwest had exhausted its \$600 million credit line with its banks, and Wilson convened an emergency meeting with Northwest's creditors. By February 1993, all Wilson could squeeze out of them was another \$50 million from KLM, \$50 million from GE, \$30 million from Airbus, \$50 million from United Technologies, and \$20 million from ABN Amro Bank (KLM's bank). Bankers Trust, which had been the lead bank for the 1989 LBO, would only kick in another \$50 million.

Checchi, Wilson, and Malek, who could yield ownership to their creditors, intend to squeeze blood out of their employees. They offered Northwest's employees a 30% ownership stake and three seats on the board of directors in return for the wage cuts, which total 6-12%. They even promised to pay back all the concessions within 10 years. But the employees have seen how Northwest's creditors have been stiffed.

Meanwhile, the other shoe is about to drop in Minnesota. At the time the state and MAC forked over more than \$1 billion, State Sen. Gene Merriam, who had been allowed to see Northwest's books in exchange for a vow of silence, warned that Northwest was not a wise investment. But Minnesota Attorney General Hubert "Skip" Humphrey, who does not shy from using his prosecutorial powers for blatantly political purposes, issued an unsolicited defense of the loans. With Walter Mondale on Northwest's board, Humphrey's signal was unmistakable. Minnesota's politicians did what they were told. Now, let's see if they will be called to account by the people left holding the bag—Minnesota's taxpayers.

## 'Final solution' for Brazilian state

*The government's new "action" program could knock the last props out from under the depression-ravaged economy.*

**B**est summarizing the spirit of the Immediate Action Program (PAI) announced June 15 by Brazil's new economics minister, Fernando Henrique Cardoso, was the comment of his economic policy adviser, Gustavo Franco, who, with the morbid humor characteristic of monetarists trained at Harvard University, said, "Now we will have to hand over a cadaver every 48 hours."

Frango's statement, which could well have referred to the hundreds of thousands of Brazilians starving to death across the country as the result of economic policies dictated by the International Monetary Fund and World Bank, was a crude indication that the current economic team, in its zeal to keep the country's creditor banks happy, is prepared to carve up the state and hand it over, one piece at a time.

The principal measures announced include, first, a cutback of \$6 billion in the 1993 federal budget, approximately 2.5% of the total budget of \$234 billion. Despite the fact that a full 62% of this total, or \$145 billion, is allocated to service the internal and foreign debt, the cutbacks fall directly upon the already dramatically pared-back investment allocation. The measure will have the immediate effect of worsening the depression conditions ravaging the country.

That the PAI is based on usury is made clear by the fact that this year's budget commits \$10 billion for interest payments and \$135 billion for amortization, which in fact constitute the speculative mass of government paper

which daily passes through the financial markets. Sixty-two billion dollars is earmarked for payment of public officials, social expenses, and obligatory resource transfers to the states and municipalities. The economic cabinet plans to increase budget cutbacks in precisely these areas, should the measures designed to boost tax collection fail.

The PAI is also designed to provoke a direct confrontation between the federal government on the one hand, and the states and municipalities on the other, by threatening to strangle the latter financially if they do not accept the rigid payment guidelines on their debts to the federal government. It is on this point that the greatest political resistance is likely to occur, given that state governors control the majority of Brazil's legislators. It is no accident that Cardoso's team is seeking to impose its "fiscal adjustment" guidelines upon the state and municipal budgets, which have until now proven to be the sole source of investment funds under the government's general austerity regimen. The impact of such a confrontation could be to shatter Brazil's federated republic, paving the way for a new federal pact.

Treatment being readied for the state banks is not much better. The most serious measure is the so-called white collar law, which prohibits a financial institution from granting loans or advances to its controller, in this case, the state and municipal governments on the one hand, and the state companies owned by the government on the other. Under this new

rule, for example, the Bank of Brazil will no longer be able to finance the foreign operations of the state oil company Petrobras.

Regarding the program to privatize state companies, the PAI revives the most radical goals of the Collor de Mello administration and proposes "rapid conclusion of the privatization of steel, petrochemical, and fertilizer companies." Further, the PAI proposes "starting the privatization of the electricity and railway sectors, according to the pre-existing program," by opening these up to foreign capital flows. "This new legislation is more than welcome to us," said a Shell Oil representative; the firm has long had its eye on Brazil's petrochemical industry.

The PAI is especially favored by usurious international interests, although these continue to argue that the plan should be still more ambitious—perhaps a cadaver every 24 hours? They are also concerned about possible nationalist resistance within certain political sectors. Declared one London banker to *Gazeta Mercantil* June 16, "What will now prove interesting will be Congress's response on the one hand, and the attitude of President Itamar Frango on the other."

Wall Street bankers are enthusiastic, with one recent Salomon Brothers study noting that "Brazil's opportunities for striking a debt restructuring deal through the Brady Plan increased with the new economics minister's program."

The most symptomatic reaction was that of former U.S. Secretary of State Henry Kissinger, who, according to *O Globo* of June 17, described Brazil at an Americas Society bash as "one of the best places for investment worldwide [because] of the magnitude of its natural resources, the talent of its people, and particularly, because of its spectacular economics minister."

# Business Briefs

## International Credit

### Put a penalty on usury, say jurists

The right to economic development is a human right, and a penalty should be placed on its violation by usury, according to an initiative presented by the American Association of Jurists at the U.N. Human Rights Conference that began in Vienna on June 14.

The relevant section reads: "Practices of states, institutions or individuals that imply limitations of the rights to development and of the economic, cultural and social rights, such as practices of usury, illegal financial deals, disturbances of the international monetary system, grave damages of the natural environment, the misuse of economic might and the like shall be considered violations of human rights."

The initiative, which says that it is irrelevant whether these human rights violations occur "consciously, by mistake, or criminal concealment," explicitly attacks multinational cartels, the World Bank, and the International Monetary Fund as agencies that are committing such crimes.

## Infrastructure

### China seeks to bolster railways

China sponsored a five-day conference on rail transport in Beijing in early June, to seek foreign investment to bolster the country's "overburdened system," the June 8 *China Daily* reported. China is attempting to double current rail transport capability by introducing "heavy haul technology" to most existing railways. "Heavy haul technology" is one of the most efficient means to boost world transport capacity, the China Railway Society stated. In the United States, Canada, Australia, and South Africa, such systems can handle trains up to 30,000 tons, and those in India and Brazil can handle trains of 10,000 tons. China already has one such line, the Datong-Qinghuangdao line.

China's need for new railroads is so great that five leading steel companies have "offered" to donate 1.5 million tons of special

steel for rail construction this year, although this will mean a loss of \$175 million in profits, the June 15 *China Daily* reported. The Ministry of Railways has organized 500,000 workers to build 10 trunk railway lines across the country, creating a 50% increase in the demand for special steel. China has just finished electrifying the Beijing-Guangzhou railway line (the main north-south artery).

Chinese rail freight capacity has fallen this year, "further fueling the congestion on China's rail network," *China Daily* reported. Ministry of Railway experts report that the railways moved 631 million tons of cargo by the end of May, 14 million tons less than was scheduled, and a 0.2% decline from the same period in 1992. The volume of coal (China's main energy source) shipped was 9.6 million tons less than that planned for this year, and a 2.4% decrease from the same period last year. The trains were jammed instead with 25 million more passengers than last year, as China's huge *mangliu*, the "blind current" of unemployed, move around the country. Passenger-kilometers are already 13.7 billion higher in 1993 over 1992.

## Philippines

### IMF wants Ramos to impose harsher austerity

The International Monetary Fund (IMF) is demanding that the Philippines government of Fidel Ramos impose harsher austerity.

Christopher Browne, the IMF representative in Manila, told Reuters in an interview on June 16 that the Philippines government must take drastic measures to increase revenue and must stop lying that the power blackouts that last up to 10 hours a day in some areas are only a temporary phenomenon. Browne predicted that the power shortages would not end until 1998. "I think that they have got to come clean and tell investors the truth. . . . All I know is that the economy is not moving after 12 months, which I find very frustrating," Browne said. "In the end it is going to lie with him [Ramos], but I am hoping that in the next four weeks he is going to move ahead and come up with some new initiatives."

In early June, President Ramos ordered his new finance secretary to re-open talks with the

IMF, but nothing has been scheduled so far. Japan and the European Community have told Manila that no loans will be forthcoming without the IMF's seal of approval.

## 'Recovery'

### BIS admits global downturn is alarming

Bank for International Settlements (BIS) General Manager Alexandre Lamfalussy, in his report to BIS member central banks at their annual meeting on June 14 in Basel, noted that the current economic downturn, which began in certain BIS countries in 1989-90, "has been unusually long." He admitted that most OECD governments have been paralyzed from undertaking traditional "pump-priming" counter-recessionary spending to spur recovery.

"Counter-cyclical fiscal policies found little favor and in some countries with severe fiscal constraints even automatic stabilizers were allowed to operate only sparingly in view of the *legacy of accumulated debt*" (emphasis added), he said. "The absence of any real counter-cyclical activism was not a reflection of equanimity or of a confident expectation that downturn is bound to be followed by upswing. Rather, governments were reluctant to embark on a course that would exacerbate longer-term structural imbalance in the public sector."

## Labor

### Export value of workers second only to oil

The export value of workers is second only to that of oil in world trade, and worth far more than development assistance to Third World nations, the U.N. Population Fund (UNFPA) 1993 population report released in June reveals.

"Some developing countries are relying on international migration to finance development," the report states. Remittances to home nations were worth \$66 billion in 1989, compared to \$46 billion for development aid. Such labor export, of course, drains the home coun-

try of its most educated and skilled workers, so the net economic effect on the exporting nation is negative.

The UNFPA report also admits that "while the current rate of population growth is important, it is not decisive in determining the rate of international migration." It is the failure of development, especially the "excess of labor supply over available jobs, rising social and therefore political turbulence, and persistent or worsening inequalities between richer and poorer countries," which stimulates migration.

### **South Africa**

## **'Marshall Plan' sought from Clinton, G-7**

A "Marshall Plan" for South Africa has already been placed on the agenda for the July Group of Seven (G-7) summit in Tokyo, the French daily *Libération* reported on June 17.

The paper noted that South African President F. W. de Klerk and African National Congress leader Nelson Mandela will be asking President Clinton to support a "Marshall Plan" program for South Africa when they come to the United States in July. No further details are given on the content of this proposal, however.

*Libération* reported that De Klerk and Mandela will also be pleading with the International Monetary Fund and World Bank to resume aid flows to South Africa, now that the Commonwealth countries are beginning to end their policy of sanctions toward South Africa.

### **Industry**

## **'Recession' in France has no end in sight**

The recession in France will last for some time, because three years of declining productive investment is taking its toll, a critical report presented by the CNPF, the national association of entrepreneurs, warns.

The report belies the new conservative government's claim that there is an economic

upswing around the corner.

Investments in the productive sectors of the economy have dropped by more than 30% since 1991 (by 9.9% in 1991, 13% in 1992, and at least another 11% this year). Car sales have dropped by 21% in the first four months of 1993, and will drop more—the automobile sector is one of France's key industries. The management of Peugeot announced on June 16 that 12,000 of its 21,000-man work force will take a mandatory "production holiday" of five days in July.

Construction activity was down by 16% over the past four months, which will cost 50,000 construction workers their jobs this year. Since it will take some time to compensate for these losses, the so-called "recession" (i.e., depression) will last for a longer period of time and will be deeper than so far publicly admitted by the administration, the CNPF report warns.

### **Ukraine**

## **Shock therapy policies attacked by minister**

The so-called "shock therapy" economic reforms of the type the West wants to see implemented in Ukraine would provoke social explosions, Ukrainian Foreign Minister Anatoli Slenko warned in an interview in the June 16 Austrian daily *Die Presse*. Only a very cautious policy which doesn't repeat mistakes in the reform process made in other eastern countries will avoid social disruptions, he explained.

Slenko said that the government in Kiev is deeply concerned about the present strike wave in the country, because it shows where reforms that are too rapid can lead. He also said that the government is aware that there is the threat of territorial disintegration of Ukraine, and that it is working hard to prevent that.

Ukraine has been beset with Russian-manipulated strikes, which shut down more than 200 mines and were forcing the shutdown of factories for lack of energy supplies. Most Ukrainian miners called off a 12-day strike on July 19, but said that they would resume their walkout unless elections were called for later in the year.

# Briefly

● **INCOME TAX** revenue in the United States in April was \$23 billion, compared to \$38 billion in 1992 and \$46 billion in 1991. "The numbers throw the lie to the present prevailing illusion of a nascent U.S. growth recovery," a continental European economist told *EIR*.

● **LOCUST SWARMS** are gathering in northern Somalia, east of Egypt, and on the Arabian Peninsula, again threatening Africa, the Food and Agricultural Organization in Rome said in mid-June. The plague may spread to Sudan, Eritrea, and even India if there is no intervention now, the FAO warned.

● **FOOD PRICES** in Russia jumped 22% in May over April, and prices for industrial goods rose by 14%, *Agra-Europe* reported in mid-June. Over 100,000 grocery stores in the countryside will have to close down if the government does not support them financially.

● **MITSUBISHI** heavy industries of Japan signed an agreement with the Russian federal industry committee in May to explore cooperative ventures. *Aviation Week* reports that the agreement calls for exchanges of information in hypersonic aircraft engine research, opening Russian research facilities to Japanese manufacturers and researchers, and providing business management training for Russian administrators.

● **SCIENTISTS** in Beijing have built a linear-induction accelerator free-electron laser amplifier, which was put into use on May 26. China thus became the first nation in Asia to produce infrared laser radiation, according to the Chinese News Service.

● **JUNK BONDS**, usually part of risky mergers and acquisitions, are back with a vengeance, the June 17 London *Financial Times* reported. "So far this year \$23.7 billion in new high-yield debt . . . has been issued in the U.S., putting the market on course to smash last year's record-breaking \$38 billion."

## Worldwide underpopulation crisis looms

by Mary M. Burdman

In 1974, Helga Zepp, a leading European associate of economist Lyndon LaRouche, intervened into the first World Population Conference in Bucharest, Romania to warn that any attempt to implement "zero population growth" would not only lead to massive death and suffering worldwide, but would in fact lead to a *collapse* of both the world economy and world population. Over the hysterical braying of anthropologist Margaret Mead, Helga Zepp argued that the real problem was a turn away from scientific and technological development beginning in the early 1960s, and she accused the promoters of zero growth of planning genocide on a scale vaster than anything imagined by Adolf Hitler.

Almost 20 years later, those warnings are rapidly coming true. Although the priests of "zero growth" continue to grind out publicity about alleged world "overpopulation," much evidence now exists which demonstrates that on the contrary, the world may already be moving toward a population decline. Certainly, the so-called advanced sector nations face shrinking populations around the turn of the millennium. In the developing nations, fertility is declining so rapidly in many countries which have not achieved anything approaching the life-expectancy of the advanced nations, that the malthusians who are determined to reduce world population by billions of people could well achieve their goal.

In the following pages, we present a survey of demographic studies, carried out by both private demographers and public agencies, which indicate the proportions of this underpopulation crisis, many aspects of which are *unprecedented in human history*. Admittedly, it would be naive to assume that all of the data presented in these studies are accurate (see box, p. 16); but given the current pressures to exaggerate population estimates on the high side in order to justify taking further measures such as mass sterilization, we can only surmise that the demographic collapse is probably even further advanced than these surveys would indicate.

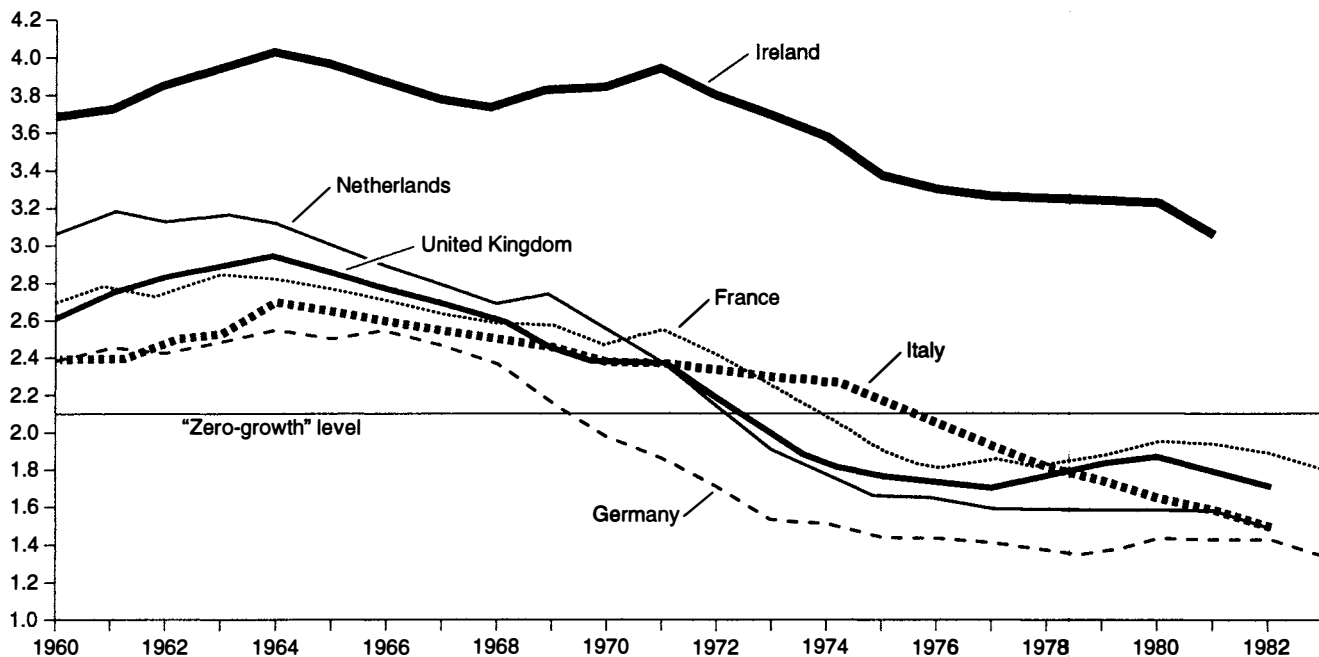
It is a cruel irony that the constant propaganda about uncontrolled and uncontrollable population growth is actually a *result* of the collapse of fertility in the world's



FIGURE 1

### Fertility in most European countries is below "zero-growth" level

(average number of children per woman)



Source: European Communities Economic and Social Committee, *Demographic Situation in the Community* (1986).

industrialized nations—in Europe, North America, and Japan. This fall in fertility over the past three decades—totally unprecedented in world history—is the result of the great cultural “paradigm shift” in the early 1960s, from the relative economic growth and cultural optimism as the world rebuilt from World War II, to the plunge into world depression, war, and epidemics today. As the danger of the AIDS epidemic wiping out whole populations in Africa and regions of Asia grows, the propaganda about the “population explosion” will also grow. As the world economy falls into a black hole, any population becomes too large for the malthusians still controlling governments and financial institutions.

Yet a healthy, growing world economy would demand a healthy, growing population. In Europe at this time, were governments—East and West—to resolve to carry out the LaRouche-proposed “Productive Triangle,” it would be necessary to import labor. Germany, during the period from the late nineteenth century until World War I, when it built itself up to become the biggest industrial power in Europe, became the second biggest “importer” of labor in the world after the United States, taking in up to 1 million workers a year before 1914. Germany and the other war-devastated nations also had to import labor from southern Europe and Turkey, to rebuild after World War II.

The ultimate effect of the fertility collapse on the world

economy is shown by what has happened in Europe—still the region with the greatest industrial potential of the world, which must be mobilized to generate the economic development of all the vast Eurasian and African land mass. As of 1990, the population of Europe had shrunk dramatically as a proportion of the rest of the world. In 1950, one in six people lived in Europe; in 2025, it will be one in 26. By the year 2000, the average age of a European will be 43 (up from 34 now), and 20% of the population will be over 60.

Most revealing is the graph of fertility rates in western Europe after World War II (Figure 1). The years 1964-65 were the turning points—in world history as well as in the births of children. These were the years immediately following the assassination of John F. Kennedy in the United States and the Profumo scandal in Great Britain, which led to the downfall of the Macmillan government in 1963 and its replacement by the Harold Wilson government, the pioneer of the “post-industrial society.” In Germany, scandals forced postwar Chancellor Konrad Adenauer out of power, which seriously weakened the German-French Adenauer-de Gaulle alliance critical to rebuilding Europe. In 1962, Enrico Mattei, the leading architect of the national development policy for Italy, was assassinated.

It was also at this point that the first generations born after the war—those of the “consumer age”—were starting to reach

## How reliable are the U.N.'s population figures?

The wildest population growth projections are based on figures compiled and generated by the United Nations Population Division. In more than one case, these reported or projected figures are shown to be very questionable. The U.N. reports its population projection in three "variants": low, medium, and high. These are three possible population levels, based on different fertility and mortality rates. Needless to say, when one reads in U.N. publications such sentences as "Some specialists foresee a world population of 20 billion in the next century," these projections are based on the U.N.'s "high" variant, which projects over 9 billion people by 2025. The "low" variant projects many fewer, at 7.8 billion. But this figure is questionable, if the following cases are representative:

- From April 1974 until December 1978, the Khmer Rouge ruled Cambodia and murdered at least 1 million of its people. But what does the U.N. say? The official U.N. figures show a drop of only 600,000 people between 1975 and 1980, probably half the number actually murdered. In percentages, the difference is enormous, since Cambodia had only a little over 7 million people at the time. By 1985, the U.N. claims, the Cambodian population had

miraculously re-grown from 6.5 million in 1980 to 7.3 million—despite the devastation of its young adults.

- In Nigeria, the U.N. had projected that the population would be 110-120 million people by 1992, based on the 1973 census. But the government census in 1992 counted only 88 million people. To date, the U.N. has failed to correct its projections; the "official" reported population for Nigeria for 1990 in the U.N. *World Population Prospects: The 1992 Revision* is 108,542,000 people—20 million more than the government actually counted.

- In November 1982, Prof. Youssef Corbage of the French National Institute for Demographic Studies said in a speech in Brussels that the U.N. had seriously overestimated the number of children who would be born in the Maghreb nations of North Africa, Algeria, Morocco, and Tunisia. The difference between the U.N.-projected fertility and the actual fertility represents a "very tangible" difference from what the populations of these countries will be in the medium term, "particularly by the end of the first quarter of the 21st century," he stated. Fertility has fallen at least 50%, from very high levels in all three countries over 30 years. Corbage estimates that by 2025, the population of Algeria will actually be 44.8 million, and not the 52 million estimated by the U.N. Morocco will have 40 million, and not the estimated 45.6 million, while Tunisia will have 12.7 million, and not the estimated 13.6 million.

childbearing age. A report published by the European Commission in 1986 on the causes of the demographic disaster in Europe observed that despite the devastation of all of western Europe in World War II, in the period immediately after the war, in the midst of great economic hardship, "yet couples were fired by the ideal of rebuilding their countries materially and decided to have more children." The current world economic crisis certainly is a factor in low births, "but it should not be forgotten that the demographic crisis appeared well before the economic crisis, and while the latter may have aggravated it, it was certainly not its primary cause."

### Enter the zero-growthers

All these trends toward the destruction of developing, productive, industrialized societies were fostered by the neomalthusians, whose "blueprint," the Club of Rome-sponsored *Limits to Growth*, was published in 1972. The malthusians set out to create panic about "overpopulation" destroying the Earth, with such propaganda as Paul Ehrlich's *The Population Bomb*, published in the early 1970s, which demanded that world population be actively reduced, not just "controlled." In the 1980s, a new argument was introduced,

that population growth was a threat to the "ecosphere." This ecological argument is promoted now, in the much-publicized book *Preparing for the Twenty-First Century*, by the Thomas Malthus of the 1990s, Yale Prof. Paul Kennedy. Kennedy writes:

"The population explosion in the Southern Hemisphere threatens to affect more developed countries of the North. Yet even if that is true, developed Northern regions place much greater stress per capita upon the Earth's resources than do developing countries, simply because the former consume so much more. Thus, the consumption of oil in the United States—with only 4% of the world's population—equals one-quarter of total annual production. . . . The same imbalance in consumption is true of a range of other items, from paper to beef. According to one calculation, the average American baby represents twice the environmental damage of a Swedish child . . . thirteen times that of a Brazilian, thirty-five times that of an Indian, and 280 times that of a Chadian or Haitian because its level of consumption throughout its life will be so much greater." Kennedy's source is none other than Paul Ehrlich.

The policy is not just to reduce the populations of dark-

skinned people in the developing nations, but also to cripple the industrial capabilities of the “advanced sector” nations, including through destruction of their labor forces, thus crippling overall world development.

Yet, were the world to carry out the development policies proposed and fought for by Lyndon LaRouche and others, the Earth could readily support a population many times the current 5 billion. Nuclear energy, particularly fusion, and “Great Projects” for water, agriculture, and transport development, could *triple* the potential population-density of the Earth, and space exploration and colonization would require billions more human beings.

But if current demographic trends continue in eastern and western Europe, North America, and East Asia, the world will not be able to produce the people it needs. At the present time, a “demographic hole” in the generations of children and young people is being created, so deep and so wide, that it may not be possible to rebuild our way out of it.

In the late 1970s, six countries of Europe went into a population decline—in a period, relative to now, of peace and plenty. In those nations (Austria, West Germany, Switzerland, Denmark, Bulgaria, and Hungary), population dropped by less than 1%, but in Germany this amounted to over 600,000 people—the equivalent of one of the nation’s larger cities. The fall was due to the most precipitous and *sustained* collapse in fertility recorded—a situation which has no precedent in history. In these modern industrial nations, some with the highest living standards in the world, the natural increase of the population stopped because deaths outnumbered births. Immigration and a slight increase in overall fertility rates pushed the population of these nations up again after 1985, but this first fall only presaged what is to come.

These nations do not include several others of Europe, such as Ireland, which have negative population growth due to out-migration.

### **Birth rates collapse in east Europe**

Today, in the 1990s, it is the turn of eastern Europe. In the new eastern states of Germany, births have fallen by fully 50% since 1989, and other eastern European countries face the same crisis. In 1988, there were 215,734 babies born in the German Democratic Republic (East Germany); by 1990, the first full year of unification, this fell to 174,736 births. In 1991, there were only 107,021 babies born in the former East German states, half the number of 1989. The migration of 1.2 million eastern Germans to the western states does not begin to account for this enormous loss; people simply stopped having children. Latvia’s population is falling; those of Belarus, Lithuania, and Georgia are on the verge of following suit.

On Feb. 5, 1993, the Russian State Statistics Committee demographic department announced that Russia’s population fell last year for the first time since World War II, by more than 70,000 in a population of 148.6 million. Ukraine faces the same problems: In summer 1992, Ukrainian officials an-

nounced at a conference in Austria that Ukraine’s population was decreasing. Fertility rates, long a state secret, have fallen to 1.17 children per woman among Ukrainians, according to reports; the Ukrainian population began falling some time ago, and only the movement of Russians to Ukraine kept the overall population up at all.

The Russian birth rate fell 11% in 1992, the casualty of “shock therapy.” Statistics Committee spokesman Igor Korolyov stated that “the soaring cost of living is forcing many couples to put off having a second child.” Abortions, the only form of birth control in Russia, are rising rapidly. In 1991, there were 201 abortions per 100 births; in 1987, the figure was 166 abortions. Life expectancy is also relatively low in Russia. Infant mortality remains very high at 17 per 1,000, compared to 5 per 1,000 in Japan, and 10 per 1,000 in the United States. Russian life expectancy is only 69.5 years, compared to 75 and above in the nations of the Organization for Economic Cooperation and Development (OECD). Deputy Health Minister Nikolai Vaganov said that the death rate could even be higher, because babies who die at birth are often not even registered. If Russia were to follow international statistical rules, it could raise the infant mortality figures by 20%, putting Russia in 40th place in the world.

The population decline in Russia is part of a long-term trend. In the early 1980s, the increase in population was 1 million per year, but by 1989 it had dropped by half to 500,000. The population decline also reflects the decimation of the Russian population during World War II, when 20 million people died. The demographic effects are still being felt. “In the 1980s the number of women of childbearing age fell by 1.7 million—14%,” said Korolyov. Even the influx of Russians from Central Asia and other countries of the former Soviet Union cannot make up for the fertility decline. At the same time, up to 90,000 people a year are migrating out of Russia.

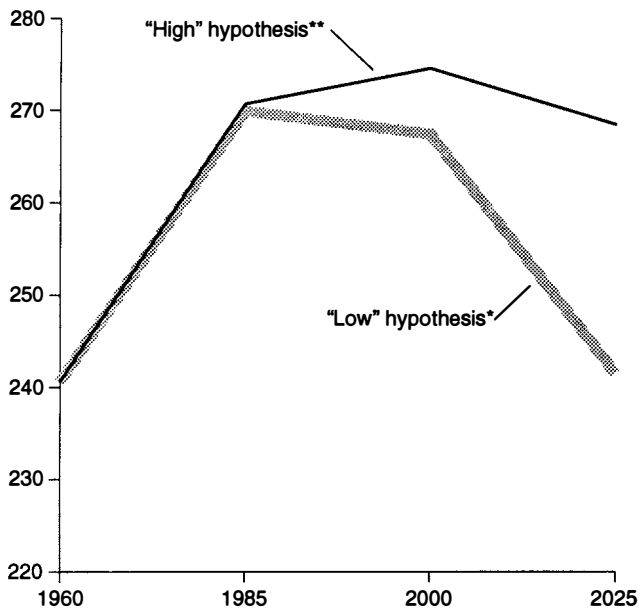
As of June 1992, the Demographic Center of the Russian Academy of Sciences claims that the Russian population is now decreasing by 196,000 people per year. The trade union daily *Trud* reports that in the industrial center of Voronezh, figures recently showed 26,000 births, as against 35,000 deaths.

By the year 2005, according to projections made already in 1990 by the United Nations, Germany, Italy, Hungary, Belgium, and Denmark will again be losing population—this time *permanently* (see **Figure 2**). The fertility rate in Germany is 1.4 children per woman. By 2030, nearly 40% of the German population will be 60 years of age or older. A 1991 OECD report said that the western German population is expected to shrink by about one quarter by 2030, from 61 million to 47 million. In some regions of Italy, fertility rates have fallen below one child per woman at the present time. That figure is 48% below replacement rate. By 2025, Austria, Spain, Portugal, Greece, Bulgaria, and Luxembourg will be added to that list.

FIGURE 2

## Projected population trends in the 10 EEC countries

(millions)



\* Continuation of present fertility rate

\*\* Gradual rise in fertility rate from about 1990, up to about generation replacement level (gross reproduction rate equal to 1 around 2020)

Source: European Community Economic and Social Committee, *Demographic Situation in the Community*, 1986.

“Zero growth” is not in question; what is happening is *negative* population growth. For a modern nation even to maintain its current level of population over time, overall there must be an average of about 2.1 births for every woman in her lifetime (or, more realistically, 2.3 births per woman, as levels of celibacy and childlessness rise). That level will at least maintain a level of population over time as one generation succeeds another. If fertility rates fall below this level for any period, the next generation will simply be smaller than the preceding one, and as the older, larger generations die out, population levels will fall. As the smaller younger generation maintains only a negative fertility rate, the collapse will accelerate.

There are nations facing negative population crises all around the world. In Japan, where the birth rate last year at 9.8 per 1,000 population was the lowest recorded in the world, even the most exaggerated U.N. projections predict that population will peak and begin to fall by 2010 at the latest. Japan has the second largest economy in the world. South Korea’s fertility rate is currently 1.7 children per woman. In Canada, the United States, Australia, and New Zealand, immigration is the only thing keeping population

from falling at this time. In North America, net international immigration accounts for about 25% of population growth over recent years.

### How the death rate figures in

At the same time, fertility rates are falling rapidly in many of the less developed regions of the world. The so-called population “explosion” so deplored by the malthusians, is due, not to an increase in births, but to the *decrease* in deaths. At this point, as Prof. Youssef Corbage of the National Institute of Demographic Studies in France pointed out in Brussels at a conference on Nov. 26-28, 1992: “Arithmetically speaking, the impact of the death rate is now of an order of magnitude four times lower than the birth rate, following the dramatic decline in sickness and death which began at the turn of the century and began to accelerate from about mid-century onwards,” in the developing sector nations. Migration also is of lesser importance, having an effect on population growth one-twentieth that of the birth rate.

Fertility rates have fallen sharply in North Africa. Even in sub-Saharan Africa, which is generally considered the pariah of the world malthusians because of its 2-3% population growth rate, fertility is falling rapidly in several nations, according to recent surveys which are much more accurate than the generally used United Nations projections. Yet in this region of Africa, life expectancy is barely 50 years, and it is the epicenter of the world AIDS epidemic, which kills young adults, the very people who should now be producing the next generation.

Among developing sector nations, there are many cases where fertility rates are almost as low as in the industrialized nations. These include the Caribbean, except Haiti, and several nations of Southeast Asia. In Thailand the situation is particularly dangerous. The AIDS epidemic there will approach the disastrous dimensions of that in Africa by the early twenty-first century. That means, simply, that Thailand faces *depopulation* (see box).

China is an even more extreme case. The Chinese government—although it must be remembered that Chinese figures are even more suspect than those of the United Nations—just proclaimed in late April, that it has “achieved” a fertility rate as low as those of Europe and the United States. Based on data released for 1992, the fertility rate for China is now between 1.8-1.9 children per woman, down drastically from 2.3 in 1990. The replacement rate is 2.2 in China. The drop is the result of a two-year nationwide crackdown by the despised but powerful State Family Planning Commission, which carried out a massive, widespread campaign of coercion to stop births. Despite the intense propaganda exciting fear of a new “Yellow Peril” of close to 2 billion Chinese in the next century, at such negative fertility rates, China too will join the nations losing population, likely well before the middle of the next century.

All this is well-known public information, and most of it

## Thailand's labor force is dying out

On May 9, the *Bangkok Post*, Thailand's biggest English-language daily, featured a two-page article titled "Drop in Fertility Threatens the Thai Race." The article features the work of Thai demographer Dr. Tieng Pardthaisong of Chiang Mai University's Medical Science Faculty, who has been studying the effects of Thailand's national family planning program for nearly 30 years. Thailand's big cities, including Bangkok and Chiang Mai, as well as its countryside are facing a severe labor shortage, the *Bangkok Post* reports, and schools and factories are being closed around the country for lack of students or workers.

Dr. Tieng has documented that Thailand now suffers a below-replacement fertility rate, the result of the broad population-control policies introduced already in the early 1960s. Thailand's overall fertility rate is only 2.21, below the level of 2.3 needed to replace the population in Thailand, Dr. Tieng reports. Population growth is now only 1.2%, as opposed to 3% before the birth control programs were introduced, and Thailand's population is "aging" rapidly.

Based on the current fertility rate, Thailand's population will rise to 58.4 million by 2000, but by 2035 it will have fallen to 56.3 million, and plunge from then. The population could be as low as 17.5 million in only a little over 100 years. At that point, the proportion of elderly people will have grown from 4.5% currently to 25%. Rebuilding the population from such depths could take centuries.

has been well known for a long time.

It is therefore very possible, if present trends continue, that the world is heading for population collapse, from which it could not recover for many generations. This has happened before in world history, but this time, the cause, the unprecedented drop in fertility, may prove harder to overcome than previous causes of falling population, such as epidemics like the Black Death of the fourteenth century. It is also a cause for concern that so much of the fertility drop is due to *permanent* measures. Sterilization of women "is the most widely used method" of birth control "in the world as a whole," Johns Hopkins University's *Population Reports* stated in December 1992. At least 16.5 million Chinese were sterilized just in 1991-92, and the rate could be higher. In Brazil, Health Minister Alcení Guerra stated in 1991 that as many as 20-25 million

women of childbearing age may have been sterilized—many of them involuntarily (see *EIR*, June 14, 1991, p. 28).

In Africa, and potentially in areas of Southeast Asia, the situation is even more alarming because of the AIDS epidemic (see *EIR*, Aug. 14, 1992). In most epidemics, it is the very young and old who are most vulnerable. Although the loss of young children takes a terrible toll on a population, they can be quickly replaced, if adults have more children. When adults in their twenties and thirties die in such numbers, who will there be to have more children?

### A few facts about demography

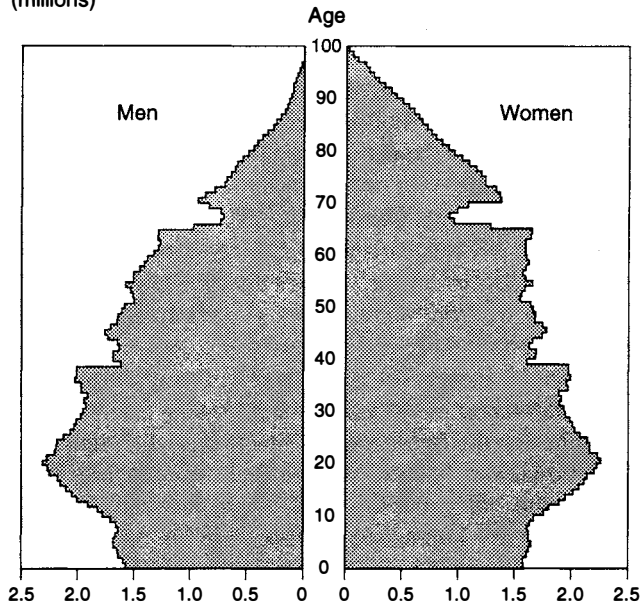
Demography—the method of looking at populations, their growth and structure—is not a matter of counting heads and adding on from there, which is, of course, what the malthusians do in their wild attempts to project world populations so vast that every square meter of land might be overrun.

A 1986 report published by the European Community's Committee on the Demographic Situation on the collapse of births in western Europe, warned that demographers must be a cautious lot, especially in their predictions. The basic reference is the duration of a human life—in the advanced nations, a span of 75 years—and important shifts in populations must be assessed over 50 years or more. Even large-scale war, famine, or disease may only have a relatively temporary effect on an overall population, reducing births and increasing deaths for some years, but this can be "made up" if larger numbers of babies are born in the following years. But the current 30-year collapse of births in the advanced nations is something that could take generations to repair—if that happens at all. As of January 1985, "the slump in fertility had already made a severe dent in the base of the [age] pyramid, greater even than the combined deficit of births in the last two wars," the report states (see **Figure 3**).

Birth rates per 1,000 population, although they are most frequently cited, are only the crudest indicator of population trends over time, because such figures can vary greatly from year to year. A more accurate measure is the Total Fertility Rate, which is an assessment of the number of children a woman bears in her lifetime. For every woman, this must be an average of slightly over two children to even replace the existing population. The Total Fertility Rate was defined by Fred Arnold and Ann K. Blanc in their report for the Demographic and Health Surveys of October 1990, as representing "the number of children an average woman would have from age 15 to age 44, if she experienced the age-specific fertility rates observed during the period for which the rate is calculated." Age-specific rates are based on birth data and calculation of the number of children a woman of a specific age group had during a specific time period, usually five years. The precise rate varies somewhat from country to country.

What is essential to understand, is that there is *no such thing* as "zero growth." A population is made up of living

**FIGURE 3**  
**European Community "population pyramid"**  
**on Jan. 1, 1985**  
 (millions)



Source: European Economic and Social Committee, *Demographic Situation in the Community*, 1986.

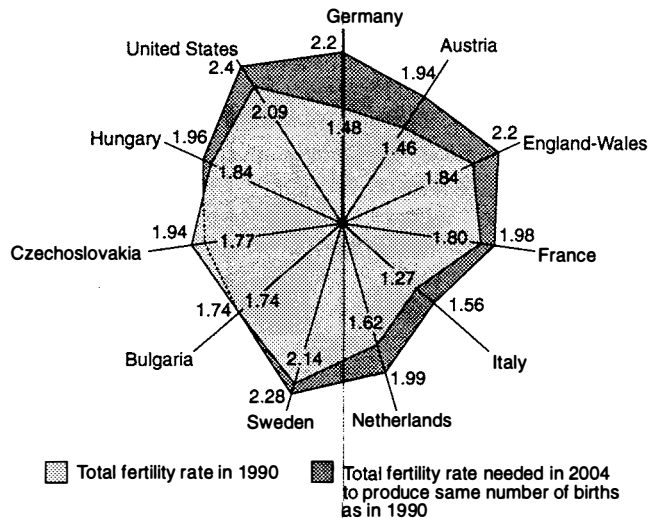
human beings, affected not only by health and disease, but also by economics, and, perhaps most profoundly, by cultural questions. It cannot be maintained in any sort of "steady state," even under the most stringent dictatorship. Foolish, arithmetically minded malthusians try to frighten the world about unlimited population "explosion" by projecting the addition of ever-increasing numbers to the current population of the planet. But populations actually develop, or devolve, on the basis of changes set in motion often years before the current head count.

The decisive question is not the *number* of people in a population, but its structure: the proportions of young and aged, the formation of families, and the production of children as older people die out.

At this point in world history, fertility has fallen so low for so long in the industrialized nations, that the number of women who will bear the next generation has shrunk—meaning that for them even to replace the current population, young women in the advanced sector nations would have to have *more* children each than their mothers had, reversing a decades-long trend to have ever-fewer children (see **Figure 4**). The fact remains, despite some odd reports recently of totally artificial means of extending fertility to beyond menopause, that a woman's ability to bear children is strictly time-limited. Once that period is past for a generation, there is no making it up.

Slight, temporary increases in the number of births at any

**FIGURE 4**  
**Fertility will need to increase in order to even**  
**maintain current number of births**  
 (number of births in mother's lifetime)



Source: Louis Roussel, "Fertility and Family," report to European Population Conference, Geneva (Switzerland), March 23-26, 1993.

period, do not reverse a collapse in fertility, which at this point has fallen to between 15% and even 20% below replacement level for over a decade. If there is not an over 20% increase in total fertility rates, the population will fall, ever more rapidly. In other words, if the current rate of collapse continues, populations of whole countries could actually disappear in the twenty-second century.

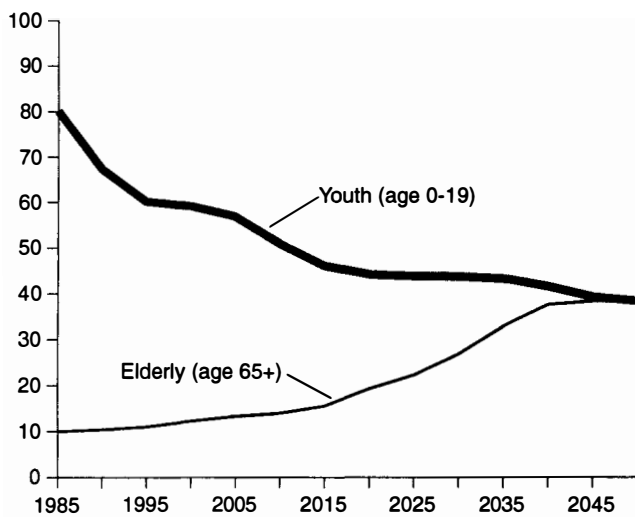
### Population is 'aging'

The plunging fertility rate in the industrialized nations, which began in the United States in 1960, and spread from there to Europe, and then to Australia and Japan, is accompanied by great changes in social structure. First, the population is "aging" rapidly, not only in the industrialized nations but also in East Asia, especially China (see **Figure 5**), where the stringent population-control policy, culminating in the current one-child-per-couple rule, has artificially, drastically shrunken the younger generations over the past 30 years. While one factor "aging" the population is increases in longevity, including of those over 80, the more decisive aspect is the collapse of births. Thus, both the number, but even more important, for social and economic reasons, the *proportion* of persons over 65 is ever-growing, while the number of the labor force and the family-creators, is shrinking (see box). It will not be too long, before what used to be an "age pyramid"—the population structure which has prevailed in human history, with the broad base from age 0 on up, gradually narrowing and coming to a peak with the small numbers

FIGURE 5

## The aging of China's population

(ratio per 100 persons aged 20-64 years)



Source: U.S. Bureau of the Census, Center for International Research, International Data Base on Aging.

of those 70 or above—will be *inverted*. Referring back to Figure 3, one can readily see how even the ravages of both world wars show up as “dents” in the pyramid structure, whereas current trends are drastically altering its shape.

The 1991 OECD publication *Migration: The Demographic Aspects* emphasizes that industrialized countries soon face the risk of death rates rising higher than birth rates. This is due directly to the fall in births. *Migration* cites one study published by the United Nations *Population Bulletin* already in 1976 demonstrating that “the Western countries should expect a steady rise in their death rates, which may overtake birth rates; this results from the inertia of our age structures and from ‘catching up’ thanks to advances in health care” since World War II. “While the whole population will live longer, the increase in longevity is nonetheless limited for each individual. . . . The present generations will inevitably die out in the 2000s. These cohorts will inevitably account for more deaths than annual births, even if fertility were to stay at replacement level.” The 1976 report said that populations could be falling in European and North American nations by 1% a year by 2050; the fall will likely be much sooner and more rapid even than that.

There are other immense social changes. Marriage and the traditional family are endangered species; this includes the modern “nuclear” family of parents and children as well as the older “extended” family. In some European countries and many cities, half or more of the households are people living entirely alone. Throughout the industrialized nations, more and more children are born out of wedlock, the number reaching one-third to one-half in some countries. And so forth.

## Demography of the developed nations

In January 1984, the European Community’s Committee on the Demographic Situation in the Community convened its Section for Social Questions to study and report on the collapse of births in Western Europe. “Since 1964, the birth rate in each of the countries which make up the EEC has been falling constantly. After 1975, there were some very slight improvements here and there. However, there is nothing to indicate when, or even if, we shall regain the average of 2.1 children per woman which is needed merely to keep the population stable,” the group wrote in its 1986 report.

“This situation is not peculiar to Europe. The birth rate in the U.S.A. started to fall in 1960. After reaching Europe, lower birth rates started to occur first in Japan, and then in Australia. The phenomenon therefore affects all the developed countries, and has *no historical precedent*” (emphasis added) (see Figure 6).

The depth of concern in the EEC with this problem was reflected in this report. “A child is the incarnation of hope. . . . Europe is a human, economic, social and cultural community, and it will be constructed all the more firmly if it is founded on a dynamic and harmoniously structured population, where each age has its place. That means that a higher birth rate is necessary in order to correct the present shape of the age pyramid, especially as people are tending to live longer.”

Beginning in 1964, the number of births in the entire EC had declined overall 30% by 1986, the report stated. The EC at that time included Germany, France, Italy, Denmark, Britain, Ireland, Spain, Luxembourg, the Netherlands, and Belgium. In Germany and especially Italy—the two most populous nations of Europe—the fall has been 40-45%. Only Ireland has relatively high fertility, and Greece at least maintained a zero-growth birth rate. “It is unprecedented in a time of peace that in all the other countries the fertility rate should [by 1975] have dropped below replacement level and remained very low, without any sign as yet of an appreciable and lasting upturn,” the EC reported.

The critical difference is the fact that throughout Europe, the “standard” family shrank from three children to two children. Even in France, where the fall in fertility has been less extreme than Germany or Italy, the number of women having even a third child fell sharply: Of the 1930 generation, four women in 10 had three or more children, whereas by the 1950 generation, it was only 2 in 10. The London *Family Policy Bulletin* of August 1991 reported that in Ireland, fertility fell from 4 children per woman in 1965 to 2.11 in 1991. The number of third children fell by 77% in Portugal, 72% in Italy, 50% in Britain, and 40% in Ireland.

In December 1990, European newspapers reported that three Italian demographers had drawn up a confidential paper for discussion by the 12 EC social affairs ministers in Brussels, which warned of an impending demographic catastrophe. European women were no longer having enough babies to prevent absolute decline of the population, and fertility rates in Germany, Italy, and Spain had fallen to the lowest in

## LaRouche on the underpopulation crisis

The following remarks were made by physical economist Lyndon LaRouche in the course of a June 15, 1991 interview conducted with Dominican Republic television journalist Dr. Julio Hazim at the Rochester Federal Medical Center where LaRouche is being held as a political prisoner.

If you're going to have a high-quality population, you have to have a population which has a life expectancy, modally, up to 85-90 years of age, if you want a quality population. If you want a highly educated population, that means you have a school-leaving age of about 25 years of age. Now, in order to have a productive society, you must have a highly educated population. That means up to 25 years of age education. Now, how many years of adult life [are required] to pay for raising one child to 25 years of age with full education? That means you require an effective modal life expectancy, working life expectancy, of up to 60, or 65, or 70 years of age. If I produce a population which is generally healthy, up to

60-70 years, from the standpoint of work, then I have a population which will live to 85 or 90 years. . . .

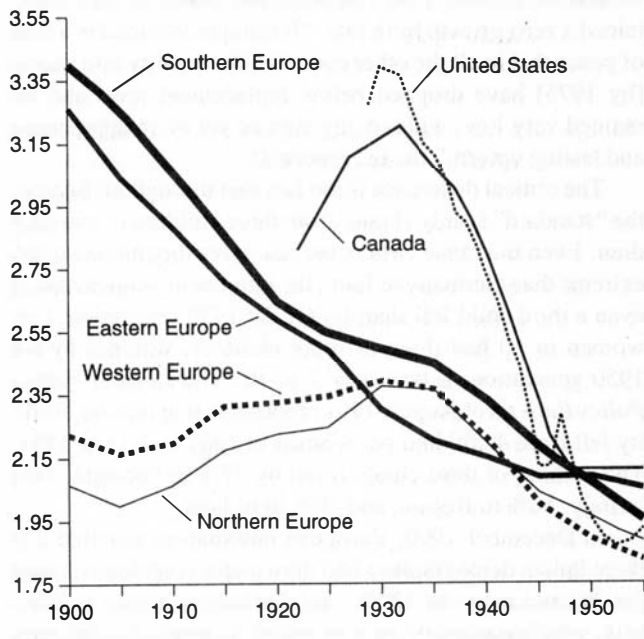
If I reduce the birth rate, then I have a population that is demographically aged, where 50% or more of the population will become senior citizens. Now, to reduce the population, I have to go around and kill the senior citizens. This is what is happening now. People will say, "Right to Die": Cut down hospital services, cut down health insurance. You're getting to the point where if you walk out of a factory on your last day of employment at the age of 65, they shoot you in order to maintain population control.

There's a certain structure of the family in terms of children per married couple, which maintains a balance for progress. If you have fewer children, then you have a demographically aged population. If you try to lower the life expectancy below the working age of retirement, at 65 for most of the population, then you have a poorer-quality population, then you lower the population potential. What you do is, then, you create overpopulation. You create a population which you cannot maintain; and you say, "Maintain a smaller population and all will be well"; but the things that you would have to do to reduce the population will create the problem you say you're trying to avoid.

FIGURE 6

### Fertility trends in Europe and North America

(births per woman, by year of woman's birth)



Source: Louis Roussel, "Fertility and Family," report to European Population Conference, Geneva (Switzerland), March 23-26, 1993.

the world. The secret paper said that "Europe can no longer exist without the dynamism of its youth, necessary for the innovative and creative spirit," but also raises the specter of an "inevitable" tide of immigration from North Africa and the Mediterranean basin if Europe does not replenish its labor force. The Italian paper accuses previous EC meetings of only coming to "feeble" conclusions, and says the time has come for action, an "operational phase producing directives (mandatory Eurolaws)." The paper indicates that fiscal reform favoring marriage should be made. The British government opposed such measures, and has already clashed with Brussels on calls for Europe-wide standards for pregnancy leave and pay for working mothers.

Nothing happened. As of January 1992, the Italian National Research Center reported that Italy's birth rate had fallen to the lowest in the world. Italian women average 1.27 children, down from 1.29 in 1990. This is over 30% below zero growth. The speed of the plunge was unprecedented. By August 1991, fertility rates in Spain and Italy had fallen to only 1.3 and 1.29 per woman. Just the year before, Italy was reporting a birth rate of 1.34, and Spain, of 1.38. Within only three years, if the situation continues, Italy will have more citizens over 60 than under 20. By the year 2021, according to projections, Italy's population, which is now 54 million, will have shrunk by 3.5 million people.

The birth collapse continued, as the 1990 demographic statistics from the European Community proved. Overall fertility for the 12 EC nations—Spain and Portugal had since



joined the EC—had fallen to 1.6 children per woman, almost 20% below zero growth. At the present fertility rate, the population of the original 10 EC nations (before Spain and Portugal joined), which was 270 million in 1985, will have fallen to 240 million by 2025. The population of former West Germany, without the five new states, which was 60 million in 1985, will fall to 35 million, and of France, at 54.4 million in 1985, to 48.6 million.

## The next World Population Conference

The United Nations is preparing to hold a World Population Conference in Cairo, Egypt in 1994—on the 20th anniversary of the first World Population Conference held in 1974 in Bucharest, Romania, which set the agenda of population control in the developing nations. There is real concern among some European demographers, especially in France, about the extent of the crisis, but little will to change it. Typical of this myopic thinking was one British professor who spoke at the March 23-26, 1993 U.N. Economic Commission for Europe conference in Geneva. He said there was no need to be concerned about the shrinking labor force, since there were so many unemployed in Europe already.

Professor Louis Roussel, of the French National Institute of Demographic Studies, presented a detailed study of the scope of the fertility collapse in the nations of North America and East and West Europe. In the United States and Canada, the social change has been much bigger and faster. Both nations had fertility rates of 3.0 in 1960; by 1970 they had fallen by 40% to 1.8. Fertility rates in Canada are holding at 1.7, approximately 20% below replacement, although the U.S. rate just rose above replacement level in 1990. Fertility among women born in the early 1930s, who had their children during the famous post-war “baby boom,” was as high as 3.35 children per woman in the U.S. and 3.15 in Canada—rates that would be considered “Third World” today. The fertility drop was even more precipitous than in Europe: Fertility rates for women born in 1945 were around 2.15, a fall of over one-third in less than 20 years. Sterilization is also very widespread in North America: In Canada, 44% of women aged 18-49 are sterilized, Prof. Roussel reported; in the U.S. the figure is 28%.

As of December 1992, the U.S. Bureau of the Census totally revised its previous projections, to claim that the U.S. population will grow more in the 1990s than it did in the 1950s, with the biggest share in this growth among black and Hispanic people (the United States makes a point of classifying its population by “race”). As of 1990, the number of births in the United States had dropped for the first time since 1985, by 2%, the Department of Health and Human Services reported at that time. The largest regional decline was 5%, in the Pacific states. At the same time, the U.S. Census Bureau reported a “population explosion” of the elderly. The new Census report claims that the number of black and Hispanic people will grow to constitute almost 50% of the population by 2050. Previously, the Census Bureau had

predicted much slower population growth up to 300 million by 2038, and then a slow overall population *decline*. The fertility rate has increased in the U.S., from 1.825 in 1986, to almost 2.1 births per woman. The population will grow due to immigration, and, the Census Bureau assumes, because black and Hispanic women will continue to have higher fertility rates than European-descended women.

Such conclusions are open to question, however. European studies show that immigrants’ fertility rates tend to fall to as low or lower than that prevailing in the host country.

## Immigration and the labor shortage

The result of the fertility collapse will be a severe contraction of the labor force, the EC already was reporting in 1986. “If the fertility rate remains unchanged, in the year 2000, in the Community of 10, the number of people old enough to begin economically active life will be only two-thirds that of the number of people nearing the end of their working career. The impact of this factor on the size of the labor force will increase as time passes.” The labor force overall will also eventually age as the “proportion of young people entering the labor market falls to unprecedented levels.” This aging of the labor force will affect productivity and mobility of the population. Immigration cannot begin to fill the gap. “The size of the deficit of young people and adults is such that, unless immigration is on a massive scale and hence liable to change radically the population of the societies concerned, immigration *will not* be able to prevent demographic aging.”

Labor shortages have already emerged in Sweden, Switzerland, the United States, and Japan, the OECD reported in 1991. One late 1990 prediction says that the EC’s labor force will shrink 5.5%, from 145 million in 1990, to 137 million over the next 30 years.

Of course, with the collapse of the European economies, which began with the devastating effects of the 1972 oil hoax, Europe now has a large “reserve” labor force of unemployed workers, including many older workers more and more frequently taking early retirement as an alternative to being laid off as their industries, from steel, to auto making, to mining, are shut down. This work force would be totally inadequate to any kind of genuine economic development program, however, as the following shows:

Europe suffered a labor shortage as it rebuilt from World War II, but was able to recruit workers from the south and east to meet its needs—just as Germany had done in its first great industrial buildup which was crushed by World War I. From the late nineteenth century until 1914, Germany was the second biggest importer of labor in the world after the United States, because Germany, like the young U.S., did not have enough workers to industrialize rapidly. In June 1989, W. Ohndorf of the West German Labor Ministry wrote: “Between 1955 and 1974 . . . rapid economic revival in Western and Northern Europe caused a considerable labor shortage which was filled by migrant workers from Southern Europe, Turkey and North Africa. Between 1955 and 1968,

the Federal Republic of Germany made agreements with [these countries] concerning the recruitment of foreign workers. The employment of foreigners increased from 80,000 in mid-1955 to 2.6 million in 1973. . . . The worldwide economic recession that was triggered by the oil crisis in 1973 led to dramatic change in labor markets in Europe. . . . In Germany, during mid-1973 there were 700,000 vacancies and only about 200,000 persons unemployed. By 1975, numbers had been reversed: about 200,000 vacancies compared to 1 million unemployed.”

Other European nations had the same trends. “The number of employed foreign workers in Germany fell from 2.6 million in autumn 1973 to less than 2 million in summer 1975.” Millions of jobs for unskilled or semi-skilled labor disappeared. It was the economic crisis, triggered by the 1973 “Oil Hoax,” which led to “surplus” labor and the constantly exploited tensions about so-called “hordes of immigrants” approaching Europe. To build the Great Projects needed to pull out of the depression, Europe would have to bring in workers.

The Western Hemisphere faces the same problems. At this time, in Mexico alone 1 million persons enter the labor market each year. Mexico has a population of 90 million, about one-third of the total populations of the United States and Canada. Yet its new job seekers equal in numbers 50% of the new job seekers in all the much bigger U.S. and Canada, where the population totals 270 million. There are only 20 million people in vast Canada.

The OECD’s 1991 *Migration: The Demographic Aspects* reveals that immigration was not going to be able to fill up the enormous holes in the advanced-sector populations created by negative-growth fertility. Immigration has increased the size of receiving countries’ population, but it has had almost no effect on the overall age structure of the population. Projections for four countries—Spain, Canada, Belgium and Austria—predicted that deaths will exceed births by 2025 at the latest, if current fertility continues. For immigration to prevent a fall in population, it would have to start at sufficient levels—double the current rate—as early as 1990 in Belgium and Austria, by 2000 in Spain, and by 2010 in Canada.

Fertility is also collapsing in the sending countries. Prof. Youssef Corbage of the French National Institute of Demographic Studies warned in a speech given in Brussels in Nov. 1992, that births were falling fast in the North African Maghreb: Algeria, Tunisia, and Morocco. “Just as Europe’s bulging baby-boom generation leaves working life for retirement, and will need to rely on a sufficient labor force—foreigners in particular—to finance it, the Maghreb labor markets, where labor will be in short supply, will be hard-pressed to meet export demands,” he stated.

Professor Corbage debunks the “received wisdom” that the entire southern Mediterranean is overflowing with people, and that its growing population “threatens” to overwhelm Europe in a matter of years. At the present time,

women of the Maghreb bear *one-half* the number of children they did just one generation ago. Although fertility rates were very high in this region 30 years ago, they have now fallen from 6.97 per woman to 3.29 in Tunisia in 1991; from 7.17 to 3.86 in Morocco, and from 7.28 to 4.71 in Algeria, the most prolific population. Among urban women in the Maghreb, fertility is now replacement level—2.1 children per woman. Fertility rates among women who had emigrated to France were noticeably lower—as much as 1.5 children per woman—than in their original country, except Tunisia, where by 1990, lower birth rates overtook the rate among Tunisian women in France.

## Studies on aging

A new United Nations Economic Commission for Europe report, released March 23, documents “unprecedented aging in Europe and North America.” A UNECE release states: “Throughout history, persons over 60 years of age have been vastly outnumbered by those under 15 years of age. Even today, the population aged over 60 years in [Europe and North America] is only three-quarters of the size of those under 15 years of age. In contrast, by 2025, the number of elderly persons in the two regions is expected to *exceed the number of pre-adult persons by one-third*. This type of generational structure has never been even remotely encountered in the past. Today’s regional average age of over 30 years (itself a record) is expected to increase to over 40 years in the next few decades.

“It is particularly striking that these developments have emerged almost simultaneously in each of the more than 30 national populations of Europe and North America. Although differences in national aging patterns can be substantial, they are clearly of secondary importance when compared to the common trend of unprecedented population aging.”

According to U.N. projections, the median age (half the population older and half younger) of every European nation will go up by at least 10 years between 1970 and 2025. Most dramatic are the projected increases from a median age of 32.5 in 1970 in Denmark to 45.9 in 2025, from 34.3 to 48.1 in Germany, and from 28.6 in the Netherlands to 46.8. By 2025, the U.S. Census Bureau reports, Italy will have a median age of almost 50 years; in the U.S. it will rise from 33 in 1990 to 38.5 in 2025.

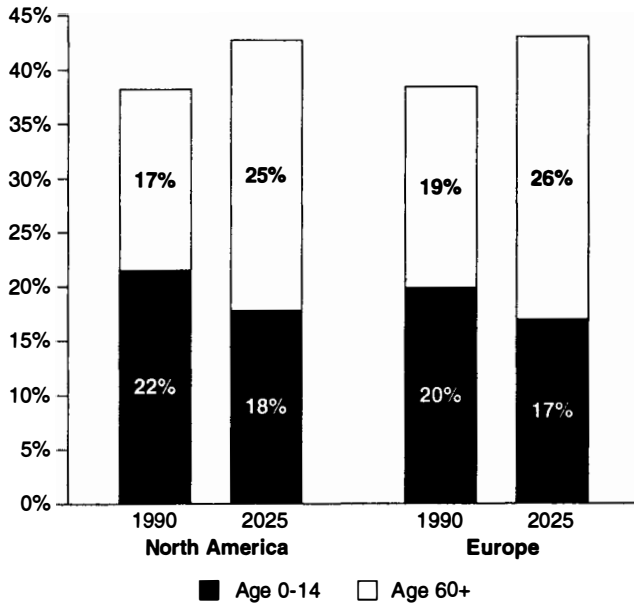
The United Nations “medium variant” projections for 2025 show the percentages of young people and elderly *reversing* (Figure 7).

The report “An Aging World II,” published by the U.S. Bureau of the Census International Population Reports in February 1993, documents that the population of not only the industrialized nations, but also East Asia is aging rapidly. In only a quarter-century, from 1970 through 1996, the percentage of aged people in Japan will increase from 7% to 14%. Similar increases will happen in China, Taiwan, and South Korea. In Europe, where the “demographic transition” to a less fertile, older, longer-lived population first began in

FIGURE 7

## Aging of population in North America and Europe

(percent of total population)



Source: United Nations Economic Commission for Europe.

the nineteenth century, this transition occurred over a century. China, in particular, faces an “aging shock”: The number of Chinese 65 and older is projected to rise from 66 million in 1990 to 211 million in 2025, and up to 359 million in 2050. In 2000, 7% of the Chinese population will be over 65; by 2027, that will be 14%, a process taking only 27 years. In Japan, the process will take 26. In contrast, the process took 115 years in France, from 1865-1980, and 85 years in Sweden from 1890-1975. In Hungary, a similar increase in the proportion of aged took 53 years, from 1941-94.

This aging process is part of the ultimate tendency of the world population to fall beginning in the next century. The fall in mortality, which was the foundation of the dramatic increase in world population in the 20th century, is also *not* continuing. From 1900-50, many nations added 20 years to their life expectancy. Life expectancy increased dramatically in East Asia, from less than 45 years in 1950 to over 71 years in 1990. This rate of extension of life is by no means continuing.

“Support ratios” for the elderly (the number of persons 65 and over per 100 population aged 20 to 64) will rise drastically in the developed countries between 1990-2025. The “baby-boom” component will still be of working age until 2010, so the rise in the dependency ratio will be relatively low until then in some countries; but in Germany, Italy, Greece, and Luxembourg the increase will be 40% from 1990 to 2010, and in Japan the ratio is expected to nearly double from 19 in 1990 to 37 in 2010. By 2025, Japan’s elderly support ratio will be

nearly 50, the highest level among developed nations. That means that, in addition to children which must be supported and educated by the working population, there will be one elderly person to support for every two working people. Japan, Sweden, and Luxembourg will have 80 or more youth and elderly for every 100 working-age by 2025.

The elderly support ratio is much lower in developing countries; it is the highest in Uruguay at 22, in Israel at 19, in Argentina at 17, and Cuba at 15. It will at least double between 1990 and 2025 in China, Indonesia, Thailand, Brazil, Colombia, and Costa Rica—meaning that the number of elderly per working population will be twice as high—and will more than triple in Singapore and the Republic of Korea.

Youth support ratios, on the other hand, obviously are small and declining. They are projected to decline in 50 countries between 1990 and 2025. In Kenya, for example, despite its high fertility, the 1990 level of 163 youth per working adults, will fall to 81 in 2025.

### The destruction of the family

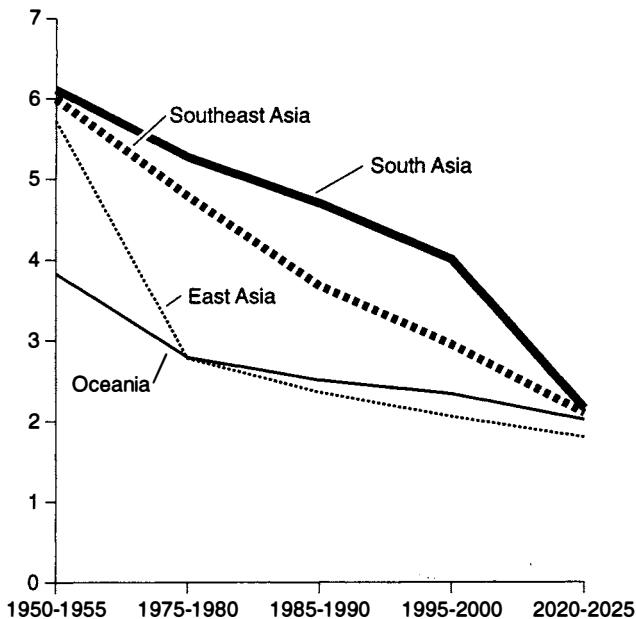
The crisis is not due only to a drop in the number of births. The fundamentals of family formation are endangered, and unless this is reversed, the fertility collapse must continue. At present in the European Community, the only EC demographic statistic that is rising, is the number of births outside marriage—which have skyrocketed since 1978, especially first births. At this point, 45% of the births in Denmark, and 25-30% in both France and Britain, are outside marriage. Only in Italy and Belgium are fewer than 10% of births outside marriage.

Marriage rates, which had increased significantly after World War II, are now falling again. In Europe and North America, Roussel pointed out, between the early 1970s and early 1980s, the number of marriages contracted fell by 20%; divorces tripled between 1964-82. Even more notable is the rise in one-parent households, and even one-person households, as speakers at the Geneva conference pointed out. One-parent households constitute 30% of households in northern Europe, and 20-30% in North America and western Europe. Some 85% of single-parent households are headed by women. One-person households, generally men, range from 57% in Denmark, 36% in Sweden, 34% in Germany, and for almost every other west European nation, 25-29%. In North America, the figure is 24%.

### Studies on the developing sector

While overall population is growing rapidly at the moment in the so-called “less developed nations,” including in China, South Asia, and sub-Saharan Africa, already in many regions there have been large and prolonged drops in fertility that have brought some nations, such as Thailand, to the verge of *negative* growth and drastically altered societies and economies (see **Figure 8** and **Table 1**). In December 1992, Johns Hopkins University’s *Population Reports* published the findings of studies in 44 developing countries since 1984.

FIGURE 8  
**Projected fertility rates in Asia and Pacific**  
 (births per woman during lifetime)



Source: Mercedes Conception, report to United Nations Economic and Social Council Fourth Asian and Pacific Economic Population Conference, July 1992.

*Population Reports* states that "In developing countries, fertility has declined by about one-third since the 1960s, from an average of about six children per woman to four per woman today. Fertility has fallen even more in some countries: by over 50% in Thailand and 40% in Colombia."

Studies based on surveys of women in developing sector countries done by the U.S.-based Demographic and Health Surveys (DHS) now document that "outside of Africa fertility is declining nearly everywhere," and at the same time recorded the first evidence of "significant" fertility declines in sub-Saharan Africa, *Population Reports* stated. Already in October 1990, the DHS-published report "Fertility Levels and Trends" documented significant falls in fertility in three African countries by comparing data over just seven years. Fertility fell by 19% in Zimbabwe, and 14% in Botswana. As of 1992, the decline in Botswana was 26%. In Kenya, although it continues to have one of the highest fertility rates in the world—still at 6.5 children per woman—fertility had fallen by 22% in the 1980s. (See **Figure 9**.) There were also declines in regions of Nigeria.

All this is happening in nations with significantly lower living standards, health care, and life expectancy than the industrialized nations. A 1987 World Bank study indicated that "a sustained fertility decline is unlikely in countries with less than 53 years life expectancy." Nearly half the African coun-

TABLE 1  
**Falling fertility rates in Asia**  
 (total births per woman)

	1960-1965	1990-1995	Year of attaining replacement level
Japan	2.0 (1960)	1.53 (1990)	1957
Singapore	4.7 (1965)	1.79 (1989)	1975
Hong Kong	5.2 (1961)	1.36 (1988)	1979
South Korea	6.0 (1960)	1.63 (1990)	1984
Taiwan	5.8 (1960)	1.68 (1988)	1984
Mainland China	5.9	2.25	1995-2000
Thailand	6.4	2.20	1995-2000
Sri Lanka	5.2	2.47	2000-2005
Indonesia	5.4	3.10	2005-2010
Malaysia	6.7	3.50	2005-2010
Vietnam	6.1	3.70	2010-2015
Philippines	6.6	3.91	2015-2020
India	5.8	4.10	2015-2020
Bangladesh	6.7	5.13	Beyond 2025

Source: Hyun Kim, report to United Nations Economic and Social Council Fourth Asian and Pacific Population Conference, July 1992.

tries have a life expectancy of under 50 years. Child mortality is overall *seven times* higher in the Third World than in the industrialized nations. While child mortality rates in these countries has fallen 50% since the 1950s, compared to the industrialized countries, where deaths of children under 5 years are 19 per 1,000, in sub-Saharan Africa the child mortality rate was 200 deaths per 1,000 in 1980-85; it was 140 deaths in North Africa and the Mideast, down to 55 in Asia, and only 40 per 1,000 in Ibero-America and the Caribbean.

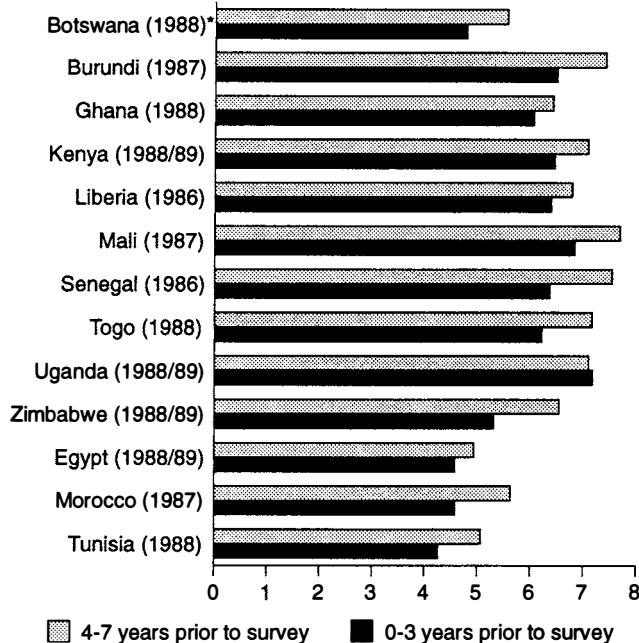
### AIDS and sterilization

This fall in fertility is also happening in regions—Africa and Thailand—where AIDS, which decimates especially the young adult population, is rampant. The Asian Development Bank stated in its 1992 development outlook survey that in some parts of Asia, "the population growth rate will either stagnate or fall, especially as the proportion of infected young women rises," due to AIDS. In August 1992, the British magazine *Nature* reported that research findings that AIDS will *reverse* population growth rates in Africa. "The only significant uncertainty [is] whether AIDS-induced mortality will decrease population size over a few or many decades." In April 1988, the Swiss publication *Revue Internationale de Défense* reported that "according to information gathered in October 1987 from sources close to the American embassy in Nairobi, Kenya, satellite photos show a large expansion of wild vegetation in the eastern part of Zaire. AIDS seems to be the cause of the disappearance of entire communities in those regions previously densely populated."

FIGURE 9

### Fertility trends in Africa

(total fertility of women 15-44)



\*Year of survey

Source: Demographic and Health Surveys, "Fertility Levels and Trends," October 1990.

The other very dangerous trend for the overall development of the human race, is the extent to which women in the developing countries are resorting to permanent sterilization—or, more ominously, are being sterilized against their knowledge and will. *Population Reports* in December 1992 reported that "voluntary female sterilization" is the most widely used contraception method worldwide. Sterilization of women is particularly widespread in Ibero-America and parts of Asia, but uncommon in Africa and the Middle East, *Population Reports* states. Rates of sterilization of women are highest in the Dominican Republic at 39%, and are 37% in South Korea, which also has an 11% rate of male sterilization. In India, 31% of couples are reported sterilized. While sterilization of men is relatively low, in China 28% of married women are sterilized; as are 25% in Sri Lanka, and 22% in Thailand. In Brazil, the rate is 27%.

### The case of China

But it is in China that the most serious demographic crisis is developing—the direct result of government policy. China's population is currently about 1.2 billion. In late April, the Chinese government wrote a classified report documenting a sharp fall in the fertility to zero-growth rates,

which even China's fanatic national population-control police had not hoped to "achieve" until 2010. In the last years, fewer babies have been born in China than even during the worst of the forced-abortion operations of the early 1980s. In 1991, there was a 25% increase in the number of sterilizations in China. The proportion of couples of child-bearing age who are sterilized or use contraception rose to 83.4% in 1992—"saturation contraception," according to U.S. Census Bureau China specialist Judith Bannister. As many as 900,000 baby girls "disappear" each year, the victims of the one-child policy. Many are hidden from the authorities by their parents, meaning they do not get even minimal medical care or education; many others are the victims of infanticide.

In 1990, Women's Federation official Tang Leng said, according to Chinese newspaper reports in early September, that female infanticide was continuing because people want male children, and the result would be an overwhelming majority of young men in the very near future. China could have some 40 million more men than women in 20 years. Chinese officials claim that far too many more boys than girls are being born, in defiance of natural ratios everywhere else in the world. While the pre-1980 average ratio of male to female babies was about 105 boys to 100 girls (approximately the average worldwide), the rate has steadily climbed up to 111 boys to 100 girls born in 1990.

China is also very rapidly becoming an "aged" nation, but with a shrinking labor force that will contract by 50 million over the next 25 years. China may have more than 200 million elderly people by 2025, the U.S. Census Bureau reported in its second report on the world's aging population in April 1992. The number of elderly persons in mainland China will increase by 200%, to 211,031,000 in 2050, from 65,852,000 in 1990. China's official *Economic Daily* wrote in June 1988, that the shift to an elderly population is going too fast. Whereas industrialized nations have generally taken 40-100 years for populations to shift to an "aged population"—10% over 60, and 7% over 65—in China, the process is taking only 18 years. In 1985, China had 87 million people over 60: 22% of the people over 60 in the world. "Demand posed by the fast aging population might outrun the country's social and economic capability," the *Economic Daily* said. Of 1983 wages, 9.3% went to pensioners, but this will rise to 15% in the year 2000, and to 30% in the year 2030. The proportion of able-bodied workers to elderly in 1982 was 12.5 to 1; in 2000, this will be reduced to 9.2 to 1; by the year 2040, there will be only 2.9 workers for each elderly person.

This is happening in a nation that has one of the lowest per capita incomes in the world. Some 200 million unemployed peasants are wandering the country searching for work; average income for peasants, 80% of the population, is approximately \$120 per year.

Without enormous economic development, China's draconian population control policies of today will lead to euthanasia in the near future.

## U.N. imperial precedents set in Somalia and Haiti

by Joseph Brewda and Peter Rush

The United Nations Security Council voted unanimously on June 16 to impose a naval blockade on Haiti until the government agrees to accept the imposition of Jean-Baptiste Aristide, who had been deposed by the Haitian Army and opposition groups in 1991, as Haiti's President. Together with the brutal bombing of Somalia's civilian population which began on June 12, the U.N. actions show that the Security Council permanent members have resumed their drive to make that body an effective instrument of their joint imperial rule.

Simultaneously, the U.S. State Department proclaimed at the U.N. conference on human rights in Vienna in mid-June, that it would crush any effort by Third World states leaders who would deny the new Security Council position that "human rights" supersedes national sovereignty. "We will not hesitate to crack heads with our opponents and isolate those who are being most obstructive," John Shattuck, deputy head of the U.S. delegation, stated on June 17 (see p. 41).

For a while it had seemed that the drive had been put on hold, especially given the declaration of incoming President Bill Clinton that he would be abandoning the policies of the Bush administration by arming Bosnia and possibly bombing Serbia. Clinton's dramatic capitulation to combined British, French, and Russian pressure—the three Security Council members which have sponsored the Serbians together with the Bush administration—created the conditions for the renewed drive.

### **Murdering the Haitians**

The June 16 Security Council vote represents the first time the Security Council has ever voted to intervene against a country without even attempting to claim that the country in question posed a threat to its neighbors. The vote sets a

precedent for similar future violations of national sovereignty on behalf of the U.N. and the Anglo-Americans who dominate that body.

The core of the resolution is a worldwide embargo on exporting oil to Haiti. The resolution gives any U.N. member nation the right to intercept on the high seas any vessel bound for Haiti, board it, and inspect it to determine if it is carrying oil, or any kind of arms, which are also banned. Any nation found guilty of sending oil to Haiti will itself be subject to sanctions.

The pretext for the blockade is to force the Haitians to agree to allowing Jean-Baptiste Aristide to return to power. Elected President in 1990 with backing from the Bush administration, Aristide, a former Catholic priest, is Israeli-trained and a Marxist, who governed by mob rule, through bypassing the elected legislature and using street gangs to terrorize all opposition. The Haitian Army, backed by a broad coalition of forces, moved to depose Aristide and send him into exile, after his mobs began kidnapping people, including politicians, and burning them to death.

Despite Aristide's proclivities, the U.S. has consistently demanded his return to power in Haiti, in the name of "restoring democracy." The embargo just voted up is supposed to remain in place until the Haitian Parliament and Army agree to let Aristide return and resume the powers of the presidency. Aristide has vowed to remove from military command and to prosecute the leadership of the Army, starting with Army head Raoul Cedras. In fact, a bloodbath, and probably a civil war, will result from Aristide's return.

Prior to the U.N. vote, the U.S. press urged even stronger action. A leading U.S. academic expert on Haiti, Robert Rotberg, wrote a column in the *Christian Science Monitor*

just two days before the vote, urging that a force of 5,000 U.N. "Blue Berets . . . be the surgical instrument" sent in to impose Aristide by force of arms. Scripps-Howard columnist B.J. Cutler, in the *Washington Times* on June 15, urged the United States to create an army of Haitian exiles, trained by Washington, to invade the island, Bay of Pigs-style.

And the *New York Times* on June 18, editorially blasting Brazil for having softened the final version of the UNSC resolution. Brazil, backed by Venezuela, insisted that national navies not be granted permission to physically prevent oil shipments to Haiti, but be allowed merely to board and search ships—and, if prohibited items were found, to use that as grounds for sanctions against the country of origin. The *Times* charged that Brazil was unfit to be a member of the Security Council, because it would not automatically vote with the U.N. Security Council permanent members—the United States, Great Britain, France, Russia, and China—to eliminate national sovereignty.

So far, neither the Haitian government nor the Army appears to be intending to capitulate. Leslie Manigat, a former Haitian President, urged "national resistance" to foreign economic pressure. "We must resist . . . we must put in place a war economy. . . . I am ready to lead the state in that effort," he said.

It is not known how much oil has been stored in the country, but a private storage facility was recently completed, and some estimates indicate at least two months' worth. The result of the embargo will simply be much greater suffering for the Haitian people, who are already the poorest in the hemisphere, and live at the edge of starvation. In the Dominican Republic, Haiti's sole neighbor on the island, officials said that the government will keep sending humanitarian aid regardless of any blockade imposed by the Security Council. "We have to think as a neighbor in a special way when they are talking about boycott and certain blockade conditions with which we do not agree, as a matter of principle," Foreign Minister Juan Aristides Tavares said on June 21.

### **U.N. 'Thornburgh doctrine' in Somalia**

On June 12, a U.N. task force began bombing the Mogadishu headquarters of Somali Gen. Mohammed Farah Aideded, claiming that he had been responsible for killing 23 U.N. troops on June 5, an allegation Aideded has denied. On June 13, U.N. soldiers fired into Somali demonstrators protesting the bombing, killing at least 20. On June 18, the U.N. announced that it would be "arresting" Aideded for his alleged killing of these troops.

In his statement announcing the effort to "arrest" Aideded, U.S. Adm. Jonathan Howe, the U.N. Special Representative for Somalia, asserted that the Security Council had "reaffirmed the authority of the secretary general to investigate, arrest and detain the individuals responsible for the armed attack [of June 5] including those responsible for publicly

inciting such attacks, for prosecution, trial and punishment."

Howe further claimed that "the investigation of circumstances leading to, during and subsequent to the acts of June, 5 1993 in Mogadishu has progressed to a point where safeguarding of the Somali public and United Nations personnel requires detention of General Aideded pending completion of the investigation and appropriate criminal proceedings. Charges being investigated include: conspiracy to conduct premeditated attacks against U.N. forces; crimes against humanity (Article 3 of the Geneva Convention of 1949); endangering civilians and U.N. personnel through organized incitement of violence." He continued: "Detention of General Aideded will ensure his safety and that of the Somali people. He will be granted all appropriate rights. Others will also be arrested if evidence is developed implicating them in the same or similar crimes."

The U.N., of course, is not a government. It has no jurisdiction over any criminal case of any kind, nor does it have a court system or legal system.

Commenting on this new assertion of power, former U.S. attorney general Richard Thornburgh gloated, "There are a lot of constitutional and legal scholars who would find difficulty with that." Thornburgh, who retired as undersecretary general of the U.N. last March, added, "But let's face it, this [arrest of Aideded] would be a political act, and international law is more politics than law."

During his tenure as attorney general in the Bush administration, Thornburgh had developed the so-called "Thornburgh doctrine" which claimed that the United States had the right to kidnap anyone, anywhere, and try him or her in the United States. This doctrine was then applied in the case of Gen. Manuel Noriega, kidnapped from Panama in 1989, and in the kidnapping of a Mexican physician, Dr. Humberto Alvarez Machain in 1991, accused of aiding the murder of a U.S. Drug Enforcement Agent. In 1993, the U.S. Supreme Court ruled that such kidnappings were lawful.

Now, it seems, the U.N. is arrogating the same authority to itself. In order to facilitate this new power-grab, the German government has been continuing to lobby for the establishment of an international criminal court, affiliated with the U.N., which would try selected "criminal cases" of any national of any country, anywhere in the world.

At the same time, the U.N. is seeking to make Somalia a precedent for justifying the creation of a U.N. army, as called for by French President François Mitterrand in 1992. Since then, British Foreign Minister Douglas Hurd called for the U.N. to establish a "general staff" of "highly professional military and civilian experts" to deal with such crises, in a speech to diplomats in London on June 17. That same day, British Defense Secretary Malcolm Rifkind told Parliament that he was considering using volunteers from the part-time Territorial Army on operations normally conducted by the regular Army, to free up regular Army troops for U.N. military operations.

# Versailles, British masonry criticized in former Yugoslavia

by Umberto Pascali

"We cannot go on fighting just the puppets, we must go to the top and confront the puppet masters, the bosses of the Versailles system, the British, the international Masonry." This kind of statement can be heard more and more frequently among Croatian and Bosnian circles around the world. The "puppets," of course, are the proponents of a Greater Serbia led by Slobodan Milosevic. The "puppet masters" are those international forces acting through the U.N. leadership that have incited the Serbian aggression and are trying now to go all the way in the destruction of the independence of Bosnia first, and Croatia shortly afterward.

"There is no doubt," a leading strategic thinker in Croatia, Srećko Jurdana, told *EIR*. "What the British want to do now is to re-create another form of Yugoslavia and to reestablish the geopolitical order of 1918, when, following World War I, the victors—Britain, France, and President Woodrow Wilson—decided the establishment of the first Yugoslavia."

Another scholar, a world expert on history, politics, and religion in the Balkans—who asked to remain anonymous because many of his relatives live in Serbian-occupied territory—totally agreed with that analysis. In a conversation with *EIR*, he stressed that "the international apparatus that is pushing the so-called new world order, is destabilizing Croatia, and is using extremist groups to encourage war between Bosnia and Croatia. These clashes must be seen as the expression of a will coming from outside the area, from those powers which want to reestablish a new form of Yugoslavia—a Yugoslavia that will be subservient to those centers. I am talking about those powers that created Yugoslavia; I am talking about the international Masonry. The whole project can be proved."

The scholar also explained that the activities of both the nominal Croatian leader in Hercegovina, Mate Boban, and of certain nominally Muslim forces have to be seen in the context of the international masonic plan to destabilize the two countries and go back to some form of Yugoslavia.

## War between the victims

The clashes between Croatian and Bosnian forces have given the Chetniks under Radovan Karadzic, the leader of

the Bosnian Serbs, the means to paralyze a potentially united force that he would not have been able to stop. It was Boban, considered to be very close to Croatian President Gen. Franjo Tudjman, who started his own ethnic cleansing in the areas "assigned to the Croats" by the Vance-Owen plan—the plan elaborated by the "international apparatus" that seeks to reestablish Yugoslavia. It was under the direct instigation of that plan for the partition of Bosnia, Boban and his military corps decided to "take over" their areas and to kick out the non-Croatian population. Boban justified his action with the fact that the international "mediators" had granted them the area, and he presented several alleged grievances against the Bosnian armed forces. Of course this provoked a reaction, in part spontaneous, in part prompted by the "international apparatus" among the Muslim formations. And the war among the victims escalated.

Always acting within the corrupting context of the Vance-Owen plan, Boban went more and more openly for a deal with the Chetniks (Serbian irregular forces). On June 20, in a resort in Montenegro, Mate Boban and Radovan Karadzic met for seven hours in front of a map of Bosnia. At the end, the Serbian magazine *Politika* reported, the two left smiling. It was a big victory for the forces that are trying desperately to transform a war of aggression into a phony war of religion between Christianity and Islam.

The Boban-Karadzic meeting took place while escalating pressure was applied by the U.N. and Anglo-French forces (see article p. 49) to the Bosnian government to accept an even more brutal partition of the country than the Vance-Owen plan. When presented at the Geneva "peace talks" with the plan for ethnic partition supported by the Anglo-French and actively pushed by Boban, Tudjman, Karadzic, and Milosevic, Bosnia's President Alija Izetbegovic stated that he did not see any reason to continue the negotiations, since the proposal was unacceptable.

Izetbegovic instead asked again for the lifting of the arms embargo against Bosnia so as to allow the country to defend itself. The proposal was supported by German Chancellor Helmut Kohl at the European Community meeting in Copenhagen on June 20. Despite the fact that a letter of support for the proposal signed by President Clinton was circulated



during the talks, the British engineered a furious reaction. Prime Minister John Major stated: "That's not a policy I favor, I want to stop the killing, not add to the killing. I do not believe that lifting the arms embargo and flooding the area with arms will do anything other than stop any chance of a negotiated settlement." Major had the nerve to make his statement while conservative estimates put the number of the Bosnians massacred by the Greater Serbian-led forces at 200,000; and while the area, already flooded with Serbian arms, is being set for the "final solution."

On June 21, at a dramatic meeting in Zagreb, the nine members of the Bosnian Presidency could not come to a unanimous agreement concerning the Geneva talks. President Izetbegovic and Vice President Ejup Ganic firmly refused to go to Geneva, while the other seven decided that they had to try. According to every observer, that split, which the Anglo-French media are trying to magnify and dramatize, was the direct result of the violent pressures from London, Paris, and the U.N. leadership.

### **LaRouche lays bare geopolitical game**

This plan of "divide and conquer" was denounced on May 15 by the highest religious authority of Croatia, Cardinal Franjo Kuharic (see p. 32). "As for increasing this evil, in Bosnia and Hercegovina a confrontation has taken place between the victims of the aggressors: The war between Croats and Muslims has come about. And such clashes are accompanied by crime, murder, arson, and expulsion of people from their homes!" he said.

The "international apparatus" has little time. Several signals are coming from both Bosnia and Croatia that the Versailles "game" is going to be challenged and the bloody controlled environment broken. One of the most powerful signals appeared one month before the Cardinal's courageous appeal for Bosnia, in the form of an article quoting from Lyndon LaRouche, accompanied by a picture of the U.S. political prisoner. It appeared in the magazine of the Croatian Catholic Church, *Glas Koncila*, headlined, "New World Order?!" The Catholic organ had taken the quotes from the Bosnian Muslim newspaper *Ljiljan*, to which LaRouche had given an interview on March 29. "LaRouche's words are able to unite on the basis of principles, while the British Masons can only divide using lies," commented a Croatian observer.

The *Glas Koncila* article reads in part: "Economist and politician Lyndon LaRouche, the American prisoner and western dissident, stated in an interview with *Ljiljan*: 'The new world order is a longstanding freemasonic project of British-led Freemasonry. This is typified, for example, in the 19th century by the close connection among British Prime Minister Palmerston and Palmerston circles in England on one side and the networks of Young Europe and Young America led . . . by Giuseppe Mazzini. A key asset in those circles was the traitor and Satanist Albert Pike. Pike said clearly and repeatedly, including in documents which are

in the Freemasonic Library in Washington, D.C., that the purpose of the idea of a new world order is to defeat and eradicate Christianity. So this neo-malthusianism is something connected to the racialist doctrines of Palmerston-Mazzini-Pike and similar circles in the international Freemasonry. . . .

"The western powers are not prepared to correct their errors. They are still determined to destroy continental Europe, especially Germany, for geopolitical reasons. *This is their game!* The Serbian game is actually the game of certain powers in Great Britain, France, the United States, and so forth, and these powers are determined to play that game to the end. The game is also played in collaboration with certain forces in Moscow, typified by Marshal Yazov and the previous Gorbachov gang. . . . And the West is trying to come up with a *new* form of New Yalta agreement with these emerging Russian forces, hoping that their friends among the so-called Russian hard-liners will maintain their cooperation with London and Washington."

The publication of LaRouche's assault on geopolitics and Masonry in the paper of the Croatian Catholic Church, had the effect of an electroshock on the psychological warfare "Nazi doctors" conducting the Bosnian experiment. The message was clear: We know who you are and what you are doing! On April 25, exactly one week later, the leading Croatian newspaper *Vjesnik* published a long interview with the leading Croatian prelate in the Vatican, Msgr. Milan Simcic. It was a strong denunciation of the role of international Masonry in triggering the tragedy in former Yugoslavia. Masonry's motivation: to stop the creation of an independent and prosperous Europe and the emergence of Catholic countries from the ashes of Communism. The interview went into detailed information on meetings, and public and secret talks of the conspirators.

### **Not a new Lebanon**

Mate Boban, while making deals with the Chetniks and leading the anti-Muslim ethnic cleansing, had the gall to respond insultingly to the appeal of Cardinal Kuharic. On the night of June 20, his men, armed to the teeth, penetrated a camp for Muslim refugees in Posuje. They gathered the terrorized women and children, forced them into buses, and drove them into the area of Medjugorje, which the Vance-Owen plan assigns to the "Muslims."

Said the Croatian scholar: "The attitude of Boban is such that any decent person and, above all, any religious must condemn it. One cannot use the same methods that one condemns in others. Never can the civilian population be targeted—never. Fortunately, the Italians accepted those refugees. The Catholic bishop of Mostar publicly condemned these events. Boban says that the Muslims are kicking out Croats from traditional Croatian-inhabited areas; even so, what he is doing must be condemned in the clearest terms.

"The point is that there are western forces—intelligence

and others—which are fomenting the violence of paramilitary Croatian formations. Behind this cynical plan there is the intention to show that Croats are like the Serbians, and above all the intention of destabilizing Croatia. These gentlemen want to put Yugoslavia back together. And this must be seen as a plan pushed by that international banking and financial establishment that uses Masonry, which uses the Socialist International and has elaborated a strategy for conquering power and the total control of the economy of the former Communist Europe.”

Srećko Jurđana insists on the same issue: “Croatia must escape from the British trap. What the British are doing is what they did in Lebanon: the use of three forces, sometimes creating alliances between two of them against the third. I am proposing that Croatia withdraw all armed forces from Bosnia and recognize in the clearest terms its support for the independence and the unity of Bosnia. Boban must be told that Croatia disassociates itself from his activities, and that we are cutting all supplies. Once that is done, Croatia will communicate to the U.N. forces, whose mandate expires at the end of June, that we want to go back to the original Vance plan, i.e., they must be stationed at the borders between Croatia, Bosnia, and Serbia. Serbian war criminals who abandon Croatian territory with the U.N. troops will receive an amnesty. If the U.N. does not do that, then Croatia must make clear that it is ready to fight for its territory. We have to stop being mice in a British experiment!”

## Archbishop appeals to Croats and Muslims

*Cardinal Franjo Kuharić, Archbishop of Zagreb and president of the Croatian Bishops Conference, condemned the violence of Croatian factions against Muslims, in an appeal issued from Zagreb on May 15. The appeal was circulated massively by the Vatican Press Bureau and reprinted most prominently both in the Vatican's Osservatore Romano and in the Croatian Church organ Glas Koncila (the same paper that had reported American statesman Lyndon LaRouche's assault against geopolitics).*

*The appeal was directed—though his name is not mentioned—against the nominal leader of the Croats in Bosnia-Herzegovina and Croatian President Franjo Tuđman's close ally, Mate Boban, who inspired the ethnic cleansing against the Muslims in the “provinces” assigned by Vance and Owen to the Croats. According to Croatian sources, the appeal marks the beginning of a new Catholic offensive against Freemasonry and its several fifth columns inside*

*Croatia itself. The “Appeal of Cardinal Franjo Kuharić to stop the war in Bosnia and Herzegovina and in particular the clashes among Croats and Muslims,” reads:*

In the name of faith in Almighty God, Creator of heaven and earth, to all parties in the conflict in Bosnia and Herzegovina, I launch an urgent invitation that you stop hostilities and work to construct the fabric of the state of Bosnia and Herzegovina, which is internationally recognized and a member of the United Nations, on the principles of: freedom for all, justice for all, respect for national and human rights without any partiality. All peoples are equal in their dignity and in their rights! All men have been created in the image of God and are equal in dignity and in rights!

Every man has the right to live in liberty and security in the region where he was born! Every man has the right to the inviolability of his own house and his own person!

It is known to the whole world that this inhuman war violates all these rights; that said war was brought on by the policy of conquest of the leaders of a people to expand their territories at the cost of other peoples; to “cleanse” the conquered territories to the advantage of one people alone; to cancel the national, cultural, and religious heritage of other human groups and their diversity in the conquered territories. Amid such violence crimes are being carried out against man and against humanity!

Unfortunately, the invitations of the international community and of some countries, as well as appeals by the heads of religious communities, intended to stop the violence, and to respect that which belongs to others and to cease the aggression, have had no success.

To increase this evil, in Bosnia and Herzegovina a confrontation has taken place between the victims of the aggressor: The war between Croats and Muslims has come about. And such clashes are accompanied by crime, murder, arson, and expulsion of people from their homes! The war is being conducted against all rights, against all political wisdom, against the freedom of both sides,

### Clashes are crimes

Such clashes are crimes for which those who initiated them are responsible. Whoever is the culprit, is guilty before God and before the world! Whoever commits crimes is responsible for such crimes. There are no aims or interests, however just they may be presented, which are capable of justifying such crimes.

I am not in possession of documents or information to be able to objectively judge motives and causes of such clashes and of the crimes committed by both sides, but I pray and I entreat all the participants in this horrible conflict that they cease hostilities, and reestablish peace in sincere and true respect for the rights of every human person, without distinction for their religious or national background.

I turn such prayers to the Muslims, in the name of the merciful and almighty God. In the same way I direct myself and entreat the Croatians, in the name of Jesus Christ crucified and risen again, and in the name of His Mother, the Queen of Peace.

### **Croatia must take a position**

To the degree that the Croatians of Bosnia and Hercegovina are guilty of this confrontation, they are also responsible for all the harm done to Croatia and the Croatian people in the field of international relations and the communications media. Croatia, itself a victim of violence and encumbered by thousands of refugees from Bosnia and Hercegovina, among whom the majority are Muslims, now is herself accused in the bloody clash between Muslims and Croats in Bosnia and Hercegovina. The government of the state of Croatia ought to take a position on this.

Moral law allows a person to defend his life and his rights, but only within the limits of ethical norms. Never is it allowed to commit crimes against the life, the property, the dignity of another person. Thus we condemn every crime, whoever committed it. Whoever commits a crime, makes war on himself and draws upon himself the curse of God.

Therefore I call upon all those responsible, for their conscience and for their children, for their property and for their future, to interrupt the confrontations and prepare their hearts for a just peace.

The cohabitation of Muslims, Serbs, and Croats in Bosnia and Hercegovina is the destiny of this state. Mixing and encounters are inevitable. Not even the provinces in the Vance-Owen plan solve this fundamental question. The solution is found in the conversion of the heart, in the willingness of each conscience, above all that of social and political authorities, such that every man will have the potential to be able to live in total freedom and security in his own house, in his own workplace. With others, even if they are different, we can only live as men in reconciliation, in the faithful acceptance of reciprocal relations, on the basis of the principle of God: "Do unto others as you would have them do unto you" (Matthew 7:12).

May you who fight each other in this great misadventure, which hurts everyone, fear God Who will judge every thought, word, and act. May the tears of children, of women, and of the elderly move you. May you be shaken by the many houses which were once quiet and are now burned down. May the many innocents who have been killed come before the eyes of your conscience.

I wish the good, peace, and freedom for everyone!

In the name of God I beg and entreat you, decide for the just peace for all! Choose freedom in respect for the rights of each and all. I pray to merciful God that He may enlighten the hearts and minds of all of you such that your option for peace may be sincere, lasting, and blessed!

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## 'Toward a Durable Peace in Europe'

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# Hungary's efforts to stabilize the region

by Istvan Morvay

*The following speech by Istvan Morvay was presented to a Schiller Institute conference, entitled "Toward a Durable Peace in Europe," held in Bonn, Germany on June 4-5. Mr. Morvay is the titular secretary of state, office of refugee and immigration affairs, of the Ministry of the Interior of Hungary. His speech has been translated from Hungarian into German by Tibor Koch, and from German into English by Rick Sanders. See our June 18 and June 25 issues for fuller coverage of the conference.*

... I should like to concern myself with two themes. One is the refugee situation in Hungary, which is a consequence of the war in former Yugoslavia, and with which, because of my political work, I have to deal personally, and what Hungary has gone through because of the war in Yugoslavia. The other is the problem we inherited from the period before the system changed, in 1988-89, and in the transition phase toward free democratic elections in 1990. In other words, I conceive of the past three years as a transition phase.

I would like to second in many respects the presentation by Mr. [Zvonimir] Separovic [former foreign minister of Croatia; see his speech to the Schiller Institute conference in *EIR*, June 25, p. 24]. The process that can be seen in the Yugoslavian crisis since 1990, is also proved with us [in Hungary]. We have documented many cases of brutality and those things that Mr. Separovic has told us about. Here I am referring above all to the changing of borders by violence and the "ethnic cleansings," which seem to be approaching a portentous conclusion. We must unfortunately take note that this conclusion is occurring with the tacit agreement of the U.N.

### **The refugee crisis**

We must be prepared for the fact that, after the "ethnic cleansings," the chances for the repatriation of refugees will also disappear. All the hope we had in 1990 that this crisis sooner or later would find an end, and that the refugees who fled to Hungary might be able to return to their homeland, seems to be a thing of the past. Since 1990, there have been 50,000 refugees who have come to Hungary; of them, only some 10,000 have allowed themselves to be registered.

About 3,000 of them still today live in camps. The majority of them are Bosnians, about whom we can closely follow and document the process of ethnic cleansing, i.e., systematic expulsions, which began in 1991.

I was probably the first who made public and emphasized to the world that the tacit agreement of the European countries—which by their mute acceptance of the expulsions are helping Serbian efforts, are indirectly supporting these actions—was untenable. That is a politically unacceptable standpoint. We have thus been successful in effecting, by way of the Refugee Committee of the U.N., unified interna-

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*I was probably the first who made public and emphasized to the world that the tacit agreement of the European countries—which by their mute acceptance of the expulsions [of non-Serbians] are helping Serbian efforts, are indirectly supporting these actions—was untenable. That is a politically unacceptable standpoint.*

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tional action against the systematic expulsions. Thus, we have managed to hold this process, in the short or longer term, within bounds. If we had not intervened decisively at that time, events would have taken on such a magnitude that they would have had incalculable results, both for those directly affected by the war, and for those countries that lie further removed. Indeed, it can already be seen today what kinds of tensions are being created even in Germany; and recent events have proved that here also, a kind of closing of the doors to the refugees has begun.

This untenable standpoint threatens the moral foundation of Europe, should we not be able to arrest this process on the territory of the former Yugoslavia. During 1992, this process gained strength and already began to threaten the Hungarian ethnic population in the rest of Yugoslavia—in particular, in Vojvodina. As a result, about 25,000 refugees came to Hungary who did not dare to register with the Hungarian authorities, for fear that registration of any kind might lead to reprisals for their failure to do military service.

We know, and would like to make the world public take note, that if the situation gets worse, we can expect another 50-100,000 refugees in Hungary.

In this respect, I should like to report to you that in the past years, we have carried out a many-sided approach, in

order to promote the possibility of cooperation with neighboring countries with all the means at our disposal. I can say with joy that in Croatia, Slovenia, Austria, Ukraine, later in Russia, Poland, and also in other distant lands, we have found good partners. Our cooperation with the Czechs and the Slovaks has not yet reached the level wished for, but we hope that here also, with time, progress might be made.

This cooperation includes naturally also the domain of migration and the question of refugees. We came in contact first with Croatia, and in the framework of regular talks, we discussed the principal question of jointly putting up refugees.

Our standpoint was that after the end of the conflict, the original ethnic composition would be restored. Our hopes, however, slowly faded. Thus, we must begin the preparations for the settling and integration of the Hungarian refugees who came from Croatia—for many of them no longer have any hope of return, since their villages have already been occupied by Serbian settlers. We have achieved broad cooperation with the U.N. and the U.N. Commission on Refugees, and we pass them all the documents and evidence bearing upon the violation of human rights and political or ethnic rights. Unfortunately, our initiatives have caused no consequential steps on the part of the international organizations. In spite of this, I must note that Hungary is committed to do all in its power to act as a stabilizing factor in a region loaded with tension and plagued with crises and wars. This stability, however, in my view, is very unstable, and I can quite identify with the worries of those who spoke before me here today.

### **Hungary in transition**

Now I would like to turn to my second theme, the problem of the transitional phase of the Hungarian system. I should like to point to the hidden landmines which made the process of change more difficult, for today it is abundantly clear that this change was pre-programmed, not by us, but by our predecessors. The peaceful surrender of power, by the laying of these mines, was made more difficult. Allow me to give you a few examples.

The first was the discrediting, the destruction of the authentic democratic parties, about which my friend, Janos Denes, has also spoken. Infiltrated agents, by creating internal conflicts, using dictatorial means, and pulling in extreme directions, have from within disturbed the process of the transition of power. This intervention was directed above all against the democratic parties of the center, including the Small Business Party, with its 60-year democratic past, and against the social democratic parties. I myself was expelled by dictatorial means from the Small Business Party.

The second landmine was the restrictive monetary policy, which was continued in Hungary after the old regime

had grabbed and looted everything, and in the process amassed \$20 billion in debts. This internal and external indebtedness made all the steps of the new government heavier, and made a truly independent economic decision impossible. No political power in Hungary today can free itself from this pressure. In October of last year, together with my colleagues who had also been expelled from the Small Business Party, I began to found a new party. We tried, all of us, as our duty, to seek ways in which we could free ourselves from these shackles.

The third landmine is the nature of the privatization as it is being effected in Hungary. This privatization had unfortunately already begun under the old system, in a so-called "spontaneous privatization process," when the former regime created for itself, with the words "free-market economy" and through the implementation of free-market economic reforms, the capability of rapidly acquiring state property. A situation was created where the new democratic government would not be able, would not have the power, to pull the plug on the economic transformation toward the free market that was begun by the deposed regime, because they would have to violate the principle of the free market economy. At the time, however, we were already prisoners of this ideology, and the privatization that occurred based on this ideology can no longer be reversed. The best state-owned enterprises ended up in private hands at ridiculous prices, and a process began to be delineated, which other participants here have called a "downward spiral." This "downward spiral" is also taking place in Hungary. The devaluation of all state property, increasing unemployment, corruption gone out of control, and the collapse of production are all symptoms, which are to be seen in Hungary.

### **National security crisis**

Let me mention the fourth landmine, the situation surrounding Hungary's national security: the security vacuum which was brought about by the proclamation of the Antall government and the concomitant dissolution of the Warsaw Pact. After the disappearance of the Soviet "defensive shield," Hungary no longer has the military might sufficient for national defense, and that has brought about a loss of self-confidence and a decline of national pride. That signifies a danger to the security of this region, for it gives courage to all kinds of extremists who would exploit the economic difficulties, who would revive the ethnic tensions that have existed for decades already in this region, exploit them for creating artificial conflicts.

It must be emphasized that not all the countries of the region are involved in this, but there are a few in which one can see that the old system is alive and well. They are characterized by the following: Power is wielded by narrow circles, and abused, and people's misery and ignorance are exploited for base purposes. This situation threatens the Hun-

garian population living just outside our borders, and makes our work extraordinarily difficult.

Whenever we speak of this, we have to explain the peace dictated after the two world wars. We are always confronted with the fact that Hungary was declared one of the "guilty nations," and became a sacrifice to certain bloc-politics of the Great Powers. This must be made clear, and was made clear by the Hungarian government, but our means are very limited. We should not like the arguments to become twisted against us, but there are such efforts. Hence, all we can do is to commit ourselves in favor of the collective rights of all national minorities. That has not yet been recognized by today's European politics. We are, however, firmly convinced that this is the only way that guarantees can be given to the minorities. That is the only possible solution to the problem affecting, in Central Europe, a definitive and enduring stabilization.

### **Proposals to stabilize Europe**

Allow me to lay before this conference, proposals for a resolution:

First, to solve the crisis in Central Europe, the collective rights of national minorities should be recognized with all speed. You know what I am thinking here: the freedom to use the mother tongue, the right to education in the mother tongue, and political rights and the right to vote. Let us take a stand! If you will support us in this, then you do it in the spirit that characterizes the state-to-state agreement between Hungary and Ukraine discussed by Mr. Denes, which, unlike him, I hold to be very positive in many respects. I should also like to reassure our Ukrainian friends: The lack of mention of a changing of borders, even a peaceful one, has admittedly led to internal debate; on the other hand, those parts of the treaty dealing with the human rights of minorities, are independent and serve also for us as an example. Regarding those sections, we should be fortunate; indeed could we conclude such treaties with our other neighbors.

Second, the condemnation of the extreme liberal international materialistic ideology. Let us condemn the spread and application of this ideology! Let us condemn also its appearance in political life!

Third, let us direct an appeal to the democratic parties of the countries of the former communist bloc, which find themselves on the road to changing the system. Let us draw their attention to the responsibility of exercising and guaranteeing political rights, the defense of the right to own property; the significance of continuous self-restraint; shunning the practice of deporting people, and shunning claims to exclusivity in these parties—for these make harmonious the process of democratic transformation. Let us exhort them to continuous renewal, without which our goals—a unified Europe, world peace, and universal development of mankind—are not to be reached.

# Shamed at home, ADL skulks off to spread filth in Argentina

by Cynthia R. Rush

From May 10 to 14 of this year, Rabbi Morton Rosenthal, international affairs director of the Anti-Defamation League of B'nai B'rith (ADL), traveled to Buenos Aires, Argentina where he publicly slandered jailed American statesman Lyndon H. LaRouche, Jr. and blamed him for an "anti-Semitic" campaign he claimed was being waged against the ADL. Rosenthal repeated that slander in meetings with President Carlos Menem and other government officials (see *EIR*, May 28, p. 54).

The ADL leader failed to mention that his organization is under investigation for illegal spying in the United States, but in an interview published in the May 18 daily *Clarín*, he implicitly threatened President Menem with a halt in foreign investments if his government failed to align itself with the ADL's "anti-discrimination" agenda. That means that if Menem doesn't follow the ADL's political and economic policy recommendations, including attacking LaRouche and other "enemies," his political future could well be in trouble.

Given the past involvement of the B'nai B'rith, in fact a *masonic anti-Jewish organization*, in the assassination of heads of state, some observers wondered whether this might also be taken as a personal threat to Argentine President Carlos Menem.

Rosenthal's public performance was bad enough. But information made available to *EIR* reveals that what he had to say privately, during a seminar co-sponsored by the U.S. Information Service (USIS) and the Latin American Integration Foundation, demonstrated a more sinister purpose to his visit.

Under the guise of combatting "discrimination," Rosenthal demanded a full-scale assault on the foundations of Argentina's strongly Catholic culture, echoing the legal and "ethical" arguments the ADL has wielded in the United States to introduce New Age culture and Satanism in place of Judeo-Christian principles. As he made clear in a blatant defense of the Hong Kong model of economic "development," the destruction of Argentina's cultural paradigm is crucial to developing the degraded mentality which sees no problem with the foreign banking community's notion of "democracy" based on free-market usury and economic looting.

Hong Kong is a major international center of drug trafficking and drug-money laundering. What makes this model so attractive, Rosenthal told seminar participants, is that its government "isn't involved in planning or development and doesn't impose exchange controls or give direction to capital, exports or imports." Hong Kong's economic growth, he stated, incredibly, is due to "the elimination of the barriers of discrimination."

## This is U.S. policy

As revealed by speakers at the May 17-19 conference in Washington of the International Commission of B'nai B'rith, the ADL demands the implementation of the International Monetary Fund's free-market austerity policies in Ibero-America even though, in the words of Peruvian Daniel Schydrowsky, these "involve major deindustrialization," and "some parts of Latin America have just disappeared" as a result of their application.

This is also the Clinton administration's policy for Ibero-America, as recommended by its policymakers at the Inter-American Dialogue. Thus, despite previous State Department denials of U.S. government sponsorship of Rosenthal's Argentine visit, it is no accident that the U.S. Information Service in Buenos Aires officially co-sponsored the seminar entitled "Anti-Discrimination: A Necessary Condition for a Democratic Economy," and that one of the themes running throughout the seminar was that eliminating discrimination is the key to economic prosperity. There was not a single mention of the International Monetary Fund, the foreign debt, or the impact of economic austerity policies on real human beings. All analyses were neatly packaged into the formulation that "discrimination" is the root cause of poor economic performance.

What exactly does Rosenthal mean by discrimination? It was Schydrowsky who warned at the Washington B'nai B'rith conference that dirigist economic policies, which he said could make a comeback in Ibero-America as part of a backlash against free-market neo-liberalism, were inherently discriminatory, authoritarian, and even "anti-Semitic" in nature. That gets to the crux of what Rosenthal and company were talking about in Argentina.

Argentina is a nation with a strong nationalist tradition which at several points in its history has opposed foreign economic looting through dirigist economic policies, while advocating a spiritual identity based on Catholic and Christian principles. Recent governments have obeyed foreign economic dictates and attempted to bring about a cultural paradigm shift by promoting the rock-drug-sex counterculture.

But in the back of the Anglo-American mind there always lurks the fear that Argentines might again do something unpredictable—as they did in 1982 with their retaking of the Malvinas Islands from the British. That is one reason for the constant attacks on Army nationalist Col. Mohamed Alí Seineldín, who, though imprisoned, is the symbol of the country's positive nationalist tradition.

### **An epistemological assault**

It is lawful, then, that a major portion of the seminar at which Rosenthal was the guest of honor was dedicated to an attack on the fundamental premise of western Christian civilization: that man is created in the living image of God—*imago viva Dei*—as evidenced by the sovereign power of creative reasoning which distinguishes him from the lower beasts.

Not only Rosenthal, but several other speakers, insisted on the Hobbesian “war of all against all,” or Aristotelian formulation that man's nature is fundamentally bestial, and repeatedly attacked Plato for his “authoritarian” and “individualistic” emphasis. Plato's affirmation of the primacy of human reason was carried over into Christianity and was acknowledged by many of the early church fathers, above all, by St. Augustine.

Panelist Marcos Aguinis, a psychoanalyst, insisted that man is essentially violent, and that laws came into being historically only to control this violent nature. Aguinis even went so far as to assert that wolves were superior to men, because a wolf never enslaved his fellow wolf, while men have only progressed on the basis of enslaving their fellow man! He told the participants:

“Law was established on the basis of violence; when law appeared for the first time, it was imposed [because] men don't like to respect the law. . . . Man's tendency to discriminate, in the sense of despising and excluding, is obviously very strong, and the same is true of the law. . . . it is very difficult for man to accept the law, so it came into being as an act of violence.”

In 1985-86, as secretary of culture for President Raúl Alfonsín, Aguinis ran the National Program for the Democratization of Culture, whose premises were taken directly from the Marxist followers of the post-World War II Frankfurt School, which set out to destroy western Christian civilization. Aguinis vowed to free Argentine society from all “authoritarian” traits.

During the seminar, he praised the “multiculturalism” on

U.S. campuses, the weapon used precisely to destroy *imago viva Dei* and replace it with the notion that one's humanity is culturally or ethnically determined.

Another speaker, sociologist José Enrique Miguens, who has been involved in efforts to “democratize” the Armed Forces through contacts with the U.S.-led Project Democracy apparatus, lied that Plato said: “horrendous things. Plato goes so far as to say that the poor are pigs and sheep who should be led by the dogs.” Describing Plato's philosophy as “oligarchic,” Miguens actually asserted that Plato's statement in the *Phaedrus* dialogue “that equals seek equals” was the source of all discrimination, because it excluded those who were not all alike! Miguens prattled on about Plato's “metaphysical dualism” which he said was a reflection of anti-feminist tendencies.

Rosenthal told Miguens, “I agree with you totally. Moreover, Plato was a friend of tyrants. . . . unfortunately we know what that tradition is.” He lied that the Greek philosophical tradition rejects any concept of man as a sacred creation, “and that's why men can be despised as garbage.”

### **An Argentine ADL?**

Counterposed to the Platonic philosophical tradition, Miguens and other speakers effusively praised Israel's corporatist state and its concept of “the People” and its communal values as an alternative model. “The people of Israel. . . the people of God today is what saves the entire community,” Miguens said. “Not just the person is saved—the Greek mystique was individualistic, the priests were saved, and everyone else was left to an uncertain redemption.”

The proponents of this bestial world view understand, however, that theirs is not a hegemonic one. Miguens, for example, warned that “the enemies of democracy have integral viewpoints which give a philosophical and intellectual brilliance to their positions; and somehow, we have to create one that's better than theirs, to be able to fight them on the level of ideas.”

As a solution, he suggested that “an anti-defamation league be seriously organized here. . . . to break with everything that surrounds us, to meet others in a profound personal encounter. . . . person to person, each admitting his differences with others.”

Rosenthal was more specific. Legislation, he said, was crucial; then came enforcing the laws; and third, education. Hinting at the methods used by the ADL in the United States, he warned that “a combined effort is needed to change social values and criteria such that those discriminatory practices which have been the norm for some time are branded illegal and immoral.” And, he threatened, “where moral teachings are unsuccessful and where laws are adhered to only reluctantly,” ways must be found to “convince people that it is in their own personal and economic interest, and in the interest of the nation, to put an end to discrimination.”

For those who know something about the ADL's history,

none of the high-sounding talk at this seminar about fighting discrimination conceals the fact that the ADL is a *criminal* enterprise, with longstanding ties to organized crime and drug trafficking. In the United States, the ADL has used innumerable legal suits, "hate crime" laws, as well as the "World of Difference" program in the schools, to uproot the Judeo-Christian tradition from public life. While making the smallest observance of Christianity—or Judaism—in the schools impossible, the ADL has obstructed the passage of laws that attempted to crack down on the practice of Satanism, and openly encouraged New Age culture as well. Its "World of Difference" program purports to teach "tolerance" and acceptance of "diversity." In fact, its purpose is to get school districts around the United States to devise curricula and cultural programs which promote homosexuality and other perversions under the rubric of "alternative lifestyles."

Rosenthal bragged, however, that he had personally discussed this program not only with President Menem, but with the secretary of culture as well as the mayor of Buenos Aires. "We're going to look at the possibilities of bringing it here and adapting it to Argentina," he said. "They told me they're interested."

There is a supreme irony in Rosenthal's bragging about the 1964 Civil Rights Act in his speech, as if the ADL has had anything to do with advancing the cause of civil rights in the United States. The ADL embraces the philosophy of the British-backed Southern Confederacy, defending the figure of Ku Klux Klan founder and Scottish Rite masonic leader Albert Pike, who worked under British orders in the 19th century to destroy the United States. Beginning in 1947, the ADL collaborated with former Ku Klux Klan member, Supreme Court Justice Hugo Black, to remove the Judeo-Christian tradition from the public schools, using Black's court rulings on the separation of church and state.

The ADL is the branch of the same masonic organization, the B'nai B'rith, which killed Abraham Lincoln and which colluded with the Confederates to perpetuate slavery, racism, and free trade—the same British policy which has historically destroyed Ibero-American nations' national sovereignty. The Argentine government would do well to view Morton Rosenthal's trip to Argentina, and all that he proposed there, as a threat to its national security.

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## Documentation

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*Psychoanalyst Marcos Aguinis made the following statements in the work entitled Mientras se consolida la Democracia, published in 1985. Aguinis was one of the participants in the May 1993 seminar sponsored by U.S. Information*

*Service and the Latin American Integration Foundation in Buenos Aires.*

Freedom isn't sufficient to cease being a slave. Behavior is modified slowly. . . . Sometimes much time must pass before anachronistic habits withdraw. Authoritarianism and its deformations, so deeply rooted in our population, continue to be felt. . . .

Democracy is not the bed of death but rather the agitated platform of life. It is conflict, and open conflict in contrast with those dictatorships which try to hide it. . . .

[The Argentine model] consists of having ruptured authoritarian sorcery. Let us abstain from doing what the defeated sector would have done. . . . Let us not be dragged down by the advice of the fascist dwarf whom we have yet to completely eradicate from within us.

If we dared a definition, we would say that the ideology of democratic culture is that which attempts to develop a culture which invigorates democracy, and a democracy which invigorates culture. This appears to be a tautology, so let's find another formulation: It is the culture which underlies, develops and strengthens otherness. . . .

*In explaining his 1986 National Program for the Democratization of Culture, Aguinis said:*

The Argentine Republic can become an unprecedented pilot project worldwide, in which we take advantage of the resurgence of democratic structures to overcome discrimination, submission, impunity, hatred, and other vestiges of the authoritarian yoke. . . .

*The following remarks were made by Rabbi Morton Rosenthal, international affairs director of the Anti-Defamation League (ADL), to the seminar sponsored by the U.S. Information Service and the Latin American Integration Foundation:*

The force of my observations consists of showing that if the law and egalitarian justice are not incorporated into the social structure, this is a severe impediment to achieve the laudable goals of a democratic economy and integration into the mainstream of democratic nations. In other words, discrimination takes a large toll, and has profound negative consequences for any country which tries to develop a democratic economy. Laws are the most powerful tool a democratic society has to create the criteria according to which we live and fix the parameters which define social structures. . . . In other words, any campaign against discrimination is worthless if it's not based on a solid legislation. . . .

I leave for your consideration what might well be the most attractive argument for a campaign against discrimination. . . . The end of discrimination might be accelerated if all people realize that it is an important obstacle to national growth and prosperity. . . . Resorting to stereotypes and prejudices in a competitive market carries a high cost and can jeopardize economic survival.



# Western inaction in Balkans war encourages 'Great Russia' expansion

by Konstantin George

The warnings conveyed in March of this year by imprisoned statesman Lyndon LaRouche and former West German military intelligence chief Gen. Paul Scherer (ret.), that a western capitulation in the Balkans would cause Moscow to pursue an aggressive policy in the Baltics and elsewhere, have become reality. During April and May, Russia was already making aggressive moves against the Baltic republics, but the western media did not bother to report the news. By June, however, the Russian moves had become so blatant, in the Baltic, the Caucasus, and Ukraine, that the lid could no longer be kept on.

On June 20, Swedish Radio reported that from April through early June, Russia had conducted three sets of combined forces military exercises, rehearsing a Russian military takeover of the Baltic republics. The last set of exercises was held on June 5-6. The next day, Swedish Defense Minister Anders Bjorck confirmed the reports.

Bjorck said that these acts by Russia irritated not only the Baltic region, "but all of Europe." Soon after the third set of exercises, Russian President Boris Yeltsin met with the military leadership on June 10, and issued a declaration that *all troop withdrawals from the Baltic republics had been stopped*. The main immediate targets of the exercises and the Yeltsin declaration were Estonia and Latvia. Estonian Defense Minister Hain Rebas had protested the exercises, receiving from Russia the standard response that the exercises had been planned long ago, and there were no grounds for concern. In Latvia, too, concern is growing. On June 21, the country's leading daily, *Diena*, quoted Ilgonis Upmalis, head of the Latvian Commission for Arms Control: "Russia has in effect stopped both the withdrawal of units and the transfer of military facilities." Russian-Estonian talks on troop withdrawal have meanwhile broken down.

## West seen as a 'paper tiger'

Western interests bear the main blame for the rise of a "Great Russian" imperial tendency in the post-Bolshevik era. Western policy, and particularly Anglo-American financial policy, has been to promote the destabilization of the former Soviet republics. Added to this has been the capitulation in the Balkans to Serbia's aggression, convincing Moscow that

it or its surrogates can do as they please, without any fear of a western response.

As a leading Swiss expert on Russia, who had returned from a lengthy stay there in mid-June, told *EIR*: "The West is seen as a paper tiger not only in Serbia but in Russia as well, and as a result, the Greater Russian or 'Eurasian' tendencies in Russia will grow and be strengthened." He emphasized that the "Greater Russian" dynamic would increase, as a backlash against the threatened "disintegration" within the Russian Federation, a possibility that "should not be excluded." The Russian elite sees a "western destabilization" as behind Russia's problems.

## Pressures on Ukraine

The Russian pressure on the Baltic republics is escalating in tandem with Moscow's backing for regional separatist tendencies in Ukraine and Georgia.

In Ukraine, Russia has exploited that country's near total dependency on Russian oil and natural gas, and Russia's leverage with the ethnic-Russian-dominated Donetsk coal miners and other eastern Ukraine strike committees, to enforce a protracted Ukrainian capitulation to Great Russian strategic demands. The word "protracted" is key, because Russia does not wish to undermine its position of strength by pushing Ukrainian capitulation too far too fast, and thus risking a backlash there.

The first phase of this program was enacted at the June 17 summit meeting between Russian President Yeltsin and Ukrainian President Leonid Kravchuk. In exchange for Russian oil supplies, and an under-the-table arrangement whereby Moscow used its influence to have the crippling miners' strike called off, Ukraine signed a communiqué acknowledging Russia's "right" to maintain naval and air bases at Sevastopol and "other points" in the Ukrainian region of Crimea. The highly publicized agreement allegedly dividing the Black Sea Fleet "50-50" was simply for Ukraine a face-saving way to mask another piecemeal capitulation. As the communiqué specified, the 50-50 clause referred to the "fleet and assets," meaning that 50% of everything associated with the Black Sea Fleet—ships, aircraft, naval bases, air bases, ammunition and stores, etc.—would be divided. Aside from

numbers, qualitatively speaking, the 50% "that counts" went to Russia.

The Russian combination of favors and threats has been pursued in the week following that summit. As attested to in statements by the Donetsk strike committees on June 21, the strikes could resume at any time, and in any case, 20% of the mines were still on strike as of June 23. The strike leaders warned that the strike, which had reached the level of a general strike in eastern Ukraine, would begin again unless their economic demands were immediately implemented.

Ethnic Russian regional separatist operations also escalated in the wake of the Yeltsin-Kravchuk summit. In the autonomous Crimea, with its ethnic Russian majority, the chairman of its parliament, Nikolai Bagrov, on June 19 denounced the fleet agreement as a sellout to Ukraine, because it had not codified, in treaty form, Russian base rights in Sevastopol and elsewhere. He announced that Crimea would take further steps in breaking away from Ukraine, by establishing its own banking system and its own customs posts along what he called its "border" with Ukraine.

The same pattern was visible in the eastern Ukraine Donetsk region. On the weekend of June 19-20, the Communist Party of Ukraine held a Congress in the city of Donetsk, officially reconstituting itself, and incorporated in its platform quasi-separatist demands for regional autonomy for eastern Ukraine. The next round of Russian favors and threats, and likely Ukrainian piecemeal capitulation, will probably be in place before June ends. On June 24, Russian Prime Minister Viktor Chernomyrdin was due to arrive in Kiev, and one centerpiece of the talks will be an agreement regulating resumption of desperately needed Russian natural gas supplies.

## **Russia moves in the Caucasus**

Sometimes in political affairs, apparently little actions can establish very big and dangerous precedents. That describes exactly the import of little-noticed Russian military operations in mid-June on the territory of the Republic of Georgia in the Caucasus, and a subsequent Russian government demand aimed at that republic. In mid-June, Moscow set an extremely important precedent for acts by its military forces anywhere on the territory of the former Soviet Union.

The operation in question was the use of Russian Black Sea Fleet amphibious ships to land trucks and escorting Russian ground combat forces in the Georgian-controlled southern part of the Georgian region of Abkhazia (the northern part is controlled by Russian-backed Abkhazian separatist forces). From there, the convoy, escorted by troops and armored vehicles, proceeded inland to the town of Ochamchira, an Abkhazian separatist-controlled pocket surrounded by the Georgian Army, to evacuate some 3,000 Russian civilians trapped there. The evacuation back to the coast and loading of the civilians onto ships for transport to the Russian port of Sochi were all conducted without incident.

The Georgian government was informed of the operation in advance, but was never asked for permission to allow Russian troops to cross its territory, as if the Soviet Union still existed.

Thus Russia set a staggering precedent, showing that whenever it chooses, it will deploy military forces onto the territory of any former Soviet republic, using the convenient banner of "ethnic Russians in danger" as the pretext. The precedent is doubly significant because Georgia, like the three Baltic republics, is not a member of the so-called Community of Independent States (CIS).

On June 21, the ministry-level Russian State Committee for Nationality Questions formally demanded that Georgia grant "real autonomy" to Abkhazia and Southern Ossetia, the two regions of that republic which have attempted to break away from Georgia and join the Russian Federation, which they both border on. The statement, authored by Sergei Shakhrai, head of the State Committee and close adviser to Yeltsin, was a declaration of Russian government policy. Nominally dealing with regions of Georgia, it set an extremely important Russian policy precedent.

The declaration announced that Russia was ready to serve as the "guarantor power" for enforcing the "real autonomy" of Abkhazia and Southern Ossetia. It also contained a thinly veiled threat against Georgia, that "the only way out of the crisis" was through Georgia's complying with Russia's demands. In a further trampling on Georgian national sovereignty, the Russian statement demanded that Georgia become a "federal system," through granting "real autonomy" to these regions. However, the formulation "federal system" meant, even for Georgia, the creation of "autonomous" entities extending beyond Abkhazia and Southern Ossetia, as it implied a return to the pre-independence internal borders in Georgia, which had contained three "autonomous" regions. Besides Abkhazia and Southern Ossetia, there was the Black Sea coast region of Adzharia, containing the port of Batumi.

Since Georgia is not and never was in the CIS, any imposition of Russian demands creating "autonomous" regions and a "federal system" in Georgia, plus Russia's assertion of itself as the "guarantor power" over Georgia, form a dangerous precedent not only for all the former Soviet republics affiliated with the CIS, but for the Baltic republics as well. The demands all add up to Russia establishing a protectorate status over other republics.

This was a common form for Russian expansionism during the czarist era, where the victim of imperial expansion first became a protectorate, and somewhat later was formally annexed. That was how Russia, for example, acquired Georgia the first time, when it was made a protectorate in 1783. Finally, the precedent of serving as "guarantor power" to "protect" autonomous regions, could easily be expanded and applied beyond the borders of the former U.S.S.R., into areas like the Balkans.

# Seventy governments at conference in Vienna oppose 'human rights' ploys

by L. Cherry

Amid the platitudes on the importance of revering "human rights," the U.S. State Department publicly threatened to "crack heads" against Third World "renegades" opposed to the real agenda behind those platitudes. The scene was the June 14-25 World Conference on Human Rights in Geneva. The so-called renegades, according to some counts, were the governments of some 70 of the 160 nations attending the conference. These governments, in attempting to counter the hidden agenda, say human rights are relative; they cannot be used to interfere in internal affairs of sovereign states; and that development too must be considered a human right.

Timothy Wirth, head of the U.S. delegation, claimed that the grouping consisted of "stooges" led by the People's Republic of China. Never mind that three of the countries prominently mentioned are India, Vietnam, and Indonesia (current head of the 106-member Non-Aligned Movement)—countries that have fought wars to keep from being controlled by China. "China is at the forefront of a handful of renegade nations trying to slow down or stop the process of drafting a meaningful final document," Wirth told a meeting of NGOs June 17. "These states have power far beyond their status, and the U.S. cannot allow itself to be frustrated. . . . This handful of renegade nations outside the process will not be allowed to kill our efforts to achieve a meaningful document," he continued. Added John Shattuck, deputy head of the U.S. delegation and formerly a top figure in the American Bar Association: "We will not hesitate to crack heads . . . and isolate those who are being most obstructive."

The goals for this conference had been ambitious, and even members of the human rights "mafia" now acknowledge they may have been based on miscalculation. "The elaboration of new declarations and conventions usually takes around 10 years. Given this policy of gradual process; it was a delusion to believe that a large and hastily organized conference could suddenly accelerate the U.N. machine," conceded Adrien-Claude Zoller, director of the International Service for Human Rights in Geneva.

The goals had been: 1) to create a legal, juridical, supra-national framework for a Human Rights High Commissioner, who would be able to enforce "human rights" conditionalities internationally; 2) to establish an international criminal court

with the power to try and convict individuals; and 3) to implement "structures for the preventive handling of human rights violations internationally"—in plain English, to institute an international "thought police" which prosecutes countries for merely "thinking" about committing an alleged crime. That was a good bit to swallow. At the time of this writing, with three days remaining to the conference, it seems doubtful that any amount of "head cracking" will be able to sell this program.

## 'A total flop'

On June 21, Pierre Sane, secretary general of the Amnesty International, the powerful human rights organization run by British intelligence, described the first week of the confab "a total flop, a sham and a week of shame." Sane claimed that some governments had sent government-funded delegations to the conference under the guise of NGOs "to create a smokescreen." Sane complained, "We will have to devise a new strategy to discredit those governments who, in turn, are trying to discredit NGOs." Amnesty is one of about 1,000 NGOs which were invited to attend the conference, but were excluded from most of the meetings of the key committee drafting the final declaration—an action taken by the "renegade" governments.

Peruvian Justice Minister Fernando Vega Santa Gadea, head of his country's Peruvian delegation and vice president of the overall conference, singled out the role of NGOs in Peru for attack. In a speech, he insisted that the genocide of terrorism must be seen as the greatest threat to human rights. "Peru is not going to let the proper theme of human rights be distorted by tendentious or ill-intentioned information, nor by the ties to drug trafficking of some non-governmental organizations which want to play a leading role in the human rights area."

Much to the chagrin of the NGOs, the specter of Bosnia tended to dominate the discussion. "The attitude of Europe on this question is disgusting," Malaysian Ambassador Reduzuan Kuchairi remarked. Shukat Umer, director general of the Foreign Ministry of Pakistan, chimed in that if this World Conference on Human Rights didn't address the issue "of what is going on 200 kilometers from here," it would be

seen by the world as ridiculous. Bosnian Foreign Minister Haris Silajdzic was given the floor June 16 for a short speech in which he described his country as "a bloodstain on your TV screens. . . . Bosnia is everything that human rights are not." He talked about the town Gorazde, "where 60,000 people are awaiting death, as we speak, *now*—an hour from here by airplane. . . . Some 20,000 children in Gorazde are in a position to be killed. Human rights, I ask you, where are the human rights? Where is the political will?"

On June 24, the 51-nation Organization of the Islamic Conference presented a special draft declaration on Bosnia to a plenary session of the World Conference. The OIC declaration rejected the latest Serb-Croat plan for a three-way split of Bosnia, and called for the lifting of the arms embargo against Bosnia. This sent deputy head of the U.S. delegation John Shattuck into a tantrum. Calling the move a breach of conference principles, he whined, that "The issue of Bosnia is diverting energy from the drafting process!"

### Wide spectrum of opposition

It appears that more planning went into opposing the major planks of the conference than went into putting it together. As Indonesian Foreign Minister Ali Alatas explained in Geneva (see *Documentation*), following the four preparatory meetings a consensus position had been worked out under the auspices of the Non-Alignment Movement. Also known to have contributed to this process was extensive diplomacy by Malaysia's Dr. Mahathir Mohamad. Mahathir insisted that "if democracy is to be the only acceptable system of government within states, there must also be democracy between the states of the world: A few nations on their own cannot be allowed to take it upon themselves to determine the new world order."

Zoller admitted that there has been an attempt to induce the African countries, which "are faced with exceedingly urgent economic problems," to break off from this hard-line opposition to the U.N.-NGO agenda. He said that "efforts were made prior to the conference in Vienna to encourage European countries to show more flexibility in the face of African demands."

According to the daily newspaper of the conference, "China has up to 70 countries on its side of the argument." But the notion that China is the leader is fallacious. The attempt by the U.S.-U.N. apparatus to tar these countries with the Tiananmen massacre brush, is particularly cynical, given that George Bush, Henry Kissinger, and Brent Scowcroft were the first to rush to defend Deng Xiaoping's regime, even before the blood was washed away. Moreover, the United States is the main sponsor of China's slave labor-based "great economic reform." Leaders such as Mahathir are fully aware of these cynical geopolitical games between the United States and China, but that has not prevented them from using China to bolster their own efforts to overturn the "human rights" chessboard.

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## Documentation

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### A atas: 'A clash between two western traditions'

*Indonesian Foreign Minister Ali Alatas, addressing the World Conference of Human Rights, called the battle line-up in Vienna "the lingering echo of an earlier clash between two western traditions"—that of Alexander Hamilton and that of Thomas Jefferson. Here are excerpts of his speech.*

As the state presently holding the chair of the Non-Aligned Movement, we are also entrusted to reflect the consensus position on human rights taken by 108 member states of the movement which met in Indonesia last year. . . .

We are constrained to voice our concern at the recent spate of international media reports that tend to give the impression that the success of this conference is being threatened by a clash of values between the developed countries of the North and the developing countries of the South, by a confrontation between the perceived universal—mostly western—concept of human rights that stresses political and civil rights and the purported "dissident" view, particularly of Asian countries. . . . This is erroneous, unwarranted, and counterproductive. We have not come to Vienna to advocate an alternative concept of human rights, based on some nebulous notion of "cultural revisionism." . . .

If today there appears to be still a debate on the concept of human rights, it is not so much from any contention between East and West or between North and South, but the lingering echo of an earlier clash between two western traditions, between the principle of individual liberty which, for example, Thomas Jefferson passionately espoused, and the principle of a strong, lawful authority which Alexander Hamilton just as passionately advocated.

On the rights of the individual as measured against those of the state, the view of the latter tradition is that "When it comes to a decision by a head of state upon a matter involving its life, the ordinary rights of individuals must yield to what he deems the necessities of the moment." These are not the self-justifying words of some leader of the developing world. They constitute the considered view, in the Hamiltonian tradition . . . of [American Supreme Court] Justice Oliver Wendell Holmes. . . .

Human rights questions are essentially ethical and moral in nature. Hence, any approach to human rights questions which is not motivated by a sincere desire to protect these rights but by disguised political purposes or, worse, to serve as a pretext to wage a political campaign against another country cannot be justified.

# Will Russian crisis shatter U.N.'s utopian global agenda?

by Mark Burdman

Attendees at a June 18-20 conference at the Evangelical Academy in Loccum, a town in the state of Lower Saxony in Germany, received a sobering assessment of the potential challenge to European security posed by the increasing influence in Russia of nationalist-conservative ideologues and demagogues. Tatyana Shakleina, a senior researcher at Moscow's U.S.A.-Canada Institute, warned in a paper submitted to the event: "The stability and integrity of the Russian Federation is the key question now for the future stability in the whole post-Soviet sphere, in Europe, Asia, and the Middle East as well. In case the tendencies for dissolution of the Russian Federation become dominant, the stability of Russia may be broken. . . . The growth of Russian nationalism may become one of the most serious problems for the European Community." According to Shakleina, popular support for Russian nationalists, up to now quite marginal, could grow rapidly, "in the atmosphere of deepening political and economic crisis" prevailing in the country.

In comments to the gathering, Shakleina admonished the think-tankers, diplomats, "peace researchers," and journalists from Germany and other European countries that the coming crisis could soon render irrelevant all their talk about institutionalizing a "right of intervention" into sovereign nation-states. She indicated that an intervention from the outside into the territories of the former Soviet Union, or even talk of such a "peacekeeping" action, could generate unpredictable and volatile counter-reactions in Russia, especially at a moment when Russian nationalist ideology, which is usually virulently anti-western, is assuming a greater place within Russian life. Said Shakleina: "We observe very strong tendencies toward disintegration of the Russian Federation. . . . Russia is a very unstable country. The talk of outside intervention concerns me greatly."

The overall conference theme was, "On the path toward global governance: From the principle of national sovereignty to the necessity of intervention." But the weekend's deliberations were dominated by utopian musings, almost always academic and removed from such realities as the war in former Yugoslavia or the building crises to the East, about what kinds of "institutions" and "structures" could be created to strengthen the capability of the United Nations and other

multilateral and supranational agencies to intervene into sovereign states. Even if the majority view among the predominantly German group was against military intervention, most participants seemed almost hypnotized by a future perspective in which issues such as the ecology and human rights would necessitate invoking the "right of intervention," including economic sanctions. The Loccum event, indeed, was conceived as a parallel event to the June 14-25 U.N. World Conference on Human Rights in Vienna, Austria.

In the discussion period, what Shakleina said was almost totally avoided by discussants. The exception to this was a question posed by this correspondent, on whether the involvement of the International Monetary Fund and speculators like George Soros in the Russian economy could be regarded as a form of outside, non-military intervention that has already taken place, with consequences just as devastating. Shakleina agreed that this "economic intervention" into Russia had worsened the problems of the economy, such as inflation and the dollar-ruble exchange rate. "This is a kind of intervention we don't need—and we already have it."

## Disintegration and backlash

Her essential point was that the situation in Russia has now entered a phase-change, because of the negotiations between President Boris Yeltsin and the heads of the Russian Federation's autonomous republics and regions (*oblasti*) over the drafting of a new constitution. Yeltsin made crucial concessions during the recent meetings of the Constituent Assembly, granting expanded powers to the republics and regions, in order to win their political support. Now, the heads of these republics and regions are insisting that Yeltsin make good on the promises, thereby worsening the centrifugal trends in Russia and also triggering a backlash in "core Russia," among the 90 million Russians who live neither in the "peripheral areas" (Siberia, etc.) nor in the autonomous republics, and who are angry about what they perceive as the destruction of the "Russian motherland." She said the emotional bitterness growing between Russians and non-Russians is becoming a key factor in life in the Russian Federation.

According to Shakleina, two ideas are circulating as a possible "solution" to the problem of Russian national identi-

ty. The first, "which is very dangerous," she said, is for the creation of an independent "Russian republic," that would be the *primus inter pares* among autonomous republics within the Russian Federation, but which would involve changing "borders and territories" as they currently exist within the Russian Federation. The other is for "the re-creation of Great Russia in its old borders, the ones that existed before the October [1917] Revolution, with no autonomies and no regions, just Russia and that is all. Nobody thinks in terms of restoring the Soviet Union, but this idea would mean the restoration of Great Russia. . . . This alternative may seem wiser than the first, but I don't see any way to achieve it."

In private comments, Shakleina said she feared that the disintegration in Russia, coupled with a parallel internal crisis in the other great power, the United States, over the coming years, are creating the preconditions for "a third world war" in the not-distant future.

### A 'possible second Karabakh'

In both her written paper and public comments, Shakleina warned of the conflict potential in northern Kazakhstan as paradigmatic of the future looming in the territory of the former Soviet Union. The problem there involves ethnic Russians, ethnic Kazakhs, and the Cossacks who live both in this region and across the border in Russia. This conflict could supersede in savagery the conflicts seen up to this time in the former U.S.S.R.

According to Shakleina, the 8 million ethnic Russians who live in northern Kazakhstan refuse to accept Kazakh citizenship, but want to "live in Russia, their historical motherland." There have been reports of severe restrictions placed on Russian-language television, Russian-language book distribution, and so on. Reportedly, 300,000 ethnic Russians are planning to leave Kazakhstan by the end of this year. Added to this are unresolved problems involving the Cossacks and Russian military officers. For all these reasons, "the 'Russian question' in Kazakhstan may become the source of instability and conflict. Some people already call it a 'possible second Karabakh,' " a reference to the bloody war between Armenians and Azeris over the Armenian-populated enclave of Nagorno-Karabakh.

The influence of Kazakh President Nursultan Nazarbayev is a restraining factor, preventing the crisis from going over the edge. But, she said, there are growing internal challenges to Nazarbayev, and if something were to happen to him, the conflict could quickly be detonated. She stressed that the Kazakhstan situation was even more volatile than that in Ukraine, since in the case of Ukraine and Russia, "we are dealing with two Slavic peoples, that share a certain form of Christianity, and where there have been so many intermarriages between Ukrainians and Russians." She also warned of potential large-scale conflicts involving ethnic Russians and local populations in Tatarstan, Tuva, and other autonomous republics of the Russian Federation.

### Eurasians versus Atlanticists

Among the many strands of Russian national-conservative thought profiled in her paper on "Russian Nationalism: Source of Instability?" perhaps the most significant is the "geopolitical" line being put out by Aleksandr Dugyn, a prominent figure in the circles of the anti-Yeltsin National Salvation Front.

Dugyn has published a series of "detective story"-modeled articles on the theme of the coming "total war" between "Atlanticists" and "Eurasians."

In his writings, Dugyn favorably cites the 1920s-30s "conservative-revolution" German ideologue Carl Schmitt, on (in Shakleina's paraphrase) "the resistance and incompatibility of interests between continental and island empires." Dugyn claims that the Russian-Eurasian resistance to what he calls the "utopians and adherents of 'global values,' [who are] supported by the gigantic power potential of the United States," will lead to a situation in which, in his words, "the world may be dragged into the total war."

Dugyn represents the school of geopolitics, but as seen from a Russian-"continental" rather than British standpoint. His ideas exist in dangerous symbiosis with the 20th-century school of Britain's Sir Halford Mackinder, who wrote of an inevitable and never-ending battle between the "sea" or "rim" powers like Britain and the United States on the one side, and the nations of the "world island" (otherwise known as the "Eurasian landmass" or "heartland") on the other. Mackinder's dictum was that whoever controls the heartland, controls the world.

According to Shakleina, Dugyn is one among the several leading nationalist-conservative "opposition" thinkers who "are ready to struggle for the restoration of Russian geopolitical status, to stop the destruction of [Russia's] military might." They adhere to an idea of "Eurasian-Atlantic resistance" and "consider the pro-American orientation of Russian foreign policy [under Yeltsin] as contradicting the historical reality."

Another of the themes profiled by Shakleina is that of Col. E. Morozov, writing in the November 1992 *Nash Sovremennik* journal. In a piece entitled "Russia and the South: Geostrategic Problem," Morozov, Shakleina described, "elaborates on the question of Russian-Islamic alliance as a barrier to American expansion in the East. . . . By the way, he doesn't exclude the possibility of an American-Chinese war for influence in the Pacific."

All the variants and strains in the Russian national-conservative camp converge on supporting "the idea of reviving strong Great Russia with its former international status." Privately, Shakleina reported that Russian nationalist demagogue Vladimir Zhirinovskiy is becoming very popular among Russian youth, and that certain observers think he could become a "Russian Hitler," whose support base could skyrocket as the internal economic and moral-cultural crisis deepens.

# Turkey's new prime minister: Joan of Arc or Margaret Thatcher?

by Dean Andromidas

The election of Mrs. Tansu Ciller as the first woman prime minister of Turkey has evoked comparisons with India's Indira Gandhi and Pakistan's Benazir Bhutto. It has been called "a breath of fresh air" in Turkish politics, "unprecedented," and a tribute to Turkey's commitment, as a Muslim country, to "secularism." Nonetheless, reports of the death of old Turkish politics are a bit premature. Unlike Gandhi and Bhutto, who enjoyed massive popular support, Ciller, a former university professor with less than three years' experience in politics, could only claim a majority support of a few hundred Turkish deputies, hardly qualifying her as the Joan of Arc of Turkish politics. Quite the contrary: Her ascension to the prime ministership represents a potentially dangerous shift, pointing to an accommodation with Anglo-American geopolitical interests which will have serious implications for Turkey's internal political and economic stability and development, as well as its foreign policies.

## Who is Tansu Ciller?

Ciller, by her own admission, likes to style herself as the Turkish equivalent of Britain's Margaret Thatcher. The comparison goes beyond gender and designer business suits. Although Ciller is not known to carry as large a hand bag as her British counterpart, her close personal consultative affiliation to Thatcher was demonstrated the day before her election as prime minister-designate, when the only incoming call she allowed to be put through came from the British Iron Lady herself.

A graduate of Yale University and a former World Bank adviser, Ciller championed Thatcherite economic policies in her three years as Turkey's economics minister. On accepting her new post, she pledged as her top priority a sweeping privatization of the large Turkish state sector industrial and other enterprises, which accounts for a large percentage of the Turkish economy, especially heavy industry and engineering, the mainstay of Turkish national sovereignty. In addition to closing these "deficit-ridden" enterprises, she has reiterated her commitment to drastically cutting social expenditures and the budget deficit as the key to cutting inflation.

Unlike Thatcher, who was a green grocer's daughter,

Ciller was born into an old and very wealthy Istanbul merchant family, which holds some of the choicest pieces of Istanbul real estate. Her father, a former provincial governor with no male heir, managed to prevail upon his son-in-law, Istanbul banker Ozer Ucuran, to take on the Ciller family name, so that it could be passed on to the next generation. Thus Ciller's married name is her maiden name, something almost without precedent in the Islamic world, even in "secular" Turkey.

## Anti-German campaign erupts

The naming of Ciller as prime minister coincides with the launching of a campaign by the Turkish press and political elite to use the killings of Turks in Germany to adopt the British slanderous "Germany is the new Fourth Reich" line. Shortly after Ciller was sworn in, the Turkish Parliament passed an all-party resolution denouncing the neo-Nazi arson attacks on Turks in Solingen, Germany on May 29 as "genocidal," and resembling the "situation in Germany shortly before the outbreak of the Second World War."

Rather than attack these brutal killings as an obvious attempt to destabilize Turkish-German relations, the Parliament chose June 17, the anniversary of German unification, to pass the resolution.

The anti-German campaign has been carried throughout the Turkish media. Turkish national TV carried an interview with the former ambassador to Germany and former foreign minister, Vahit Halefoglu, stating that even in Bonn during the 1960s and 1970s, he was of the opinion that the Germans never really made the transition from the Nazi ideology toward democracy.

The same was echoed in the leading daily *Milliyet*, which carried a commentary by Sukru Elekdag, a former ambassador to the United States, saying that the fact that violence against Turks in Germany has been carried out in the form of arson attacks, is typical of the German racist ideology: The German people have an "almost mystical proclivity to the flames." Those who wanted to keep the German race "clean," have repeatedly, throughout history, used fire to eliminate others. Thus, it was not by accident that the Jews were burned

by the Nazis in Auschwitz, and that 60,000 Jews died in the flames of the Warsaw Ghetto, Elekdag raved.

Turkey as a strategic target All this political uproar serves to mask the unfolding of a Turkish political, economic, and strategic crisis. Since the collapse of the Soviet Union, Turkey has sought to transform itself from a junior partner in NATO into the gateway to the newly independent Central Asian states of the former Soviet Union. It also has seen itself as the bridge between Europe and the Middle East. Turkish policymakers enthusiastically point to a map to prove that these aspirations not only make good sense, but could prove a benefit in any new world order. Putting itself forward as an Islamic nation committed to secular democracy while having a foothold on the European continent, it has pinned much of its hopes on joining the European Community. Nonetheless, recent developments have led to significant setbacks in all these policy goals, which could have profound internal and international political consequences.

### **Turkey as a strategic target**

The return to power of former Communist Party boss Gaidar Aliyev in the oil-rich Central Asian republic of Azerbaijan, has served to dash Turkish dreams of being the leader of a pan-Turkic sphere of influence from the eastern Aegean to the borders of China. An old fox, Aliyev was formerly a Soviet Politburo member and, as a leading KGB officer, played the "Islamic card" for the Soviet secret service. Furthermore, as Communist Party boss in Baku in the 1980s, he forged good ties to British oil companies. Aliyev's teaming up with Russian-backed rebel leader Surat Huseinov to overthrow Turkish-backed President Abulfaz Elcibey, is the opening shot of an imperial Russian drive to bring Central Asia back into its sphere of influence—a move that appears to be backed by the British.

A leading Central Asia observer told *EIR*, "What we're seeing is a repeat of the cooperation between the British and Russian empires in the 18th century." He went on to say that British oil companies have invested over \$3 billion into Central Asian oil. They would not have invested that amount if they did not have some guarantees from the Russians. "This cooperation is to keep Turkey, and therefore the United States which stands behind Turkey, and Iran, out of Central Asia." He went on to say that one of the reasons for the revolt that brought Aliyev to power was the discontent among various factions over contracts that were about to be signed with western oil companies. "You see, Aliyev doesn't want new friends, but wants to work with his old friends in Russia."

Russia's ability to manipulate the conflict between Azerbaijan and Armenia over the disputed territory of Nagorno-Karabakh continues to make it impossible to build an oil pipeline between Azerbaijan and Turkey through Armenian territory. Meanwhile, the Anglo-American refusal to finance a pipeline via Iran could leave Turkey totally out of the

picture. Without a pipeline, the oil riches of Central Asia stay in the ground. The only other option is, of course, the already-existing pipelines in the Russian Federation.

The failure of the West to mount a military intervention to stop the genocide in Bosnia, the only other Muslim nation in Europe, is only the latest signal to the Turks that they are not welcome in the European Community. Under the initiative of France and Great Britain, the EC states are adopting "zero immigration" policies, and therefore are dead set against a Turkish entry into the EC, which would give Turks the same ability as other EC citizens to live and work in any country of the Community. In this context, Turkey's taking up the "Germany is the new Fourth Reich" campaign can be especially dangerous. It should be clear that these arson attacks are aimed also at destroying German-Turkish relations as a potential counterweight to the Entente Cordiale of France and Britain. Germany accounts for 25% of Turkey's foreign trade. The substantial trade surplus it enjoys with Germany and the remittances from nearly 1.6 million Turks who reside in Germany, are Turkey's most important sources of hard currency.

### **Destabilization of the region**

The dashing of Turkey's aspirations in Central Asia and Europe would serve to define it as another Middle Eastern Islamic country and potential victim of the same Anglo-American geopolitical doctrines that have had tragic consequences for all the countries of the region. Yet this is the domain where Turkey is seen with most suspicion by its Arab neighbors. As a NATO nation, it is seen as a stalking horse for imperialist powers. Its support of the anti-Iraq coalition in the Gulf war cut Turkey off from Iraq, its major source of non-cartel-controlled oil. Its control of the headwaters of the Tigris and Euphrates rivers and the massive Ataturk Dam project are viewed with suspicion by both Syria and Iraq.

The escalation of the Kurdish insurgency, with the recent announcement by Abdullah Ocalan, leader of the Kurdistan Workers Party (PKK), of an all-out and bloody offensive against the Turkish government, must be seen in this context. With a death toll into the thousands since the beginning of 1993, it cannot be dismissed as simply a terrorist problem, but it is undermining the very stability of the Turkish state. While much has been said about the role of Syria and Iraq in backing the PKK, that insurgent party enjoys equal support from Anglo-American and Russian intelligence services, as well as the Israelis.

The Turkish government's escalation of security operations against the PKK in the southeast region brings Turkey into potential conflict with bordering Syria, Iraq, and Iran. An equal danger is posed by the threat that the current insurgency in the southeast could be transformed into a full-blown ethnic conflict that could pit ethnic Turks against ethnic Kurds, plunging Turkey into an extremely severe internal crisis, fraught with dangers for the Middle East as a whole.



# Drug legalization push takes off in Colombia

by Valerie Rush

The May 31 discovery by anti-narcotics police of a cache of marijuana in the briefcase of central bank co-director Carlos Ossa Escobar has served as the opening wedge for a renewed offensive by corrupted elements of Colombia's political, financial, and media circles for the legalization of narcotics. In the two weeks following Ossa Escobar's "coming out," there has been a flood of pro-legalization diatribes in the press, as well as statements by innumerable legislators and political figures insisting that the time is ripe for reopening the debate on "legalization versus repression."

This new campaign to legalize drugs is not accidentally timed to coincide with the launching in earnest of Colombia's presidential campaign, with four out of six declared candidates pronouncing openly in favor of decriminalization. It is also timed to coincide with a global drug-legalization offensive by the London-based Andes-Amazon Foundation, which has already chosen Colombia as the site for one of three international legalization conferences over the coming 12 months.

## Pothead or pusher?

Dr. Ossa Escobar was on his way to a meeting of Ibero-American central bankers in Caracas when police at the Bogotá airport uncovered his stash of marijuana. Claiming it was a gift received at a party which he had forgotten about, Ossa admitted that he was an occasional user, and offered the lame explanation that he was just a product of the '60s generation! He at first offered to resign his post, even going before the Congress to issue a public *mea culpa*, but when the legalization lobby leapt to his defense, he withdrew the offer and decided to "leave his fate" in the hands of the attorney general's office.

Notwithstanding his insistence that he opposes drug legalization, Ossa Escobar's connections, especially in recent years, suggest that the impetus his case has given the legalization lobby may be more than incidental.

Carlos Ossa Escobar is not just a banker. For nearly a decade, he was head of Colombia's oligarchic Society of Agriculturists (SAC). He was also a "peace" adviser to the narco-terrorist-besieged Barco administration (1986-90), in whose name he undertook negotiations with the narco-terrorist M-19 guerrillas, which eventually led to their legalization and incorporation into the succeeding Gaviria government.

Not surprisingly, Ossa Escobar was elected in 1990 to the mafia-dominated Constituent Assembly as part of the M-19 delegate slate. The M-19 has been an emphatic advocate of drug legalization for years.

Many of the media mouthpieces of the old legalization lobby got a new lease on life with the surfacing of the Ossa case. *El Espectador* journalist María Jimena Duzán happily reported that legalization, no longer "taboo" in the consumer countries, was once again on the table. She and a fellow journalist conducted a televised poll of numerous presidential candidates, who came out overwhelmingly in favor of drug legalization.

*El Tiempo* editor Enrique Santos Calderón says that he too is "a product of the '60s" and was as immersed in marijuana as U.S. President Bill Clinton and Spanish Prime Minister Felipe González. Santos argues that humanity's search for "artificial paradises" and "self-stimulation" has gone on since time immemorial, and that treating drug consumption as a legal offense "on the eve of the 21st century" is an absurdity.

Leftist columnist Jorge Child, writing in *El Espectador*, acknowledges that the Ossa case helps to revive the legalization issue, and argues that legalizing drugs will enable the population to return to "a balanced discussion of the real social and cultural problems of the country. Obsession with the drug trade suspiciously tilted this public discussion," Child complains.

"Conservative" Sen. Alvaro Gómez Hurtado argues in favor of legalizing the drug trade, but not consumption, while M-19 Sen. Pedro Bonnet and several indigenous senators urge the Senate to express its gratitude to Ossa Escobar for courageously opening up the debate.

## Global debate launched

The resurgence in Colombia of the same legalization campaign which failed so miserably in the 1970s is not an isolated occurrence. Calls for legalizing drugs are suddenly surfacing in Mexico, the United States, England, and elsewhere. Therefore, it is not surprising that the so-called Andes-Amazon Foundation, whose agenda is for global drug legalization, should appear on the scene. Founded and registered in London, England in 1990, the foundation claims to be committed to finding "lasting solutions to the serious and spreading social conflicts, old and new, of the Andean countries." It is sponsoring a series of three international conferences over the next 12 months for the purpose, in its words, of winning humanity's "universal blessing" for drug legalization.

The first forum will be in London in November, the second will be held in the United States next February, and the third in Bogotá next May. Invited to the forum will be such "prestigious" publications as the London *Economist*, Spain's *Cambio 16*, the French daily *Le Monde*, and the *Washington Post*. Panelists will reportedly include Milton Friedman and Henry Kissinger.

## Sachs maniac wins Bolivian elections

*President-elect promises to legalize drug trafficking and sell off country to speculators, as bankers gloat.*

Winning the largest share of the vote in the June 6 elections, Gonzalo Sánchez de Lozada is now scheduled to become Bolivia's next President in August. Once he won the elections, Sánchez de Lozada moved quickly to push a political agenda he had left unspoken until now: the legalization of the drug trade. Efforts to crush the drug trade are futile, he told Spain's *Tiempo* magazine after the election. "Prohibition has never achieved anything. . . . It is terrible to say it, but taxes should be placed upon the drug trade."

That stunning declaration was quickly promoted around the continent. The newest President on the block "supports legalizing the sale of drugs," newspapers from Peru to Mexico reported June 22.

Drug legalization is not some personal opinion of the new President. Sánchez de Lozada is a member of the Inter-American Dialogue, the leading policy body of the Anglo-American bankers, which first began its campaign for the drug trade to be legalized back in 1986. The Dialogue stated that year that the drug proceeds are needed to pay foreign debts. In Bolivia, for example, "cocaine earnings have been estimated at three times the value of all other exports of the country," they wrote. "Drug profits . . . are substantial for strapped economies carrying large burdens of external debt."

By 1993, the Dialogue could brag that its members held cabinet posts in at least four governments in the Americas; now they are ready to seize a presidency, and they plan to ram their evil agenda through fast.

A mining executive raised in the United States and trained at the University of Chicago, Sánchez de Lozada learned Spanish as a second language and still speaks it with an English accent. He was economics minister for the government of Paz Estenssoro (1985-89), when he implemented the savage austerity program of Harvard whiz kid Jeffrey Sachs which destroyed Bolivia's legal economy, but sent the cocaine trade soaring.

On June 10, London's *Financial Times* called his election "living proof that radical economic reform can bring political rewards." In Lima, *Expreso* director Manuel D'Ornellas had written hopefully on June 7 that this election proves that "ministers who administrate spartan shock policies are not only not unpopular but they can aspire to be elected President." He suggested that the architect of Peru's most vicious economic program, Carlos Bologna, could now aspire to the presidency.

It was not his popularity which elected Bolivia's leading Sachs maniac to the presidency, however. A last-minute intervention in the elections from the United States was required to pull this one off.

The race was fairly close throughout the campaign; all three top candidates were doing badly in the polls, but evenly so. No candidate generated much enthusiasm. Then, on June 3, three days before the election, the U.S. embassy in La Paz issued a statement accusing Guillermo Capobianco, the vice-presidential candidate of Sánchez de Lozada's top opponent,

Gen. Hugo Banzer, of having accepted \$100,000 from drug traffickers. The bribe had allegedly been made in 1991, but the U.S. embassy chose this moment to make its announcement.

Banzer's party charged the embassy with intervening in the elections, noting that Capobianco had never been formally charged, much less been tried on these suddenly uncovered charges, but the damage had been done. Sánchez de Lozada scraped up a plurality with 37% of the vote.

If the U.S. embassy were really concerned about stopping drug trafficking, Sánchez de Lozada should have been its target. The shock program he implemented as economics minister, written by Jeffrey Sachs, cut off credit to the legal economy. Per capita Gross Domestic Investment, rising before 1985, fell by almost 50% under their program; two-thirds of the work force at the state-run tin and oil companies was thrown out of work.

In this wreckage, the cocaine trade rapidly took over the economy. The number of workers employed in coca leaf growing and processing leapt from about 350,000 (or 17% of the work force) before the Sachs/Sánchez program, to over 700,000 after—a third of Bolivia's labor force! The two economic architects knew full well what they were doing: Sachs acknowledged in his 1988 study, *Bolivia: 1952-1986*, that many of the workers fired under his program "are still unemployed, or only marginally employed, or have gone to the coca-growing region to find work. The mining towns themselves have been decimated."

Where Bolivians were poor before, after Sánchez and Sachs had finished, their living standards were driven down to the levels of sub-Saharan Africa. Now the man responsible for that is being hailed for promising to set up an "anti-poverty program."

## A 'war of words,' or something more?

*Chancellor Kohl tries to get the arms embargo against Bosnia lifted, as the Entente Cordiale denounces Germany.*

The direction which the discussion about Bosnia took at the June 21 European Community summit of heads of state and government in Copenhagen, showed the alliance against Germany in action. When Chancellor Helmut Kohl presented an initiative to have the arms embargo against Bosnia lifted, he was overruled by the other 11 European leaders. Not even the fact that he was in possession of a special dispatch from President Clinton encouraging him to bring up the embargo issue at the summit, moved the others; Kohl was isolated.

At the core of the "isolationists" are France and Britain, as a remake of the Entente Cordiale, which played a catalytic role in the outbreak of two world wars in this century, and which is becoming ever more visible.

At the Copenhagen summit, Kohl and British Prime Minister John Major reportedly had a heated exchange, during which Major had the gall to declare that, as he hadn't received any letter from Clinton, the matter was not one that should be put on a "strictly European" summit agenda.

Then, France's President François Mitterrand intervened with a proposal that verbally endorsed Kohl's call for lifting the arms embargo, but only on condition that the entire U.N. peacekeeping mission be ended first. A U.N. pullout would take weeks, so adoption of the Mitterrand proposal would mean keeping the arms embargo intact into late summer, at which point the state of Bosnia may have vanished altogether, with all Bosnians expelled by Serbia.

It was easy, therefore, for the Eu-

ropean Twelve to adopt the "alternate" Mitterrand proposal for a joint resolution that offered "money and troops" (without any specifics) for a future United Nations peacekeeping force deployed to protect the two or three "safe havens" for the remaining Bosnian civilian population.

Commented the German daily *Frankfurter Allgemeine Zeitung*, in a June 23 editorial on the summit: "But in the group of EC states, Great Britain and France determine the Bosnia policy—a policy not only of omitted, but even of sabotaged aid." The Mitterrand proposal, the article charged, was "never meant seriously; it only was to cover up the deadly commitment not to act at all."

Among the German media, the *Frankfurter Allgemeine* has been most outspoken in addressing the existence of the new Entente Cordiale against Germany. A hard-hitting article by Viktor Meier, the daily's Balkans correspondent, published on June 9, sparked a fierce and polarizing debate on the issue. Meier charged that from the start of the "peace talks process," British diplomacy, beginning with the mediation efforts of Lord Carrington, has encouraged the Serbs and discouraged the Croats and Bosnians. Mitterrand's spectacular trip to Sarajevo about one year ago, which preempted and ruined an option for a western military intervention, properly highlighted the role of the French on the side of the British, Meier wrote.

The main blame was to be put on London, as being the driving force in this Anglo-French alliance, Meier said, reporting that senior British dip-

lomats openly blame Germany for this Balkans war, showing where the core of the pro-Serbian front lies.

The frankness with which Meier took on the British problem provoked the Anglophiles in Bonn, one of whom, Christian Democratic Union spokesman on foreign affairs Karl Lamers, mailed an angry letter to the *Frankfurter Allgemeine*, which was published June 15.

Lamers—who has, in recent debates about a European defense organization, been an advocate of the view that a senior British role in any future such organization was indispensable—not only criticized Meier for his article, but insisted in his letter, that because such articles would aggravate German relations with London and Paris, the newspaper should impose "self-criticism."

It came as no surprise, then, that Lamers was among the few Germans who supported U.S. Secretary of State Warren Christopher's German-bashing remarks in his June 18 interview with *USA Today*. Christopher opined that Germany "bears particular responsibility" for actions that may have accelerated the war in Bosnia. Germany's quick diplomatic recognition of Croatia and Bosnia was "the beginning," said Christopher.

Lamer said that while Christopher's "tone" was wrong, his "facts" were right.

As if anticipating Christopher's June 18 attacks, Meier had already warned in the *Frankfurter Allgemeine* of June 17 against "deeply rooted prejudices in the English-speaking world" on the Serbian issue. Among Anglo-American propagandists for the Serbian cause, Meier singled out the Woodrow Wilson Center in Washington, D.C. as being firmly in the hands of the "Serbian Mafia." The center is a key supplier of policies for the State Department.

# International Intelligence

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## **Vatican criticizes U.N. show of force in Somalia**

The Vatican newspaper *Osservatore Romano* on June 15 questioned the United Nations' show of force in its response to Somali warlord Mohammed Farah Aided.

"The raids on Mogadishu have been without a let-up—and without success, seeing as Aided always manages to evade capture," the newspaper said. "One has to ask how far Aided's arrogant attitude justifies the use of such force or whether the bombardment is out of all proportion."

A suffering population which had looked to the U.N. for peace and food now finds itself in the middle of an offensive involving missiles and weapons of all kinds, the paper said. "Seven months later, the reality of Operation 'Restore Hope' has changed completely."

The paper also said the attacks risked legitimizing Aided's argument that the West was trying to recolonize the East African country.

"The case of Somalia imposes on us all the duty to think long and hard about the role of the United Nations in facing up to tensions in the world," the paper said. "A precise ethical and moral framework is needed to enable it to find just solutions in line with international law."

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## **Croatia warns West against supporting Serbs**

In a statement distributed by its embassies, the government of the Republic of Croatia warns western governments that they are giving "the wrong signal" by tolerating Serbian conquests. The statement made particular mention of the June 19-20 referendum which the Serbs scheduled in the areas they have seized from Croatia, including the Krajina region.

"If this referendum is given any measure of respect and credence," says the Croatian document, "it will inevitably re-ignite a full-scale Croatian-Serbian war, prolonging the conflict in the former Yugoslavia, costing

more lives and increasing the danger of this war to other countries in Europe."

Croatia's ambassador to Washington, Petar Sarcevic, said that Croatia is bitter about the lack of western intervention, saying, "When the United States threatened military action, the Serbs became conciliatory. Now, when it became clear that no action is planned, the Serbs have resumed their attacks."

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## **French law aims at zero immigration**

The French government is about to pass new legislation to restrict immigration, the European *Wall Street Journal* reported on June 16. Interior Minister Charles Pasqua said the move is aimed at achieving "zero immigration." The legislation hits the former French colonies in Africa the hardest, especially Algeria.

Pasqua went on to say that the restrictions should be seen as a "signal to all countries who send emigrants" to curb emigration as a condition for receiving development aid from France.

Mustapha Souang, an Algerian university professor, charged: "This is the true bomb. They are discriminating very clearly, without considering the very concepts for which the French fought for two centuries and which are inscribed on their own coins: 'Liberté, Egalité, Fraternité.'" The legislation would also put restrictions on acquiring French citizenship to require "real assimilation" and exclude all those deemed to be a threat to the "public order and culture of France."

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## **Scherer backs Italian secret service reform**

Gen. Paul Albert Scherer (ret.), the former head of West German military intelligence, was interviewed in the Italian Catholic daily *Avvenire* on June 15, under the title "Former Chief of the German Military 007: 'Secret Services to Be Reformed, But the Carabinieri Are Necessary.'"

"Abolishing or reforming the secret services?" the paper wrote. "Gen. Paul Albert Scherer intervenes into the debate which has opened in Italy. . . . People listen to Scherer in international circles. He is rumored to have influenced Clinton's decision to adopt a hard line against Serbia, a decision matured after a visit by Scherer in Washington at the beginning of March, during which the former head of the German 007 met several representatives of the U.S. administration. . . ."

"We met General Scherer during a conference organized in Bonn by the Schiller Institute, on the theme of security and cooperation in Europe, a conference full of delegations from the former communist bloc. We asked him for an opinion on the debate in Italy on reorganizing the secret services."

Scherer says he would look favorably upon a non-military leadership of the intelligence services in Italy, but warns against dropping all military structures. He takes the example of the Carabinieri, which are very useful for intelligence purposes. He also suggests a single intelligence service, rather than two, to avoid competition and rivalries.

Scherer's views on the reform of the Italian intelligence services and on the Yugoslav conflict reportedly drew great interest among Italian intelligence experts, at a moment when the Italian government is going to take crucial choices on both issues.

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## **Cambodian Assembly backs Prince Sihanouk**

The Cambodian Constitutional Assembly unanimously voted Prince Sihanouk "full and special powers" on June 14, so that he might "effectively save our nation and allow Cambodia once more to know progress and prosperity." The Assembly also declared "null and void" the 1970 coup against Sihanouk, run by U.S.-controlled Gen. Lon Nol. This measure recognizes Sihanouk as the "legal chief of state of Cambodia since 1970 without interruption."

The vote was supported by both the royalist Funcinpec party, with 58 seats, and the

Cambodian People's Party (CPP), with 51 seats, as well as two smaller parties with a total of 11 seats.

Despite a "heated debate" before the Assembly by Prime Minister Hun Sen (CPP) and Funcinpec head Prince Norodom Ranariddh, both parties agreed to meet with Sihanouk. Hun Sen flew to Kompong Cham province to announce that the province remains under central government control.

Officials of the U.N. Transition Authority in Cambodia, however, are saying that the Assembly decision is of doubtful legal force.

## Oxford historian hits British 'old boys'

It's complete nonsense to say that Germany is responsible for the war in ex-Yugoslavia; it's rather a group of pro-Serbian "old boys" in the British military and diplomatic circles who are to blame, wrote Oxford University historian Norman Stone, in a commentary in the German daily *Frankfurter Allgemeine Zeitung* on June 22.

In a discussion with *EIR*, Stone elaborated on his views of the British government. "John Major's problem is, he's a twit. Thinking of Major reminds me of what George Orwell wrote about [former British Prime Minister] Stanley Baldwin: 'He's not even a stuffed shirt, he's a hole in the air.'"

"The real human beings in Britain, of whatever political stripe, are for helping Bosnia and against the Serbs; it's only the plastic people and plastic mousers who are against this," Stone charged. "Major's a twit. When he was in Split [in Croatia], meeting the British troops, he had no idea even where he was, and was too afraid of going to the conflict zone, so the troops had to travel five hours just to see Major, and when they arrived, he distributed rock music tapes to them." Stone similarly denounced British Foreign Minister of State Douglas Hogg as a "silly twit."

Stone said that British policy toward ex-Yugoslavia made him "shake with rage," since it had unnecessarily led to "tensions between America and Europe." He de-

nounced British Foreign Office attempts to blame Germany for the crisis in ex-Yugoslavia as "rubbish" and "tripe," and said that U.S. Secretary of State Warren Christopher was acting like a "dingy little bugger" with his recent attacks on Germany. Stone attributed to Lord Carrington a "geopolitical fixation on keeping Yugoslavia together," in part to ensure "repayment of Yugoslav debt," and also to "maintain all sorts of cozy relationships that depended on Yugoslavia being kept together." He attributed to high-level French circles and to Henry Kissinger, the strategy to use the Serbs as a "geopolitical" weapon for the containment of a united Germany.

## Questions about murder of Mexican cardinal

Mexican Bishop Genaro Alamilla said that "the hierarchy of the Catholic Church will never cease to demand that the murder of Cardinal Juan Jesús Posadas Ocampo be cleared up." Cardinal Posadas was assassinated on May 25 at the Guadalajara Airport, supposedly because drug traffickers confused him with a rival drug lord.

According to the daily *El Universal* on June 20, Bishop Alamilla said that among the questions that the Mexican government must answer is who helped the alleged killers escape. Manuel Talamas Camandari, bishop emeritus, said that Attorney General Jorge Carpizo is presenting the official version as the absolute truth, when "there are many aspects that are not convincing," that lead one to believe that Cardinal Posadas was the intended victim. The chairman of the Mexican Bishops Conference, Adolfo Suárez Rivera, said that the case cannot be considered closed. One bishop went so far as to call for a march from the Basilica of the Virgin of Guadalupe to the attorney general's office, to protest the government's coverup.

Only Geronimo Prigione, the papal nuncio, upholds the attorney general's version, and says that ideas to the contrary "are suppositions without foundation, inventions, figments of the imagination."

● **THE WORLD** Jewish Congress has set up a watchdog agency to review United Nations "performance and efficiency." Unveiled on June 17 in Vienna, United Nations Watch will be based in Geneva, under the chairmanship of Morris Abram, former U.S. ambassador to the United Nations in Geneva, who said he hopes it will improve the U.N.'s "spotty and unbalanced" record on enforcement.

● **IMPRISONED** Argentine nationalist Col. Mohamed Alf Seinfeldín says he may be a victim of a setup intended to take his life. In an interview with the magazine *Gente*, Seinfeldín said that the objective of recent political attacks on him "is to achieve . . . our physical elimination, and for that they will use any pretext, no matter how absurd." Seinfeldín and his men were recently dispersed to separate prisons.

● **A PALESTINIAN** group of 28 people went to Jordan on June 20 to train for a proposed Arab police force in the Occupied Territories. The group was part of a security force for the Orient House, the East Jerusalem headquarters of the Palestinian peace talks team.

● **GAIDAR ALIYEV** took power in Azerbaijan on June 16, as the legally elected President fled in a helicopter. Aliyev is the former communist ruler of Azerbaijan, was a member of the Soviet Communist Party's Politburo, and was a joint agent of the Anglo-Soviet "Trust."

● **LORD DAVID OWEN** warned the Bosnians that partition of their country is the best deal they're going to get, so they should accept it. Speaking from Geneva on June 17 to the BBC, Owen threatened the Bosnian government that they would be "well advised to look very seriously at this plan and negotiate. It's not holy writ, the details can be adjusted. But it must be looked at seriously by anyone who wants the war to end."

## 'The United Nations has lost its moral authority'

*Dr. Kofi Awoonor is the ambassador and permanent representative of Ghana to the United Nations. In 1991 he was chairman of the Group of 77, which represents the more than 100 developing sector nations. A previous interview with Dr. Awoonor appeared in EIR on Nov. 1, 1991. The current interview was conducted in New York on June 17 by Dana S. Scanlon. It has been slightly shortened.*

**EIR:** Prior to the U.N. Human Rights conference in Vienna, the nations of Africa, in the preparatory commissions, put forward a position, a continental-wide position, which took issue with what the non-governmental organizations (NGOs) and the U.S. were putting forward in the Atlanta resolution. In particular, Africa has stressed that economic development is a basic human right. Can you elaborate a little more on Africa's point of view for this conference?

**Awoonor:** If you remember, before the conference took place in Vienna, the various regional groupings were asked to make an input. And this input ended up in the Non-Aligned Movement, which had a committee in New York to draft a common position. And one of the elements, the most important element, of course, was our continuing definition of human rights as the right also to food, shelter, and social security. Because we don't see how anyone in their right mind can separate that from freedom from arrest, freedom of the press, freedom of association, and so on. We think that because of their Western liberal traditions, this has become a fixed idea for the so-called Western democracies.

You don't know what we are going through, in the developing countries, after suffering so many years of colonial exploitation. We did say that in the Non-Aligned Movement, we put in this particular viewpoint, and this viewpoint will not be negotiated away through any threats. And I must say,

Africa's position has been buttressed very strongly, since we are weakest link in the economic chain, by countries that are developing strong economies, countries in Asia in particular, by Malaysia, by Indonesia, and so on. These countries have seen a concerted attack, a conspiracy to undermine their own development efforts by a singularly austere focus on the liberal aspect of human rights.

Of course, the NGOs—we are a little worried sometimes about the NGOs. I had a lot of problems with the NGOs when I was chairing the G-77, on the environmental issue. I remember addressing the entire NGO group at one of the preparatory meetings in Geneva. And I said to them: "For God's sake, you cannot make environmental work part and parcel of some kind of almost dilettantish attachment to whales and elephants, and such wonderful species that we have here. Human beings are imperilled." Some of them seemed to understand it. But you see many of them are coming from this intellectual, emotional, psychological tradition of the West, which has perfected the habit of separating things.

**EIR:** Kenya has been one of the countries very much targeted by the human rights mafia, which the NGOs are very much a part of. The foreign minister of Kenya was in Washington a few weeks ago, and he made the point in response to a journalist complaining about the arrest of an editor, that the law on the books in Kenya allowing for the arrest and seizure of presses dates back to the British rule. He felt the law needed to be updated, but he made the point that many of the laws on the books that are now being decried as anti-democratic came from the British.

**Awoonor:** It's almost in the same frame when we see President De Klerk of South Africa being touted as a great democratic person. This is a man who has served at the helm of one

of the most repressive political machines, anywhere in the history of the world, based on the differentiations of skin color. When you read the *New York Times*, you would think there was no better man who ever walked this earth than Mr. De Klerk. And we are amazed at that kind of amnesia, or denial.

This becomes the basis for attacking countries like ours, where we don't even have water to drink, we don't even have food for our people, and so on. We are struggling 36 years into independence, to construct something. Thirty-six years is the blink of an eye in the life of a nation. And yet, we are under siege by those who have mandated the world for so long, saying, "You're not doing enough in human rights." And I say: Enable us to have more social security, and then you will see how well we will be doing in human rights.

**EIR:** What is your assessment so far of what has been happening in Vienna?

**Awoonor:** From afar, I get the IPS news reports, which seem to be an attempt at balanced reportage, so I don't rely on the *New York Times*—I read the *New York Times* for what it is worth. Yes, there is a clash of ideas, I think it's good. I have kept on saying all the time that my function as a representative of Ghana at the U.N., and I hoped this would be the function of many of my colleagues, is that we must state our side of the case loud and clear, without any fear. As so I think that in Vienna these countries that are part of the kind of perspective that I've just mentioned have been very clear.

Of course, if you look at it from the Western liberal point of view, you may think that many of them have their own private agenda, because of certain internal problems that they have. But they did say yesterday very clearly, and I was so pleased to see that, and CNN had the moral courage to put it on: "Tell us which country has no human rights violations, and we will be showing you the kingdom of God." And they pointed to the United States: What have you done about the American Indians, what about your inner cities, what about the poor, what about those who are racial minorities? Are you addressing that, or are you coming to preach at us? So let's all agree that we all have problems, and see that those problems all have certain compelling economic bases.

The human rights violations in this country have a lot to do with the poverty: The poor have no justice, the poor have no housing, the poor have no health, the poor are the first to be arrested, they are the first to die in jail. If that doesn't concern human rights, we don't know what does.

**EIR:** There is a big push, which was endorsed by U.S. Secretary of State Warren Christopher, for the creation of a U.N. High Commissioner on Human Rights. What is Ghana's view on that, and more broadly, what is the Non-Aligned view?

**Awoonor:** We think that idea is a non-starter. We don't think that idea will fly through the General Assembly. The position we are going to take on this, is that we have nothing



*Dr. Kofi Nyidevu Awoonor told the NGOs in Geneva: "For God's sake, you cannot make environmental work part and parcel of some kind of almost dilettantish attachment to whales and elephants. Human beings are imperilled."*

against any efforts to construct human rights anywhere in the world, and if the U.N. wants to have someone who sort of listens in, fine. But we are not going to have a kind of a supreme commander of human rights, who will be given all kinds of powers to list violators, and therefore preparing those so-called violators for trial. And as one of the delegates to the human rights conference in Vienna said, we will not accept a regime of prosecutors, judges, and executioners all rolled into one.

**EIR:** And accountable to whom?

**Awoonor:** Exactly. It is an idea which has been floating around for some time. We will have to debate it properly.

**EIR:** So you think that if the proposal came to the floor of the General Assembly, it wouldn't go through?

**Awoonor:** It would have to come to the General Assembly, and it wouldn't fly.

Many of our countries are looking at human rights issues, but looking at them in this broader framework. We would definitely be foolish if we would deny that people are not being victimized because of a brutal police force, because the judicial system is incompetent and therefore venal in many ways, it oppresses people. If you don't address those questions, you will not be addressing any question at all. But that is subsumed by the larger question of what access people

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*It is simply wrong to see human beings in terms of dollars and cents, and whether the books are balanced. Budget deficits are eliminated at the cost of human life. That is what they want us to do! And we are saying we can't do it. These are our people.*

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have to issues of justice.

**EIR:** It also seems that since the official policies of the United Nations bureaucracy and many of these agencies, the U.N. Population Fund and so forth, are against population growth, are against the proliferation of life, and therefore to have these same agencies decrying constitutional violations in this or that country, when they themselves do not recognize life to be a primary human right—

**Awoonor:** Constructed into the entire debate, if you call it that, is the Darwinian concept. Those who are the fittest are the only ones fit to live on this planet. If you are weak, hard luck. We're sorry you are poor, we're sorry you can't make it. This is what has been demonstrated during the last 12 years of both Reagan and Mrs. Thatcher in London, the two poles of the global axis of power. And they did it brilliantly. But what was the price you have to pay for it in this country? What is the price those in England have to pay for it now?

It is simply wrong to see human beings in terms of dollars and cents, and whether the books are balanced. Budget deficits are eliminated at the cost of human life. The hospitals are closed. There is no medical delivery system anymore. The ambulances cannot drive the streets. That is what they want us to do!

And we are saying we can't do it. These are our people; we are only their spokespersons.

I come from one generation removed from a peasant origin. My mother never went to school. And I go to the village. I am in the village, that's where I spend my time. I can't go into that village when they have no water, when they have no school, and when they have no health delivery system, and you're asking me to tell them about freedom of the press! Which press? Freedom of assembly? They're assembling already.

The value of life, you've correctly said it, is the center core of the denial in Western cultural concepts. And it didn't start today.

**EIR:** The Bosnia conflict has been on the forefront of the agenda at the U.N., in words anyway, for quite some time. What is your evaluation of how the Bosnian situation has been allowed to degenerate to the point that we have seen over the months: the rape camps, the slaughter, the ethnic cleansing? What about the U.N. and also U.S. involvement in this process?

**Awoonor:** Bosnia came along as part of the changes in the geopolitical situation after the collapse of the Soviet Union and the eastern European communist states, and the emergence of new nationalisms all over the place. The pity about Yugoslavia, is that the nationalism that they're talking about there has infused into it a religious factor. It's the first time that as an equation, whether you're dealing with Serbs or Croats, you're also going to be dealing with Muslims and Christians. I don't know the demography, but I'm sure there are Serbs who are Muslims, or Croats who are Muslims, I don't know how they are able to sort that out.

So going back to your question, at the onset of this chaos in that part of the world, the U.N. in its eternal confusion in the post-Soviet era, simply said: "Oh, this is a European problem, so we hand it over to the Europeans and NATO, and NATO with its military and political component should address this question, and make sure you talk to the Russians also because the Russians share a corridor, they are there." And you know what happened: The meeting that was brokered in London sometime last year, the meeting that was held in Geneva, and so on, we've seen the movement backwards and forwards.

Meanwhile, as this is going on, the carnage escalates from day to day. And the U.N. comes back and says, "We have to do something about it." We have people in there who are playing a lot of chess games, and saying: "It has a lot to do with the question of Europe itself not discharging its responsibility."

If you remember, Mr. Clinton said, and he kept on saying it even until last week: We couldn't go into Europe because the Europeans didn't want us to do it. But now they are planning to take 800 troops into Macedonia. Why Macedonia? Because the idea is that when you put those troops in Macedonia, it sends a message that this conflict, that the carnage should not expand downstairs into almost the near Mediterranean zone of Macedonia. . . .

But the footdragging by the U.S. administration as a major power in the U.N. is alibied by the proposition that this is a European affair, that we can't get involved.

But the Muslim factor has to be assessed. Europe is petrified of Islam. There is almost an atavistic fear which is coming out of the wellsprings of medieval thinking, that we will have another Crusade era on our hands. The fundamentalists are here. The demonization of the Ayatollah [Khomeini] has a lot to do with it. And we're coming back to that, after



the breakup of the Soviet Union. Many, many countries or republics in that former country have become Muslim states: Uzbekistan, Kazakhstan, Kyrgyzstan, and so on. They are all Muslim states, and they are being pulled together, in the European assessment, into some kind of a pan-Islamic fundamentalist conspiracy. And the Bosnians are a little piece in that chess game.

So if you can contain, or if you empower the Serbians by sheer indifference to do what they're doing, you're solving a lot of problems. You're removing at least one leg or one wing of the emerging Islamic monster.

One of your senators put it very well. Joe Biden, whom I don't agree with all the time, said in one of the most vehement statements I've ever heard any American senator make, on any issue outside of this country: If it was the other way around—that is, if the Serbians were the ones being slaughtered by Muslims—you can be sure the Americans would be there. The helicopters that are now shooting women and children in Mogadishu would have been operating in Europe long ago. Because we have the Gulf war to prove that.

Here we are: Bosnia-Herzegovina is supposed to be a U.N. problem, but I can tell you, the U.N. hasn't got any clue as to how to solve it. It has troops on the ground. These troops are coming from many, many of the European nations, but they do not take instructions from any organized U.N. command system. Just as the situation is unfolding in Mogadishu: You have a U.N. presence, but it is dominated by a particular country.

The Europeans dominate the Bosnian situation, and they will play it according to their own agenda.

**EIR:** And the Russian role?

**Awoonor:** The Russian role is equally part of that sinister role. The Russians are afraid of the underbelly of Islamic fundamentalism in the republics around them, which goes all the way into the Asian border. The Russians, because of their own domestic problems, are completely incapable of any clear project vis-à-vis Bosnia. You listen to the foreign minister or even Boris Yeltsin, if he is able to articulate anything at all at any time; they come around and they say, "We're living close to this problem, so we have a right to say what should be done." And there's nothing that they're doing—just watching it, like the Europeans.

I'm also suspicious of the fact that the recent American embrace of Russia, in financial terms, could be a scenario, an action that is designed to keep Russia very much in tow vis-à-vis what the United States and its European allies want to hear.

**EIR:** As far as Somalia is concerned, there seem to be two standards, where the U.S. fully capable of deploying the armed might of what remains the world's greatest industrial power to fight a "warlord" in Somalia, and yet stands impotently by on the Bosnia side. What do you see as the U.S. role in Somalia presently?

**Awoonor:** I gave an interview to BBC yesterday, and I talked to a few of my friends before I gave this interview, because I wanted to know what the other African delegations were thinking. Many of them agreed with my position. Somalia is virtually a leftover of a Reagan-Bush agenda—an agenda which echoes what had taken place in Grenada, in a miserable little country around the corner here, [and] Panama, where they captured somebody to put him on trial and put him in jail, and in the Panama case, that man was created by them! So, yes indeed, Somalia did collapse; after the flight of Siad Barre, that country was going to pieces.

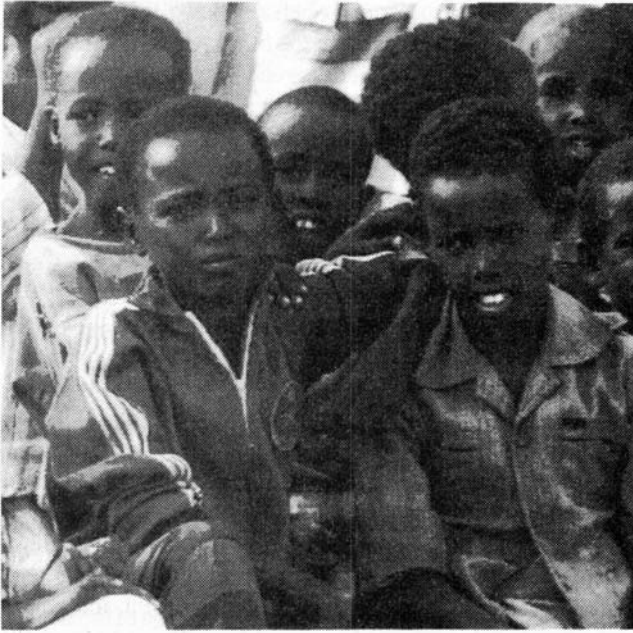
It was very praiseworthy; at least the humanitarian work that was done by the United Task Force, spearheaded by the United States, was very, very good work. We had to go in there and give them food, give them milk, silence some of the guns of the warlords, create corridors to go in. Even though some of us, including myself, when we were debating the humanitarian relief coordination work of the U.N., we said: "We cannot deliver charity at the point of a gun." The situation that was created in Somalia with the collapse of any semblance of authority whatsoever, necessitated that action of the United Task Force. Then I said again, that after you've done that work, to give them food, to make them survive, it is unthinkable to go in there and slaughter them. It's almost an echo of some kind of a viewpoint that I've seen or heard before in a nightmare: In order to save a village, we destroy it.

There must be some kind of a link between the first action of the United Task Force, which would tell them—some kind of a message that what they are doing now is morally reprehensible.

But having said that, let me add that there are leftovers from the [U.S.] State Department and from the military; many, many retired army generals and colonels are in Somalia. I have had that confirmed this morning. I have called the U.N. people and asked them to tell me what is the structure on the ground, because we don't know; you tell us that the U.S. has a thousand people in there. . . .

You see, one of the tricks that is being played now, is that for all humanitarian, and civilian, and other peacekeeping operations, they want to create a huge component of civilian advisers, and Somalia is the experiment ground. So the lady who was in Iraq, April Glaspie—the [U.S.] ambassador in Iraq who told Saddam Hussein that there would be no problems if he launched a war—is in Somalia. Apart from her, there is [retired U.S. Navy Adm. Jonathan T.] Howe [the chief U.N. envoy in Somalia], and quite a lot of these political people who were part of the Reagan-Bush system, and they are there.

And they were charged, according to the U.N., with setting up a police administration, a judicial system, and so on, to create a civilian authority in Somalia. And I was told by someone from the U.N. that they were going around arresting bandits and locking them up, in all kinds of places. And then you find the so-called bandits have been shot trying to escape. There are no courts; they are keeping them, pend-



*Somali children in the town of Belot Huen await food distribution from Operation Provide Comfort in August 1992. But now almost a year later, they're being slaughtered. "It's almost an echo of some kind of a viewpoint that I've seen or heard before in a nightmare: In order to save a village, we destroy it."*

ing the setting up of courts. The logic of that is what is being enacted in front of our eyes. That they must get Aided for trial. Resolution 837 from the Security Council on June 6, after the killing of the Pakistani troops, virtually established that, which is totally in contradiction with the earlier perspective which led to the United Task Force humanitarian work on the ground.

**EIR:** Do you have any information on what Glaspie's position is there?

**Awoonor:** I think she's one of the number-two people to Admiral Howe. So she's in a very engaged advisory position. [Former ambassador Robert] Oakley is there; many, many of them are there.

And we also hear that some of the people that are about to be gotten rid of by Clinton, from the State Department, are being funneled into the Somalia operation.

**EIR:** Kenya is a neighbor of Somalia, and in much the same way that Siad Barre was targeted a few years ago for human rights violations, for being a dictator, and a lot of money flowed into the opposition to topple him, and the opposition was very much based on the tribal component; there was no unified opposition with a plan to run the country. Kenya is being targeted in very much the same way, and you see the opposition there also has degenerated into tribal groups. Isn't there a danger of the Somaliazation of

Kenya or other countries?

**Awoonor:** Yes, in other parts of the continent, in particular in East Africa. Except that the scenario in Kenya is slightly different historically. One has to deal with the background before one can assess what is going to be happening on the ground. If you remember, Somalia was used as part of the chessboard against President Mengistu in Ethiopia.

Having said that, it is true, Kenya has always been a U.S. or Western ally, one of the darlings of the Western world, since British days, and later after independence, when Kenyatta made his peace with Britain. The most corrupt network of economic relationships anywhere on the continent could be found in Kenya—barring other places closer to home, in my home region. So, having said that, Arap Moi, who emerged after Kenyatta's death, came from a very small tribe, and the Kikuyu, which are the majority tribe, see power as their preserve. They must run that country. This problem multiplies itself across the continent. And the Western powers know, because they've always played this game of tribes. This has been the perfect recipe for the entire imperial and colonial agenda: You pit tribe against tribe. But it has to be a tribe that you can use by its numerical strength, the way the Hausas were used in Nigeria, the Kikuyus are playing a role now in Kenya. So the opposition, as you correctly said, has been fragmented into tribal groups, because the Kikuyus want power.

I think the level of development in Kenya is much higher than that of Somalia. Kenya has had a more stable economy, a more sustained level of development, comparatively, than Somalia has enjoyed. We think that because of that, it will cushion Kenya against a similar fate of Somalia. So we come to our economic arguments again; where people have a certain level of development, a total collapse is less immediately possible, unless you are talking about a full blown war.

If you remember Biafra, Nigeria could sustain that, because there is a level development, both human and physical development, that could take that shock and survive it. But Somalia, like a few other countries, does not have that level of development. So we're hoping that that itself shields it against chaos.

Also let me add: Kenya, unlike Somalia, has enjoyed a very steady middle class. No country can expand if it doesn't expand that middle-class community. And this middle class cuts across various tribes. We hope that because of that, they will have the sense to know that they cannot be used to destroy their own country.

One of the things that I said to the panelists on the BBC broadcast yesterday, when they were defending General Aided to me, that they don't know why the world is after him, I said: Let's face it, he is a thug, and no thug, whether African or anywhere else, could be defended for the things that they do. You go and put heavy guns and you destroy your own country, of course you invite action from outside.

Not that we justify or we defend the external action; but look at what you did that led to that action, and I hope that Kenyans will have enough sense not to fall into whatever trap anyone has laid for them.

**EIR:** Sudan is clearly one of the countries in Africa that is being demonized around the world, like Ayatollah Khomeini. And there is talk of the U.N. intervening in the South. What is your assessment of the Sudanese situation?

**Awoonor:** Let me begin with the fact that there has been a process of dialogue going on over the past few months, brokered by the Organization of African Unity (OAU), in Abuja, Nigeria. It has not made much headway. I think that a review of that process will be made come the next summit in Cairo at the end of this month of June. Having said that, the Sudanese situation is very much part of what I said, the anti-Islamic onslaught which is coming from what I would call the Christian democracies of the world, who see Islam or a resurgent Islamic fundamentalism in the world as the enemy.

I am hopeful that the Sudanese will have the good sense to resolve that problem themselves, particularly the most sticky problem in the internal squabble, around the Sharia, the use of the Sharia as a constitutional instrument, where Khartoum would want to impose Islamic law on the whole country—Sharia laws. Whether you are a Christian, or a non-Christian, or you worship your grandfather's ancestral stool,

you're going to be subject to Sharia law, and we think that this is an outrage. Because religion should be as free and unfettered for anyone in any country. But where these fundamentalists are talking about God being the head of state, in a theocratic structure, then they're going to be imposing, like the Ayatollah in Iran, these Islamic laws on the people who are not Islamic.

The OAU itself has enough pressure; this is why Ghana and others are very important. When Col. John Garang [head of the Southern rebel Sudanese People's Liberation Army] comes to visit us, he comes to solicit our support for this. We have Muslims in Ghana. We have 28% Muslim, 30-32% Christians, and then rest are you name it. And we want that pluralism to be considered as the most sane way for the Sudan to proceed.

This was all begun by Nimeiri, who was created by the United States [In September 1983, President Gaafar Mohamed Nimeiri's government first decreed that Islamic law, Sharia, would be strictly enforced throughout the country—ed.] And [Nimeiri's successor] President Bashir and others are in the pocket of the rich fundamentalist states, particularly of Iran, and we also hear he is getting support from Iraq. And for him to sound as though he is now the flaming sword of Allah, he must defend this outrage.

We don't like the manner in which the West wants to enter into that fray, through the use of the United Nations.



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## Lyndon LaRouche replies on derivatives bubble

*Economist and political prisoner Lyndon LaRouche, when asked to comment on Dr. Awoonor's remarks on the doubtful value of placing a tax on all financial derivatives transactions, issued the following message on June 24 to the ambassador and those reading over his shoulder.*

First of all, our purpose in this is not to simply put a surtax, so to speak, on this; but first of all, to bring it under control for a number of purposes. My long-range intent would be to tax it into extinction, or bring it to extinction by other means. But the intervening problem is that when this system collapses, as it will in any case, the derivative system, which is sucking the blood out of the world, will bring down the banking system potentially.

We need to bring this under control, because it is not under control, in the sense of being able to map what its impact on the collapse will be, so that we can draft suitable

banking reorganization measures to keep the banking structure we need in place—despite the collapse of the banking system because of its involvement, particularly the U.S. banking system, in generating this derivatives bubble.

As for the general policy, which I have toiled with, I think he would find interesting the introduction I was asked to contribute to a pamphlet on this [to be published soon by *New Federalist* newspaper]. I think he should receive a copy, and he would see what our state of mind is.

Otherwise, I would say in addition to that, that I concur that the dangers which he cites are precisely the dangers which would arise if the intent was to simply put a surtax on it. But the tax serves the purpose not merely of a stable source of tax revenue, but as an interim measure in a process of bringing this bubble under the control, and also for the purpose of being able to control the collapse when it occurs, as it must, very soon, in order to permit the relevant institutions of government to prepare for the collapse and to structure emergency legislation to maintain the continuity of production and trade in face of such a collapse.

Yes, indeed, if there is humanitarian work to be done, let us go and do it. But as we always say, humanitarian work or situations that lead to the need to do humanitarian work, must have fundamental causes, so you must go in and find out why. And that is a pacific process, where you've got to sit down and talk to people and find out what they think; you don't go in there with helicopters and gunships.

**EIR:** What is in the interest of the Sudanese?

**Awoonor:** Have a national reconciliation, and draw up a constitution that accepts religious pluralism, and which rejects the imposition of the religious views of one, i.e., the Sharia laws in Islam, as the law for the entire country. If they want to replicate Iran in Sudan, they cannot do it, because a good chunk of the Sudan is non-Islamic. It's like trying to do the same thing in Nigeria, or in Ghana for that matter. There's no way you can get away with that. It's a recipe for conflict. The Sudanese themselves must understand that—unless they're not reading their own situation the way we, who are not even privy to be part of it, are reading it from a distance.

**EIR:** Can you fill us in on the immediate situation in Haiti?

**Awoonor:** Yes, a resolution has been passed by the Security Council imposing primarily an oil blockage on Haiti, giving them seven days to reinstall Jean-Bertrand Aristide as President. This can be explained by the fact that, after the seven days, when Haiti does not conform, the Canadians offered, when [Prime Minister Brian] Mulroney came to visit with Mr. Clinton, to use the Canadian Navy to blockade Haiti.

After the prime minister, Marc Bazin, resigned, we thought the gate was opened a little bit for the secretary general's envoy, Dante Caputo, and the OAS [Organization of American States], which seems always to be under the baton of the United States, to go in and begin some kind of a discourse. The Caribbean countries were taking a very good, a very strong position, that we need to have dialogue. But what is Caricom [Caribbean Common Market] compared to the OAS, which is funded by the United States? So the OAS position has carried the weight in the Security Council. The countries that are there in the Security Council, that should be able to help them to construct an intelligent alternative to what they are going to be doing now, are not going to talk.

**EIR:** Now that we've had this overview of all the problems in the world, maybe we could try to conclude by looking at some of the prospects for solutions. One of the things we've been looking into at *EIR* is the growth of the so-called derivatives market, which is a purely speculative bubble—it's not trading in stocks and bonds, it's trading in options on options; it is so far removed from the real economy, but trillions of dollars are siphoned into this market. Surely those funds could be put to better use. And Lyndon LaRouche, *EIR*'s founding editor, has proposed a tax on this derivatives market, at each point of sale, of one-tenth of one percent on the notional value. This, of course, could generate some of the revenues to deal with budget deficit problems; but the idea would be to begin to curb the growth, the frenzy, of this completely speculative market. What are your thoughts on this?

**Awoonor:** I think it was Edward Heath who once, looking at Tiny Rowland—you remember Tiny Rowland?

**EIR:** We wrote the book on Tiny Rowland!

**Awoonor:** I just read the book [*Tiny Rowland: The Ugly Face of Neocolonialism in Africa*, Washington, D.C.: Executive Intelligence Review, 1993]. A brilliant little book. I enjoyed it immensely. Looking at Tiny Rowland, he said, "That is the ugly face of capitalism."

You use the term "speculation." What you should add is that by the sheer process of speculation, there is also the gigantic factor of manipulation. Because you are manipulating the market. And that manipulation of the market—and I am here talking from my vantage point as somebody in the developing world, we are dealing also in that market with raw, primary products, like coffee or cocoa. My feeling is that we are the direct victims; this manipulative structure is really aimed at us. Because there is no way that we can win in this game of the stock markets of the world. So even if you go in, and accept Mr. LaRouche's proposal, apart from the hope that it would control and eventually curtail it—in that tax structure, those who are the beneficiaries of this manipulation will still have a comparative advantage. They will still know how to manipulate the market further in order to maximize their profits, also in order to afford the payment of the tax.

You see, if you impose a tax on, say, petroleum, what will happen immediately is that the distributors and the owners of the petroleum industry will say, "Fine, we'll pass it on to the consumer." The consumer will end up being the one paying that tax. The profiteers will not pay—they never pay. And this is what I think would be the difficulty in the tax concept.

We had hoped that the United Nations, through some of its powers as a factor in development—that is why it set up, years ago, the UNCTAD [U.N. Commission on Trade and Development]—that it would have a regime to which all of us, traders and buyers, dealers in whatever, would be part of, some kind of a common assembly where we would have certain basic ground rules.

But you see, the U.N. has lost its moral authority, even in as simple a thing as peacekeeping. How is it going to be telling the world to organize the global economy, on a more equitable basis, when it doesn't even want to accept the principle that the Bretton Woods institutions, set up after the war, are designed to perpetuate this same structure of usury and profiteering, that is part and parcel of the IMF [International Monetary Fund], the World Bank, and GATT [General Agreement on Tariffs and Trade]? GATT is a place where things are confiscated from us, and paltry pennies given in return. And the big ones are the ones who uphold the game of GATT. . .

Flowing out of that is the pernicious fact that food is a weapon. It is a tool. Food aid has been one of the tools, that has been used consistently to destroy many, many small countries. We had a debate a couple of years ago in Ghana about this, about food aid and its dangers. The Americans

were outraged!

I was very optimistic when this country elected Mr. Clinton. I gave a keynote address at the African Students Association in Seattle last November. And I say, it looks like a new day is dawning, a new perspective, a framework of morality in international relations. I haven't given up yet. He's floundering; he sounds sometimes as though he doesn't know what is happening. One of the most dangerous people he appointed to his cabinet, is Warren Christopher. I don't know how he did it, but I hear it was Jimmy Carter who persuaded him to appoint Warren Christopher—who came from a segment of American foreign policy which was no different from what the Reagan and Bush administrations were doing. And he was even involved, from what I heard, in the aftermath of the hostage crisis in Iran, the thing that actually derailed Carter's presidency; and he's the one being recycled now into foreign policy.

I don't know what the Americans are doing with GATT. There is a big quarrel going on. Leon Britton came down here. Two days ago, it was announced that there is an impasse on the agricultural subsidy issue. And the interesting thing is that the impasse is simply because the powers are using agricultural produce as an instrument of foreign policy. Yet, we are told by the World Bank and the IMF that we cannot have subsidies of fertilizers for our farmers, we cannot have subsidies of seed for our farmers, we cannot invest in infrastructure, to give water to the fields so that farmers can produce for self-sufficiency.

I keep on telling my people in Ghana, we have to work out a new direction. It's going to be hard, it's going to be tough. But until we do that, there is no way we can be truly independent. But you see, the glory would be if we can work in tandem with our African neighbors. We have 16 countries in West Africa, in Ecowas, almost 200 million people. We have a lot of water in that area.

You must come to Ghana and see the Lake Volta, in the middle of the country: It's 500 kilometers of lake, fresh water, sitting in the middle of the country. And it's not being used; we produce nothing with it. Five hundred kilometers of fresh water.

So we have to do our work. We cannot be mooning and weeping all the time because these people are doing what they're doing. What about ourselves? Are we so stupid?

So let's get ourselves together and see what we can do with good-willed people from abroad who understand—people like you, who are reading through it, because you came from here, and you could see the other side also in even sharper focus than many of us can see because we are so close to it.

This is why I enjoy reading the *EIR*. I read it religiously. I don't agree with everything you say all the time. We send it to our Foreign Ministry, we tell our people to read it, and they read it. It gives us a window into things which we ourselves have been feeling instinctively, but you articulate it very well. You construct the debate for us.

## Brazil battles to defend its nuclear energy program

by Lorenzo Carrasco and Alberto Sábato

The Brazilian National Congress is embroiled in a battle whose outcome will be decisive for the future of the nuclear programs of the two major South American nations, Argentina and Brazil, and for every nation battling for the right to develop in the face of the new world order regimen of "technological apartheid." Brazilian nationalists, including nuclear experts allied to sectors of the military and the Congress, are trying to prevent ratification of the infamous Four-Party Nuclear Safeguard Accord, signed in 1991 by the Presidents of Brazil and Argentina. Besides fighting against hostile foreign interests anxious to keep Brazil backward, they face opposition from Brazil's own Foreign Ministry, Itamaraty, which is well known for its one-worldist tastes.

The accord subjects previously autonomous nuclear installations—and with them, all industrial installations and all advanced technological research facilities of both countries—to inspections by the International Atomic Energy Agency (IAEA). The battle dates back to 1991, when the National Defense Committee of the Chamber of Deputies rejected several articles of the Bilateral Brazil-Argentina Accord which opened the door to IAEA inspections.

What is at stake is not a traditional safeguard program, but implementation of a new model of internationally enforced safeguards *directly tied to the U.N. Security Council*. In effect, the new program would subject Brazil and Argentina to the same treatment Iraq has received since losing the Persian Gulf war.

The specific objective of the architects of the Anglo-American "new world order" is to destroy the scientific and technological potential of Argentina and Brazil, Ibero-America's most precious resource if it is ever to break with the International Monetary Fund (IMF) and launch a self-suffi-

cient process of economic development.

Argentine and Brazilian diplomats are fully aware that the Four-Party Accord now under debate is an instrument for implementing the so-called "challenge inspections" imposed by the IAEA in its recent documents Gov/2554 and Gov/2657, put out by the board of governors of the IAEA, and to which *EIR* has obtained access through European diplomatic circles.

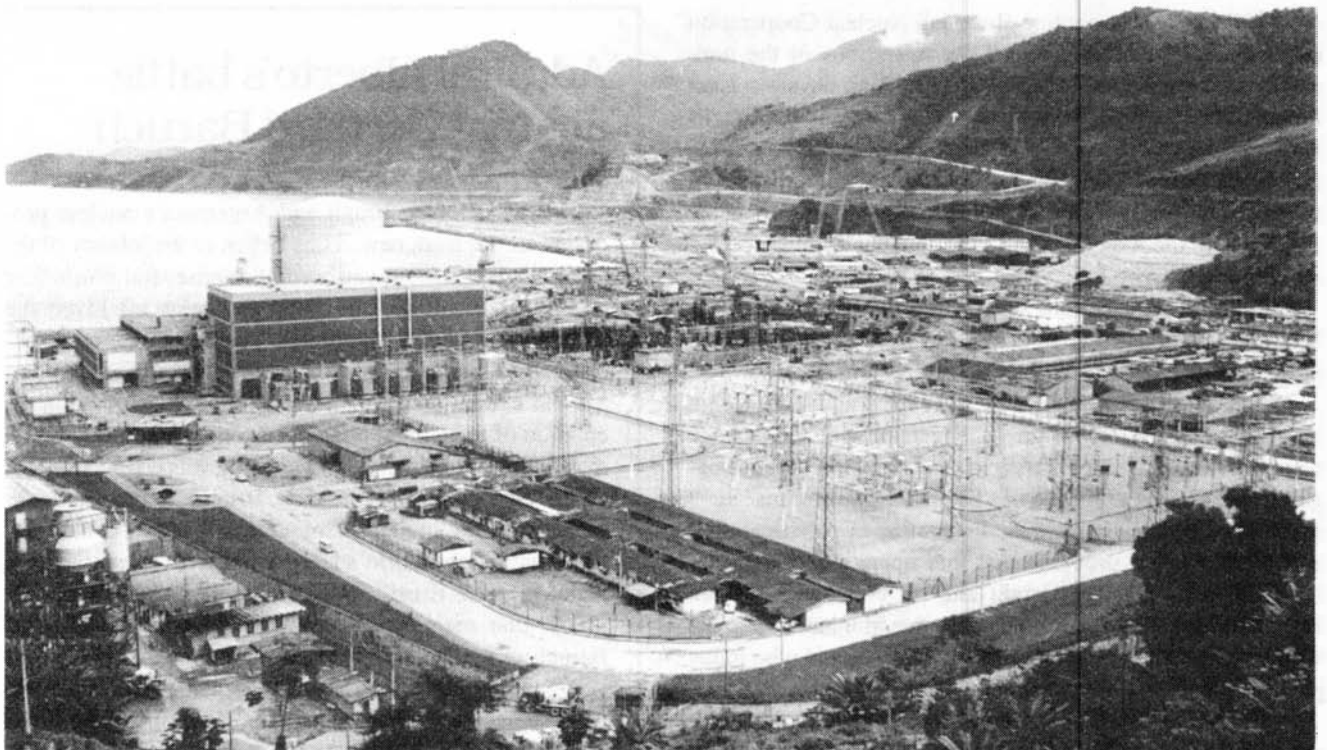
The pressures on Brazil are immense, since the Argentine Congress has already ratified the Four-Party Accord, and ratification by the Brazilian legislature is all that is necessary for full treaty enforcement.

### Not a legal matter

Neither civilian nor military nationalist sectors in Brazil have a handle on how to confront the pressures of the Anglo-American establishment, docilely transmitted by the Itamaraty clique. Their problem is that they still cling to legalistic technicalities in their efforts to oppose ratification, naively believing that challenge inspections are not authorized under the accord, simply on the basis that Gov/2554, which specifies the challenge inspections, was signed *after* the Dec. 13, 1991 signing of the Four-Party Accord.

Yet Argentine and Brazilian diplomats involved with this issue know quite well what is involved. The Argentine Foreign Ministry stated in a November 1991 memorandum entitled "Strengthening the IAEA Safeguards," that "these powers [forced inspections] are compatible with the spirit, and with certain supposed specifics, of the accord that Argentina and Brazil have concluded with the IAEA."

The memorandum also says that "Argentina feels it should offer to the IAEA . . . whatever powers and means



*Brazil's Angra dos Reis nuclear complex in Rio state was to have three plants. Shown is Angra 1, which was completed when this photo was taken in 1982.*

will permit it to fulfill its function and act efficiently and quickly in cases where there exists reasonable suspicion that a state subject to this accord is in violation of its obligations under it. . . . In that context we believe that: a) even challenge inspections are justified if they are carried out to guarantee non-proliferation; b) it would be in order to speed up the system by delegating . . . [the powers of] the board of governors to the director general; c) it would be reasonable that in cases where the board of governors believes there exists a risk . . . it should be able to order urgent challenge inspections, even when the mechanism set up to solve controversies has not been exhausted. . . . It is even reasonable that the board have the power to take the case to the [U.N.] Security Council in case a member state refuses to collaborate.”

Thus, it is clear that the Argentine Foreign Ministry is fully aware of the implications of the accord.

As for the Brazilian Foreign Ministry, their officials are hardly more subtle. In a private Foreign Ministry memorandum obtained by *EIR* which discusses the Brazilian vote in favor of challenge inspections in North Korea, it is stated that these inspections “are of special interest to Brazil inasmuch as the terms of the accord with Korea conform, in this particular, to the pattern used by the IAEA for comprehensive agreements, of the same form as the Four-Party Accord. . . . In the case of Korea, the most delicate point did not refer to the right of the IAEA to carry out challenge inspections, since

that much was clear. . . . It had to deal above all with the potential precedent that would be set for the carrying out of inspections of allegedly non-military installations, based on information not obtained by the IAEA. That point is much more pertinent for Brazil, in light of the questions pending in Congress over the approval of our safeguard accord, and the intention of some groups to defeat it.”

The perversity of the Brazilian diplomats goes beyond merely justifying the vote on North Korea: “We feel that the political aspects surrounding the question and the probable parliamentary lineup make it not only unsuitable, but unviable, to come out against the challenge inspections. We have here the concrete probability of a country . . . that has been severely questioned by the international community because it . . . effectively ridiculed the commitments it assumed when it ratified its accord with the IAEA.”

### **Brazil's history of submission**

The process of submitting to safeguard policies previously rejected by Brazil and Argentina because they were correctly viewed as discriminatory, officially began on Dec. 13, 1991 in Vienna, with the signing of the Four-Party Nuclear Safeguard Accord by Presidents Fernando Collor de Melo of Brazil (since ousted from office) and Carlos Menem of Argentina. In practice, those signatures were intended as death sentences for the nuclear programs of both nations.

*EIR* foresaw this maneuver two years earlier. In a March

16, 1990 article, "Argentine-Brazilian Nuclear Cooperation under Threat," *EIR* denounced the operations of the non-proliferation mafia, coordinated by Brazilian physicist Luiz Pinguelli Rosa, whose views had also seeped into the Brazilian Physics Society (SBF) and the Association of Argentine Physicists (AFA). This mafia orchestrated the creation of an "anti-nuclear network of 'civilian agencies' to end the autonomy of the Argentine and Brazilian nuclear programs," *EIR* reported.

At that time, Pinguelli stated, "We want to inspect the Navy installations to ensure that the nuclear fuel they are producing there doesn't exceed 20% enrichment."

Pinguelli was never more than the local agent of foreign interests. But the campaign he began turned into a huge operation when sections of Anglo-American intelligence began to act under the facade of "pacifist organizations" such as the Ford Foundation and the Federation of American Scientists. It appears probable that that operation was led by U.S. physicist David Albright and his colleague William Higginbotham, both participants in the Manhattan Project which created the first atomic bomb in 1945, and who today play the part of "repentant nuclear scientists."

In its March 16, 1990 article, *EIR* charged that Pinguelli and other scientists were pushing the notion of "oversight," in order to create "unwarranted frictions between Brazil and Argentina which, in the calculations of the anti-nuclear networks, would end up destroying any nuclear cooperation programs between the two nations."

*EIR* also reported that the U.S. reaction to Brazil's late-1980s announcement that it had achieved the full nuclear fuel cycle was that Brazil should put all its nuclear installations "within reach of IAEA inspections," on pain of raising "suspicions they are using nuclear technology for other than peaceful purposes." *EIR* noted that "this is the same argument used today by . . . the 'universalist' group at Itamaraty . . . which recently demanded . . . that Brazil sign the Non-Proliferation Treaty."

Unfortunately, all of *EIR*'s predictions have come true. Collor and Menem implacably foisted the Anglo-American agenda on their nations' nuclear programs. With international backing, Presidents Collor and Menem installed perfervidly one-worldist teams in their foreign ministries. Individuals such as Marcos Coimbra, Rubens Ricupero, Marcos Azambuja, Celso Lafer, and Helio Jaguaribe, on the Brazilian side, and Domingo Cavallo, Guido Di Tella, and others, on the Argentine side, were inserted to dominate their nation's foreign policy actions. Both ministries generally work in tandem.

The result of this treasonous capitulation is that Argentina cancelled its Condor II project, while Collor created a scandal against his own country by publicly denouncing the unknown "Solimoes Project" (whose existence was vehemently denied by the Brazilian National Nuclear Energy Commission, CNEN), charging that it supposedly sought to manufacture

## Admiral Alberto's battle against Bernard Baruch

Efforts to sabotage Brazil and Argentina's nuclear programs are far from new. They began in the infancy of the age of nuclear energy, and became intense after World War II. In August 1946, the U.S. Congress approved the McMahon Act, which limited nuclear cooperation between the United States and other countries to exploration for and extraction of uranium. Along with this came the creation of the United Nations' Atomic Energy Commission. The commission's first meeting was attended by the United States, the Soviet Union, Britain, France, and four other countries, invited as "observers" because of their status as having the world's largest uranium reserves. Those countries were Brazil, India, Belgium, and Canada.

At that meeting, American representative Bernard Baruch presented a proposal for creating a supranational agency to "control ownership of world uranium and thorium reserves," an affront to national sovereignty. The infamous "Baruch Plan" operated on the thesis of the "injustices of nature": that those countries lacking in nuclear technology should have been graced with considerable reserves of strategic minerals.

Brazilian representative Adm. Alvaro Alberto was the only one present at the meeting to oppose the injustice of the Baruch Plan, describing the U.S. policy as an attempt to force the mineral-rich nations to surrender their natural wealth. In 1951, Alberto proposed legislation to protect Brazil's reserves of thorium and uranium from foreign looting. He advocated the concept of "specific compensa-

nuclear components for military use.

At the same time, nuclear mutual cooperation accords between the two countries were cancelled and replaced by the Brazil-Argentina Accord for the Exclusive Peaceful Use of Nuclear Energy (the so-called Bilateral Safeguards Accord), which fulfilled precisely the demands made by Albright, Higginbotham, and Pinguelli. Finally, despite *EIR*'s warnings, in December 1991, Collor and Menem signed the Four-Party Accord.

### New world order allies

In Brazil, the Foreign Relations Ministry had an important ally in José Goldemberg, a malthusian physicist and known agent in Brazil of the interests of the world condominium that the Anglo-American oligarchy maintained with the Soviet *nomenklatura* before the fall of the Berlin Wall. Goldemberg, who was both science and technology and education



tions,” meaning that commercial transactions in strategic minerals should not be conducted in dollars, but only in the form of technological exchanges.

### **Secret diplomacy**

Admiral Alberto's resistance did not suffice to prevent a U.S. assault on Brazil's reserves. In 1952, in a single transaction, the United States imported the entire thorium quota guaranteed by a two-year agreement. In response, Admiral Alberto asked the Brazilian government for authorization to begin negotiations with other countries, and left for Europe to make contacts with France and Germany, the latter still occupied by the Allies.

There, Alberto met with Prof. Otto Hahn, the father of nuclear fission, and with two other professors, Paul Harteck of the Hamburg Institute of Physics and Chemistry, and Wilhelm Groth, to arrange for Germany to build Brazil the centrifuges it needed for isotope separation. At this point, Admiral Alberto's trip took on aspects of a secret mission, in that his purpose—transferring prototypes of uranium centrifuges to Brazil—forced him to rely on secret diplomacy which bypassed the Brazilian Foreign Ministry, as well as other decision-making agencies such as the National Security Council, the Joint Chiefs of Staff, and the Department of Mineral Production. The admiral requested and received special authorization from President Getulio Vargas to get the Foreign Ministry to back a secret shipment of the machines. Less than 24 hours after the authorization was granted, however, the Allies' Military Security Board seized the centrifuges in Göttingen and Hamburg. The seizure had been orchestrated by the U.S. Atomic Energy Commission (USAEC).

Admiral Alberto contacted Lewis Strauss, who was

then AEC head, but he was offered no hope of getting the confiscated machines released. Strauss, according to Alberto's close collaborator Renato Archer, “told the Brazilian admiral, in the presence of the Brazilian ambassador, that like all scientists, he [Alberto] was crazy and that everything he was proposing was pure fantasy, did not exist.”

### **Alberto forced to resign**

The USAEC's action forced Admiral Alberto to return to Brazil with empty hands. His resignation from the National Council for Scientific and Technological Development (CNPq) followed in March 1955. One year later, in 1956, a committee of the Brazilian Congress gained access to secret U.S. diplomatic documents which revealed the intense U.S. pressure to force Alberto's resignation.

The downfall of President Getulio Vargas himself was related to Brazilian resistance to exporting radioactive minerals without technological compensation. The day before Vargas's death, he was visited by a group demanding that export of radioactive minerals and monazite sand (thorium) be authorized. Only days later, in August 1954, a new government decree authorized the exports.

Anglo-American pressure on Brazil to accept the post-war technological order set back Brazil's development of the technology of ultracentrifuging for uranium enrichment by 30 years. In just the same way, the new accommodation by the top echelons of the Foreign Ministry to the demands of “technological apartheid” and the “new order,” under the illusion that Brazil will “now, finally” be treated as a First World country, will merely produce a gigantic backward step in the technological development of the country.

minister under Collor, but who essentially functioned as a Rasputin, frequented the same “environmentalist” and “pacifist” circles in which Pinguelli Rosa and other scientific mediocrities of the Brazilian Physics Society and the Brazilian Society for the Progress of Science (SBPF) traveled.

But Goldemberg always maintained greater “international credibility,” thanks to his foreign godfathers. For example, the “suggestion” to Collor that Goldemberg be brought into the cabinet was presented by Yevgeni Velikhov, former head of the Soviet Academy of Sciences and one of the main links between the Anglo-American oligarchy and the Soviet *nomenklatura*.

### **Cardoso: Anglo-American darling**

The strengthened presence of the social democracy in the government of Itamar Franco, who replaced Collor last fall after Collor was impeached for corruption, is perhaps the key

indicator that very little has changed in Brazil with Collor's political demise. Indeed, the popular mobilization against Collor that the nation witnessed in the months leading up to Collor's indictment, appears to have been in vain. Under Franco, the neo-liberal economic policies have continued unchanged, as has the submissive foreign policy conducted by the Collor government.

In this environment, the figure of the newest darling and strong man of the Anglo-American establishment has emerged: Senator and now Finance Minister Fernando Henrique Cardoso, a founder and executive board member of the Inter-American Dialogue, whom Henry Kissinger described on June 16 as “a spectacular finance minister.”

A sociologist trained by French social democratic circles, exiled during the years of military government in Brazil, Cardoso is today a spokesman of the Anglo-American establishment in Brazil. The public reference by the Inter-Ameri-

can Dialogue that Cardoso is one of its members "on loan" to an Ibero-American government should be given great weight, not only because of that organization's policies, but because four of its members are in U.S. President Bill Clinton's cabinet, and other members are serving in high positions in his administration.

Cardoso has for a long time been the principal leader of a powerful internationalist lobby in Brazil, which brings together personalities such as Marcilio Marques Moreira (finance minister under Collor), Celso Lafer (foreign relations minister under Collor), Helio Jaguaribe (secretary of science and technology under Collor), José Goldemberg, José Mindlin (São Paulo businessman with strong connections to U.S. Zionist circles), not to mention politicians and congressmen from the Brazilian Social Democratic Party (PSDB), who predominate in the present government.

An intimate friend of Itamar Franco, Cardoso initially occupied the post of foreign relations minister, and recently was made the economic "czar" in a desperate attempt by Franco to maintain the neo-liberal program contracted between Collor and his Anglo-American mentors. This is intended to repeat in Brazil the same formula adopted by the Menem government in Argentina, where Foreign Minister Domingo Cavallo has been the country's leading executioner and point-man for the policy of destroying the Argentine economy.

The entire strategy of the Brazilian one-worldists, which was not dethroned with the fall of Collor, is well summarized in an article by Cardoso entitled "Foreign Policy: The Universalist Option," published in *O Estado de São Paulo* on Jan. 24, 1993. In this article, Cardoso states that "the autarkic development option is excluded," and reaffirmed his faith in "globalization and the market economy."

Concerning the new nuclear safeguards policy, Cardoso affirmed that "the accord signed with Argentina and the IAEA situates us in the best western tradition, which thereby qualifies us to actively participate in the construction of a new system of more equitable and democratic international relations." Cardoso is referring to the offer by Brazil to submit itself to the new world order in exchange for getting a permanent seat on the U.N. Security Council, even though it be in the capacity of a mere seat warmer, without the right to vote.

"In the past," continued Cardoso, "we viewed the development of the South as an almost autonomous process and as a fundamental factor for stability, peace, and world security. Today, although we continue to believe that development is an essential element of global security, we are convinced that the growth of the industrialized countries and our relations with them are decisive . . . which requires, therefore, a pact for growth as an indispensable element to defeat nationalism . . . [and] pressures for emigration."

One of Cardoso's most beloved Brazilian friends is Secretary of Strategic Affairs Adm. Mario Cesar Flores, the

former minister of the Navy under Collor, who has begun to face strong criticism from reserve officers for his inaction regarding the disgrace of the safeguards accords. Apart from Cardoso's influence, Flores's conduct is explained by his acceptance of one-worldist principles and his belief that the concept of national sovereignty is on its way out. In his recent book *The Basis for a Military Policy*, Admiral Flores says (p. 90), "it appears that the idea of restricted sovereignty and the broader, associated concept of global unity, cannot be rejected *a priori* as absurd, and may even correspond to the natural course of history; perhaps they will even come to be important components in the evolution of the 21st century; who knows, they may finally end up producing an integration of humanity that is superior to that resulting from the juxtaposition of sovereign nation-states, which are generally in conflict with each other."

In a recent conference held in the Naval Club of Rio de Janeiro, Flores argued that Brazil's acceptance of international restraints on its autonomous nuclear program "is inevitable if we want to enter the 21st century as part of the First World."

### Cardoso's one-worldist circle

At the same time, Flores has already agreed with Itamaraty to replace the president of the Brazilian National Nuclear Energy Commission, traditionally appointed as Brazil's representative to the IAEA, with the Brazilian ambassador to Vienna—i.e., with a Foreign Ministry official. With this move, all participation of the nuclear and military sectors in the decision-making process has been eliminated.

It comes as no surprise that Admiral Flores has been favorably cited by participants in the Anglo-American plot to destroy the Armed Forces of Ibero-America. In the preface to the book *The Military and Democracy: the Future of Civil-Military Relations in Latin America*, known also as the "Bush Manual" (among other reasons because it was financed by Bush's State Department), the authors mention Flores as one of the "high-ranking officers" who "have been involved" in the "success" of the project.

Under Admiral Flores's presidency of the Secretariat of Strategic Affairs (SAE), the perverting influence of Itamaraty has grown enormously, displacing the military sectors traditionally charged with matters of intelligence and national security. Exemplary is the case of the SAE's secretary general, diplomat Luiz Augusto de Castro Neves, who concurs with Cardoso in transferring control over intelligence and national security to Itamaraty.

Another bosom buddy of Cardoso is the one-worldist Helio Jaguaribe, a former official in Collor's government and the Brazilian oligarchy's guru on international questions. In his book *New International Scenario* (Ed. Guanabara, 1986), Jaguaribe says that "submitting the principal means of international violence to the control of a representative and effective international authority would eliminate the risk of war,

as long as that authority continued to be effective and truly international. . . . Such an authority is, in the final analysis, the only means of maintaining a stable world peace. *The concept of international guidelines which subject all the nations of the world to a single legal international order, under the legitimate control of an international authority, is not only an age-old concept but is the only truly rational solution yet found to achieve this end.* *Perpetual Peace*, by Immanuel Kant, written in 1795, and *The Problem and the Paths to Peace* by Norberto Bobbio, written in 1979, could be mentioned as two references, one old, one modern, on this matter” (emphasis added).

Even more serious is the fact that Helio’s son Roberto Jaguaribe is the chief Brazilian negotiator supporting the capitulation of the country to international inspection. An adviser to Itamaraty, Roberto Jaguaribe works in coordination with Luiz Augusto de Castro Neves, SAE secretary general.

In statements published on Jan. 28, 1993 in *Jornal do Brasil*, Roberto Jaguaribe said that “Brazil is at a disadvantage because it hasn’t ratified the accord [with the IAEA], and it will lose immeasurable political advantage. . . .” Roberto Jaguaribe has lied on many occasions that the “challenge inspections” will never be applied to Brazil, while surreptitiously leading a powerful lobby in Congress to push for signing the Modified Tlatelolco Treaty which, in the new text of Article 16, compliantly confirms the full implementation of forced inspections on the signatory countries of Resolution 290, of Aug. 26, 1992: Argentina, Brazil, Chile, and Mexico.

### **The Battle of 1995 approaches**

The pressures on Argentina and Brazil are enormous. Recently, the director general of the IAEA stated in Washington that “Brazil, Argentina, and North Korea are, today, the nations that most attract the attention of the international community in the nuclear area,” as reported in *O Globo* last May 24.

In Brazil, the pressure will increase because in 1995 the Brazil-German nuclear agreement comes up for review, and the Siemens company has said that it will not renew it unless and until Brazil accepts the complete IAEA safeguards, including the challenge inspections, which subject virtually every industrial installation, and scientific or technological research facility, to surprise inspections.

However, renegotiation of the Non-Proliferation Treaty in 1995 will also create new opportunities to question the entire unjust system of “technological apartheid.” Argentina and Brazil could play a leading role in defeating the designs of the new world order and in reopening dialogue on the concept of Collective Economic Security, which links the problems of international security, including the so-called safeguards, to the issue of economic progress in the developing countries.

# The true history of non-proliferation

by Lorenzo Carrasco and Alberto Sábato

In 1995, when the first international meeting to renegotiate the Nuclear Non-Proliferation Treaty (NPT) will convene, one of the most important international confrontations will take place between those nations that still defend the principles of the sovereign nation-state, and those powers and oligarchic groups that want to replace the nation-state with a world government which asserts the right to forcibly intervene anywhere on the planet on the grounds of defending a supposedly “perpetual peace.”

The NPT was imposed in 1970 by the major victorious powers of the Second World War in order to brake and dominate the spreading use of nuclear energy for peaceful purposes. But its authors now perceive the treaty, in its present form, to be insufficient to assure this control.

Although, officially, the International Atomic Energy Agency (IAEA) predicts that the treaty will be extended indefinitely, since the end of 1991 many Anglo-American specialists have begun to question the propriety of maintaining the NPT in its present form, charging that in its function of supervising and punishing violations it is too vulnerable to political influence. Unofficially, it is known in many western and eastern diplomatic circles that there is ongoing discussion of the possibility of replacing the NPT, or at least strengthening it by sanctioning the use of force, including military force, to compel compliance with the treaty’s mandated “safeguards.”

In reality, the NPT is utterly bankrupt, due to several factors.

1) The crumbling of the Soviet Union revealed the fragility of the doctrine of Mutually Assured Destruction (MAD) in the face of the emergence of separate republics in the former Soviet Union which possess nuclear weapons. Some of these nations, such as Ukraine, Belarus, Kazakhstan, and Russia, still have ICBM installations, while the rest only have tactical nuclear weapons. One problem is the possibility that these weapons might be used in warfare in the turbulent regions of the defunct Soviet Union.

What most concerns the Anglo-American oligarchy immediately is that Ukraine has declared itself an independent nuclear power and that, with its 1,800 nuclear warheads that make it nominally the third largest nuclear power in the world, it may demand the right—identical to that of Russia—to be seated in the U.N. Security Council. Ukrainian Prime Minister Leonid Kuchma made exactly that proposal to the Ukrainian Parliament in early June, which provoked an immediate reaction from the United States, France, and Britain,

since such a Ukrainian move would smash to pieces the plans to reform the U.N. security system.

2) At the same time, the so-called “non-recognized new nuclear powers” such as Israel, India, Pakistan, and South Africa will certainly demand a place in the atomic club.

3) The IAEA is being strongly questioned concerning its ability to prevent so-called horizontal proliferation.

For these reasons, it is believed that the “eagles” of the Anglo-American establishment intend to simply extinguish the IAEA by alleging its failure to detect the supposed construction of an Iraqi bomb, and to compel its replacement by some mechanism backed by force and tied directly to the U.N. Security Council.

The strengthening of the IAEA’s “safeguards” began to be discussed shortly after the end of the war against Iraq, a country whose nuclear installations for peaceful purposes were bombarded to carry out, in fact, a radical version of the infamous Baruch Plan proposed at the end of World War II by U.S. ambassador to the United Nations Bernard Baruch. The intention: to create a supranational agency to control all nuclear technologies and minerals everywhere in the world on behalf of the Anglo-American axis.

The aged British nuclear expert Geoffrey Greenhalgh proposed the revival of the Baruch Plan in an April 1992 article in the British journal *Nuclear Engineering International* which concluded: “The danger, now . . . is more limited conflicts from local rivalries, probably involving no more than a few bombs. . . . But the shock of such an event would surely galvanize the world community into enforcing some system of regulation and control. Why not do this now, instead of waiting for the worst to happen?”

Clearly, the Anglo-American establishment, made desperate by the defeat of the non-proliferation system—one of the instruments of world control set up at Yalta—has begun an intensive search for alternatives that may well result in an induced nuclear conflict that will likely involve turbulent regions of the former Soviet empire, as a means to facilitate the irreversible “return of Baruch.”

This conclusion also jumps out from the study carried out by three representatives of the anti-proliferation mafia, David Albright, Franz Berkhout, and William Walker, as reported by the London *Economist* in its first issue in June. According to the article, the day is imminent when a localized ethnic war, such as that now raging in former Yugoslavia, could provoke an atomic explosion in some part of the former Soviet Union.

### **North Korea, the second test case**

At the beginning of this year, these same Anglo-American circles proposed to repeat against North Korea of the same campaign method used against Iraq, in order to definitively set a precedent for the application of the new doctrine. According to diplomatic sources, the possibility of using cruise missiles against various countries accused of violating the global non-proliferation rules has been under consideration.

This new non-proliferation doctrine was presented at the end of February 1993 by the London *Economist*, which demanded that North Korea be treated more harshly. “By refusing to let the inspectors check two suspect nuclear sites, North Korea is not just cocking a snoot at the IAEA; it is threatening the whole international effort to prevent the spread of nuclear weapons. Which is why, if it cannot be persuaded to keep its promises by diplomatic means, it should expect a bloody nose. . . . Though North Korea is a test case for the newly toughened NPT, it is the NPT itself which is on trial. If North Korea can cheat [with impunity] . . . South Korea, Japan, and Taiwan will be tempted to build their own bombs. The Security Council should stand ready to use whatever it takes to uphold the NPT—economic sanctions, force if need be—or lose the entire treaty.”

The Clinton administration has already adopted this doctrine, as shown in the testimony of CIA head James Woolsey to the Senate Governmental Affairs Committee last Feb. 24: “Of the many issues that have emerged in recent years, few have been more serious, have more serious and far-reaching implications for global and regional security and stability than proliferation . . . the strengthening of the IAEA must go hand in hand with renewing and reinforcing the Non-Proliferation Treaty. . . . But the recent showdown between IAEA and North Korea shows the fragility of the agency’s mandate. Without strong international sponsorship and support, it cannot succeed. The U.S. can take a lead role in strengthening and supporting the international organization, but we cannot do it alone. Outspoken and forthcoming assistance from other, such as the Russians, the Europeans, and the Japanese is essential in giving the IAEA the credibility and accountability it needs to complete its mission successfully.”

These public statements were preceded by an intense debate in Anglo-American academic circles. For example George William Rathjens, who had been deputy ambassador for President Jimmy Carter for nuclear non-proliferation matters, and who was for many years a leading participant in the Pugwash Conferences, wrote an article published in the August-September 1991 issue of MIT’s official journal *Technology Review*, in which he criticized the extent to which the NPT had become inoperative. According to Rathjens, “Israel, Pakistan, India, Brazil, and Argentina have not acceded to the treaty [NPT] because each wants to retain a nuclear weapons option for security purposes. India, Brazil, and Argentina were influenced by prestige considerations as well. North Korea, another state poised to acquire nuclear weapons, has signed the treaty but will not agree to the IAEA monitoring of facilities required unless the United States removes its nuclear weapons from South Korea. . . . Indeed, concerns that Iraq was using the NPT as cover for acquiring nuclear weapons technology motivated Israel to attack the Osirak reactor in 1981, even though the reactor was subject to IAEA safeguards. Before the Gulf war, Iraq again showed that a state could fulfill the letter of NPT obligations while pursuing a clandestine weapons program at facilities not de-

clared to the IAEA. And so the United States followed the Israeli precedent by bombing suspect nuclear sites.”

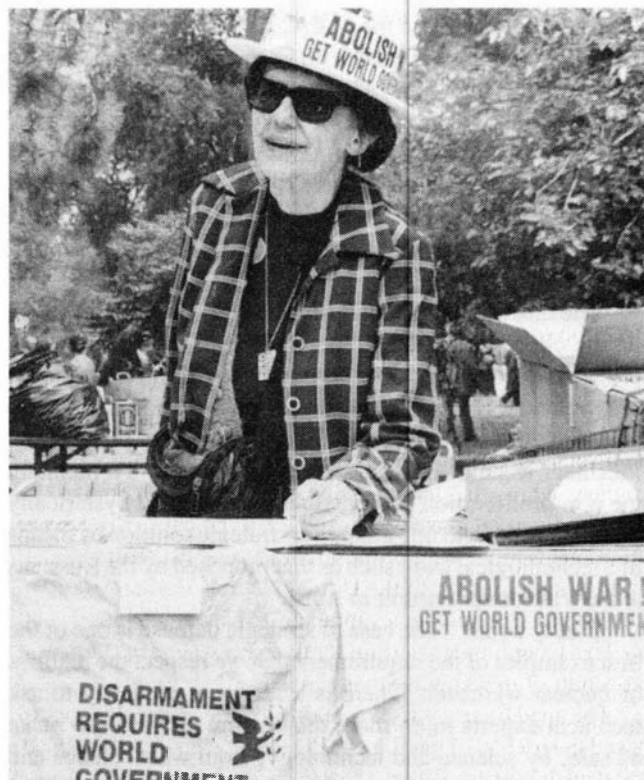
Rathjens thinks that “questions have to be raised as to whether the NPT is likely to be extended in 1995, and indeed, whether it should be unless it is strengthened. . . . U.S. non-proliferation policy has traditionally been based on discussion and denial, in particular on support for the NPT regime, IAEA safeguards, and regulating the flow of nuclear technology by a system of domestic and international export controls. To this has now been added the selective use of military action to destroy the emerging nuclear capability of states which threaten U.S. interests. Much can be done to shore up the traditional pillars of the non-proliferation regime. The NPT treaty would be enhanced if it incorporated stiff sanctions for violations and if it extended IAEA safeguards to include all nuclear activities, not just those that states declare. More can be done to minimize the flow of sensitive nuclear technology and weapons-usable materials to would-be proliferators if supplier states, including emerging ones, act in concert to develop and enforce strong export controls.”

Joseph S. Nye, Jr., director of Harvard University’s Center for International Affairs, presented a more radical version of the same policy in an article in the May 29 issue of the magazine *Science*. Nye affirms, without reserve, that at issue is giving the U.N., and above all the Security Council, the legal instruments to permit it to exercise strict control over all nuclear activities. “Because the NPT is necessary (although not sufficient) for an effective policy, it is essential to extend the treaty in 1995. Formal amendments to the NPT would open a diplomatic Pandora’s box, but the regime can be strengthened by two practical measures: challenge inspections and sanctions. The IAEA board of governors has agreed to extend special inspections whereby its inspectors could visit suspect rather than only pre-agreed sites. While this is a useful step, it is not enough, because the IAEA bureaucracy has tended to define its role in terms of civilian nuclear power. When permission is refused to IAEA or when NPT violations are alleged, the U.N. secretary general should send a special group of inspectors that would report directly to the Security Council. . . . The Security Council should impose mandatory sanctions under Chapter 7 of the U.N. Charter if the resisting or violating NPT party refuses to allow access or take remedial measures.

“There is no single solution to this complex set of problems, but the beginning of wisdom is to build upon the existing system, add new instruments such as challenge inspections and sanctions, and, above all, increase the priority given to the issue. Otherwise we may be faced with the ironic outcome that the widely welcomed end of the Cold War may increase the prospect of nuclear use.”

### McGeorge Bundy enters the scene

The Spring 1993 issue of *Foreign Affairs*, the quarterly of the New York Council on Foreign Relations, summarizes a Carnegie Commission report on “Reducing the Nuclear



*A foot soldier for the Nuclear Non-Proliferation Treaty at a nuclear freeze rally in New York makes explicit the aims of the designers of this policy: destruction of national sovereignty.*

Danger,” written by the decrepit deacon of the Anglo-American oligarchy McGeorge Bundy, and by Adm. William Crowe, former chairman of the U.S. Joint Chiefs of Staff. The study backs the policy of strengthening the organizations dealing with non-proliferation by facilitating an increased involvement of U.S. intelligence and military power.

This is highly significant given that the presumed North Korean violation was not ascertained on the basis of the IAEA’s authorized safeguard procedures, including inspections, but rather through a factor outside of the established purview of the IAEA: a satellite photograph that the U.S. delegation maintains reveals a suspicious installation, despite the fact that this very installation was inspected twice by IAEA officials.

In this respect, McGeorge Bundy and his co-author stated in their article that “if agencies like the International Atomic Energy Agency are to have wider responsibilities and powers in this field, American reinforcement will be essential and the more so because both habit and interest will produce strong demands from other states. . . . If the IAEA is to get a sufficient flow of information about trade in relevant materials and devices, there must also be reinforcement of the most important single source of information, American intelligence—and indeed such reinforcement has begun. There is a complex question about the possible future role of a separate agency of the Security Council, functioning like the special commission that has been necessary in the case of

Iraq. It is not clear that the IAEA, with its inherited ethos of trust in those it monitors, can do all the hard work alone.”

In other words, the IAEA's established pattern of functioning renders it incapable of carrying out the dirty work necessary to maintain the non-proliferation policy. Said Bundy, “What is clear is that if there is to be timely international action against suspect states, there must be readiness to act in the U.N. Security Council, and here American support will be crucial.”

The most significant part of the Bundy report is an attack on the concept of strategic defense based on new physical principles, including a not-so-veiled reference to the proposal of Lyndon H. LaRouche that the original version of the Strategic Defense Initiative, announced on March 23, 1983 by President Ronald Reagan, should be adopted. To maintain the non-proliferation policy, Bundy openly and hysterically rejects any effort to find a superior strategic solution by means of a technological leap, such as that proposed by the Russians at the Vancouver summit in April.

Bundy wrote: “The case of strategic defense is one of the best examples of the requirement that we respect the realities of nuclear warheads. There is a recurrent tendency to ask technical experts to do more than nature permits—to make us safe, by science and technology, from what science and technology have made possible. Sometimes technological enthusiasts contribute to the confusion by advertising more than they can deliver. The case that is currently relevant is that of strategic defense. There really is no present prospect that all-out defense can outrun all-out offense in nuclear warfare, because of one simple reality: the overwhelming destructiveness of every single nuclear warhead. . . . The United States can keep a sharp eye out for some real possibility of a technical revolution between strategic offense and defense; prudence require no less, and the United States should not allow its bad experience with the Strategic Defense Initiative, as originally advertised, to make it imprudently inattentive.”

### Challenge inspections

While awaiting the revision of the NPT in 1995, IAEA director Hans Blix has been working with the permanent members of the Security Council to grant the council the power to carry out challenge inspections based on nothing more than public charges from any entity considered “internationally credible.” This IAEA policy is revealed in two secret documents, Gov/2554, of January 1992, entitled “Strengthening the Safeguards: the Providing and Use of Design Information,” and Gov/2657, of May 1993, entitled “Strengthening the Effectiveness and Efficiency of the Safeguard System: a Reexamination of the Application of Safeguards.”

In both documents, the IAEA board of governors orders all countries to maintain the “complete” safeguard accords, which include challenge inspections, and that all countries participate in a full international effort to gather data; in other words, to sanction a system of mutual espionage exactly as called for by both Bundy and CIA head Woolsey.

Document Gov/2657 even speaks of “a number of measures, including environmental monitoring, which would improve the capability to detect undeclared facilities and activities” and recommends that “these measures be further developed, assessed and implemented by the Secretariat, as matter of urgency.” The document states that environmental monitoring “includes water and air monitoring techniques applicable at different ranges. [The IAEA] noted there is greater certainty at this stage in the use of these techniques for long-range detection of reprocessing compared to front-end fuel

## The return of Bernard Baruch

In the April 1992 issue of the British journal *Nuclear Engineering International*, Geoffrey Greenhalgh wrote an article with the suggestive title “The Return of Baruch,” in reference to the infamous Baruch Plan formulated by U.S. ambassador Bernard Baruch at the First International Conference on Nuclear Energy which took place just after the Second World War. Baruch proposed creating a supra-national entity for the forcible world control of all nuclear technology and world reserves of radioactive minerals.

Baruch complained that it was “an injustice of nature” that precisely those countries that developed nuclear technology were the very countries that lacked nuclear mineral reserves. Working from this premise, Baruch proposed that the countries that possessed these reserves must cede control over them to the major powers and accept a policy of forcible nuclear non-proliferation. In fact, since 1991, when the United States and its allies decided to bomb Iraq's nuclear installations because of charged violations of the Non-Proliferation Treaty (NPT) to which Iraq was a signatory, the world has been subject to the Baruch Plan.

Greenhalgh began his article with a brief review of the various plans for international control of nuclear energy, writing that “one of the more far-sighted and detailed of these was the plan put forward in July 1946 to the United Nations by the U.S. representative Bernard M. Baruch, based on the Acheson-Lilienthal study of the problem. This proposed the creation of an International Atomic Development Authority which would manage, control, or own all atomic energy activities potentially dangerous to world security, and have the power to control, inspect, and license all other atomic activities.”

Later in the article, to justify his proposal to revive the Baruch Plan, Greenhalgh analyzed the weaknesses of the safeguards established by the International Atomic Energy Agency (IAEA): “Back to Baruch. A key feature of any international control system is that it must be strictly

cycle activities, specifically enrichment. Further development of this long-range capability as regards both is urged.

The foregoing makes clear that the IAEA has gone beyond mere spying from space, to legitimize territorial invasions by special corps of spies utilizing "marvelous new techniques" whose efficacy is very doubtful.

The Four-Party Nuclear Safeguard Accord signed between Brazil, Argentina, and the IAEA, as well as the so-called "modified" Tlatelolco Treaty now in process of ratification, are both tied to the reforms now under discussion to

modify the non-proliferation regulations. The former indirectly approves the new demands of the IAEA for "challenge inspections" of nuclear installations. The latter explicitly replaces the entirety of Article 16 of the original treaty with a new text that sanctions the unrestricted right of the IAEA to carry out challenge inspections in any of the cited countries. This act of capitulation was ratified by the foreign ministries of Brazil, Argentina, Chile, and Mexico at an Aug. 26, 1992 meeting in Mexico City, where they signed Resolution No. 290, that made official the challenge inspections statute.

enforceable. The weakness of the IAEA safeguards system, as shown in Iraq, is that it only applies to 'declared' facilities which the IAEA is empowered to inspect; the IAEA has neither authority or means to search out suspected violations even in countries which adhere to the non-proliferation treaty let alone those countries which have so far refused to sign. Baruch on the other hand saw prevention and penalization going hand in hand.

"We must provide the mechanism to ensure that atomic energy is used for peaceful purposes and preclude its use in war. To that end, we must provide immediate, swift, and sure punishment of those who violate the agreements that are reached by nations. Penalization is essential if peace is to be more than a feverish interlude between wars. . . . The United Nations can prescribe individual responsibility and punishment on the principles applied at Nuremberg. . . . When an adequate system for control of atomic energy, including the renunciation of the bomb as a weapon, has been agreed upon and put into effective operation and corresponding punishment set up for violations of the rules of control which are to be stigmatized as international crimes, we propose that: Manufacture of atomic bombs shall stop; existing bombs shall be disposed of pursuant to the terms of the treaty. . . .

"But before a country is ready to relinquish any winning weapons it must have more than words to reassure it. It must have a guarantee of safety, not only against offenders in the nuclear area but against the illegal users of other weapons—bacteriological, biological, gas—and perhaps—why not—against war itself.

"The breakup of the Soviet Union, and the declared wish of the successor republics to renounce nuclear weapons, now offers the world a rare second chance to establish a strict international control over nuclear weapons. . . . While many of the detailed control proposals for Baruch's International Atomic Development Authority have been overtaken by 40 years of growth of the nuclear power industry, the basic principles of the need to prohibit weapons development and to punish violations remains unchanged. This bold proposal was tantamount to the imposition of world control through the authority of the

United Nations.

"This will represent a large step forward in international control by the United Nations, but the world cannot wait until the occasional miscalculation, as by Iraq, occurs to present the U.N. with the opportunity to act on a case-by-case basis. It will necessarily require interference in the affairs of sovereign states, but as Baruch claimed, the time may have come when people are 'not afraid of an internationalism that protects and are unwilling to be fobbed off by mouthings about narrow sovereignty.' "

Greenhalgh's article ends with a somber statement which, more than being just a warning of the possible use of nuclear weapons in local conflicts, could be analyzed as a threat that the Anglo-American oligarchy might consider the possibility of using a manipulated regional conflict for the purpose of imposing its new system of nuclear safeguards:

"The danger, now . . . is more limited conflicts from local rivalries, probably involving no more than a few bombs. . . . But the shock of such an event would surely galvanize the world community into enforcing some system of regulation and control. Why not do this now, instead of waiting for the worst to happen?"

### **British anti-science**

Greenhalgh has a long career as a British intelligence operative since he worked for the Anglo-Persian Oil Co. in the Abadan refinery during the Second World War. In 1948, Greenhalgh joined the just-formed Atomic Energy Research outfit set up in Harwell, England. Nominally an advanced nuclear research center, Harwell has in reality functioned to disseminate discriminatory policies against non-nuclear powers, and to try to maintain indefinitely the 1945 postwar international status quo in the nuclear area.

Later, in 1956 and 1961, Greenhalgh was the British scientific attaché in Estocolmo, and he later moved over to Brussels as the British Atomic Energy Agency's representative to Euratom. In 1964, he returned to Britain as the first director of the British Nuclear Forum. Today he functions as an "independent consultant" on nuclear affairs.—*Lorenzo Carrasco*

## Congress debates budget plan to kill the poor, elderly

by Kathleen Klenetsky

What's the lesson of the budget wrangling now dominating Washington? That worshipping at the altar of deficit reduction inexorably leads to human sacrifice.

If that sounds extreme, then consider how the federal budget is shaping up as it wends its way through the congressional labyrinth.

The budget proposal originally offered by the Clinton administration earlier this year was no prize. In addition to proposing an onerous tax on all forms of energy—the BTU tax—the Clinton plan called for deep cuts in Medicare, which underwrites medical care for the elderly, plus new taxes on Social Security beneficiaries.

In order to get House approval for his budget, Clinton sacrificed its one positive element: the multibillion-dollar package of investment tax credits that was known as the stimulus program. In addition, the House increased the administration's proposed Medicare reductions, and the White House acceded to that as well.

Now the Senate has its hands on the package, and, so far, the results have been disastrous. On June 18, after weeks of wrangling, the Senate Finance Committee voted up a version of the budget that differs markedly from the House version, which incorporated most of the Clinton proposal, except for the investment tax credit.

The Finance Committee proposal, which now goes to the full Senate for debate, has the merit of eliminating Clinton's destructive BTU tax. However, that's about the only good thing that can be said about it, since the plan proposes to compensate for the estimated \$70 billion in new revenues which the BTU levy was supposed to raise with measures that will prove just as lethal.

First, it slaps a tax (4.3¢ per gallon) on gasoline and other fuels, which will add to the cost, not only of getting to work, but of almost all goods which depend on air, rail, or truck

transport for their distribution. The transportation fuels tax is projected to cost the economy \$24 billion.

Second, it scales back proposed increases in the Earned Income Tax Credit, a program which is aimed at giving tax relief to the working poor.

Third, it reduces funds for childhood immunization and hunger prevention programs.

Fourth, and probably most damaging, it gouges an additional \$19 billion from Medicare, over and above the \$50 billion already cut in the House version.

### 'Fiscal elder abuse'

Under the Senate committee plan, a whopping \$70 billion would be slashed from Medicare over the next five years, even though the program has suffered drastic cuts over the past several years, and despite the fact that more and more elderly Americans are in need of the program.

The Medicare cuts have drawn sharp criticism from advocates of the elderly and from health-care providers, who charge that the cuts will make it increasingly difficult for senior citizens to continue getting high-quality medical treatment.

In a statement issued on June 17, Dr. Daniel Thursz, chairman of the Leadership Council of Aging Organizations, which represents over 30 groups, declared that the Senate Finance Committee plan constitutes "fiscal elder abuse" and "a pointed attack against older Americans." The reduction of funding for Medicare services, he said, "will affect the well-being of older Americans."

Thursz pointed out that, while most of the additional Medicare cuts will initially fall on doctors and other service providers, "their impact will eventually be felt by consumers."

Kenneth E. Raske, president of the Greater New York Hospital Association, said that the cuts will have a "devastating



affect" on city hospitals.

Dr. W. Gerald Austen, chief of surgery at the Massachusetts General Hospital and president of the American College of Surgeons, commenting on the fact that the additional Medicare cuts will apply primarily to specialists and surgeons, declared, "We are outraged" by the Finance Committee plan. "The committee's decision to achieve budget savings by placing additional, unwarranted burdens on surgeons shows total disregard for the physician-payment system that Congress designated just a few years ago."

## Problems ahead

Although the Senate Finance Committee version of the budget differs sharply from his own, Clinton nevertheless praised it during a national radio address on June 19. The Finance Committee's action was a "significant victory," he said. "Make no mistake about it. Washington is finally moving to put our economic house in order. If we want to get the economy back on track, Congress must pass this plan. It's necessary, fair, and it'll work."

In a nationally televised news conference the night before, Clinton enthused that both the House and the Senate have progressed toward the administration's goal of \$500 billion in deficit reduction.

The budget process is by no means over. The full Senate is scheduled to take up the bill passed out of the Finance Committee at the end of June. While even Senate Minority Leader Bob Dole (R-Kan.) admitted on June 20 that the White House has the votes to get it through, it still faces an arduous House-Senate conference process, where it could get hopelessly logjammed, especially given the wide differences between the House and Senate plans.

Plenty of opposition exists to elements of both versions, and not just among Republicans, whose main complaint is that neither plan contains sufficient cuts.

A good number of Democrats, especially on the House side, feel that they were set up by the President when the budget was before the House. Despite the fact that there were already unmistakable signs that the Senate would kill the politically unpopular BTU tax, many House Democrats who opposed the tax nevertheless voted for it in order to show their loyalty to the White House. Now they feel they stuck their necks out for nothing, and fear that when they come up for reelection, their opponents will be able to point the finger at them for voting for the BTU levy.

Other House Democrats are outraged that Clinton has gone alone with the additional Medicare cuts. Days before the Senate Finance Committee vote, when it began to become obvious that the White House would capitulate, Congressional Black Caucus chairman Rep. Kweisi Mfume (D-Md.) issued a statement, vowing to oppose the Senate panel's version, even if Clinton were to support it.

"We are not prepared to accept this notion that is being floated of additional major entitlement [Medicare] cuts," Mfume warned. "We're not going to roll over and play dead

as the Senate decimates this economic budget reduction package by doing away with things, such as the child hunger program and the summer jobs program and the Earned Income Tax Credit, and, for that matter, trying to reduce even more cuts in entitlement programs, such as Medicaid and Social Security. Those things are non-negotiable for us."

The rising anger at the President, from the ranks of his own party, could pose serious difficulties for him when the budget goes to conference.

Budget Director Leon Panetta hinted at some of the problems ahead during a White House budget briefing on June 22. While maintaining an optimistic front about the prospects of getting the budget completed by the fall, he admitted that "there's going to be major differences between the House and the Senate" on a number of issues, especially energy. "You could have as many as 60 to 70 difference conferences [conference committees] on different issues" contained in the budget.

A lobbyist with an advocacy group for the elderly told *EIR* that the White House has already made so many deals already to get the budget through Congress, it has driven itself into a corner.

Though the administration would like to see changes made in the Senate version of the bill, especially reinstatement of the BTU tax in some form, Panetta emphasized that the "bottom line" is that "we want \$500 billion in deficit reduction." He added that if some of the Medicare cuts made by the Senate Finance Committee were to be restored some place down the line, "you've got to be able to make up that loss of revenue in other ways."

## The real deficit menace

Although the budget still faces heavy going, there is little likelihood that there will be any significant improvements made to it, given that most opponents of the package, no matter how good-willed, have failed to attack the underlying assumptions on which the budget is based.

Instead of saying, "Look, we have to wipe out the speculative activities which have sucked the life out of the productive economy over the past 20 years, and then start rebuilding the economy through large-scale infrastructure projects," most people are content to accept the lie that deficit reduction is the *sine qua non* for getting the economy back on track.

In that situation, people who should have a common interest, find themselves fighting with one another over who gets the short end of the stick.

For example, one leading black congressman who has rightly attacked the cuts in social programs, proposed that funds for the Space Station be reduced so that these other programs could be saved. Why such a suicidal tradeoff, when America's role in space has had everything to do with our progress, including in medical technology? Because deficit reduction is the number-one goal, he said. Similarly, the Leadership Council of Aging Organizations suggests that the BTU tax be reinstated so that the additional Medicare cuts could be eliminated.

# The fallacy of U.S. policy toward Ukraine

by Edward Spannaus

As Ukraine teeters on the verge of economic breakdown and massive social dislocation, the United States has joined Russia in a campaign of bullying and blackmailing Ukraine in a manner which will unconsciously undermine its sovereignty and independence, and which runs counter to the strategic interests of the United States and the West.

Ukraine's economy has been devastated by a western credit embargo and Russian reduction of energy supplies. Recently, a mass strike against the collapse of living standards broke out in the Donbass region of eastern Ukraine. The coal strike, still not settled, was exploited by pro-Russian elements, with the aim of fomenting Ukrainian-Russian inter-ethnic conflict, ultimately precipitating the transfer of eastern Ukraine and Crimea, areas with large ethnic Russian minorities, to Russia.

Meanwhile, the collapse of the Kuchma government and the uncertainty facing President Leonid Kravchuk in the Sept. 25 national confidence referendum, have nearly paralyzed the government. In a dramatic warning to parliament on June 19, Prime Minister Leonid Kuchma said that Ukraine could either become a dictatorship or plunge into anarchy within months. Kuchma threatened to resign, saying he had been stripped of all powers by Kravchuk's decree creating an "extraordinary committee" to attempt to stabilize the political and economic situation.

At a point where Ukraine needs genuine assistance and investment aimed at strengthening its sovereignty and national economy, U.S. policy has only one note: denuclearization. While elements in Russia are using political and economic blackmail against Ukraine, the United States says: Do what the Russians want.

This was stated clearly by Strobe Talbott, the U.S. special envoy to the former U.S.S.R., in a late-June interview on the MacNeil-Lehrer News Hour. Speaking of his recent visit with Defense Secretary Les Aspin to Ukraine on the nuclear weapons issue, Talbott claimed that "we have been able to lay to rest anxiety in some circles in Ukraine that the United States is ganging up with Russia or somebody else against Ukraine." The remainder of Talbott's remarks proved just the opposite.

The envoy asserted that he and Aspin had made it clear that if Ukraine wants to have "a full, rich, deep relationship" with the United States, it had better "keep its obligations under international agreements." He specifically referred to

the "Lisbon Protocols" obligating Ukraine to ratify the START I treaty and to accede to the Nuclear Non-Proliferation Treaty.

Talbott made it very clear to Ukraine that it had better get along with Russia—or else! "The point that our administration has been making in its dialogue with the Ukrainians is that there are a number of factors that will ensure its security over the long run. A very important factor is good relations with Russia, and if Ukraine does not follow through on its obligations under the Lisbon Protocols and [instead] keeps these nuclear weapons, it will have exactly the opposite effect."

"What Ukraine really needs for its security . . . [is] to live in a safe neighborhood," warned Talbott, in the time-honored method of a mafioso selling protection. "It needs to have neighboring countries with whom it is on good terms."

## A 'sovereign state'?

In a June 21 editorial, the *New York Times* was just as blunt, warning Ukraine that it might come to be treated as an "outlaw" state if it doesn't abandon its nuclear weapons. Yes, Ukraine is a sovereign state, said the *Times*, but the pressure from nationalist elements to keep its nuclear arms raises the question as to what kind of sovereign state it will be: one that lives up to its international commitments, or a "nuclear outlaw."

The problem is, the *Times* continued, that the nationalists are distracting Ukraine from "a more critical task—reforming the economy." The United States must promote domestic reform, it concluded, and thus change the focus of the debate away from nuclearization.

What the *Times* refuses to acknowledge is that the economic reforms being pushed by the United States, as has been shown in Russia, will have just the opposite effect: As International Monetary Fund conditionalities destroy the productive base of the society, various groupings will come to the fore to denounce the economic "sellout" and promote aggressive, anti-western nationalism.

While denuclearization is the official U.S. policy toward Ukraine, there are dissenting voices from some who argue that Ukraine has the right to retain its nuclear arsenal, and that this will in fact promote strategic stability in the region.

A debate along these lines is conducted in the pages of the Summer 1993 issue of *Foreign Affairs*, the journal of the U.S. establishment's New York Council on Foreign Relations. Prof. John J. Mearsheimer puts forward many sound arguments as to why the United States should encourage Ukraine to retain its nuclear arsenal. Unfortunately, his arguments begin and end with Kissingerian balance-of-power axiomatics, without addressing the imperatives of full respect for the national sovereignty of Ukraine and every nation emerging out of the former Warsaw Pact countries, and the essential need to foster national economies and technological development as the premise for any strategic stability in this region.

# 'Co-signers' to meet July 2-4 in Phila.

From July 2 through July 4, a convention will be held in Philadelphia, Pennsylvania to co-sign the American Declaration of Independence in the city where it was first signed in 1776. The chairman of the steering committee for the initiative, Rev. James L. Bevel, defined the purpose as follows: "With the right of citizenship and the sovereignty of our nation being undermined from within and without, it is imperative that we as citizens purify ourselves and clarify our Declaration of Independence. The fundamental truth captured in the Declaration of Independence is universal.

"As the 1960s civil rights movement asserted these principles and broke down the walls of injustice, in the face of today's national and international chaos and crises, we must reassert those principles of the Declaration of Independence once again. The idea is to have thousands of people descend upon Philadelphia, for a mass co-signing of the Declaration of Independence on Sunday, July 4, 1993, at church services throughout the area."

The conference is sponsored by the Baptist Ministers Conference and the AME Preacher Meeting of Philadelphia, the International Civil Rights Movement, the Student Non-Violent Constitutional Committee, Students for Educational and Economic Development, and the Schiller Institute, among others.

Co-chairmen of the steering committee are the Rev. Marshall L. Shepard, attorney Almanina Barbour, and Amelia Platts Boynton Robinson. The executive director is Dennis Speed. It can be reached by telephone at (215) 386-5930.

## Concert to honor Anderson

The weekend's events are slated to begin on Friday, July 2 with a concert honoring contralto Marian Anderson. A Philadelphia native and African-American, Anderson died on April 8, 1993 at the age of 96. Anderson's entire life was a witness to the basic philosophy of the Declaration of Independence, explained one of the organizers of the convention, for she overcame fierce racial discrimination to win recognition as one of the supreme artists of the century in performing European classical music.

On Saturday, July 3, seminars and workshops will be held on "the Foundation, Principle, Method, and Goal of the American Revolution." Later on the same day, a "Personal

Integrity National Sovereignty Awards Ceremony" will take place, at which men and women whose lives have reflected the principles of the Declaration of Independence will be honored.

Then, on Sunday, July 4, the co-signing of the Declaration of Independence will take place in all of the churches in the City of Philadelphia which are participating in the convention. All freedom-loving Americans are asked to co-sign the Declaration of Independence and thus to reaffirm the principle of "justice and freedom for all."

A convention rally will be held from 4 p.m. to 8 p.m. at Drexel University's playing field, where signatures gathered on behalf of the principle of government of, for, and by the people will be presented. The steering committee will also attempt to obtain a meeting with President Clinton, Nelson Mandela, and President F. W. De Klerk of South Africa, who have been invited to Philadelphia on July 4 by the city.

Plans are also under way to have parallel events in other cities. Parallel Co-Signers' Conventions will take place in Chicago, Los Angeles and San Francisco on June 26, Seattle on June 29, in Houston on July 2, and in Richmond, Virginia on July 3 (featuring Nancy Spannaus, candidate for governor and Rev. Robert N. Jones, a prominent local leader of the Southern Christian Leadership Conference). Related activities are planned in Nashville, Birmingham, southeastern Oklahoma, Cincinnati, Cleveland, and Pittsburgh.

## 'A more perfect union'

The organizers of the convention say they intend to make the Declaration of Independence a living document capable of laying the basis for making "a more perfect union," not only of the United States, but also of the international community of sovereign nation-states. They expect that one of the most important questions to be discussed in the seminars at the convention will be the notion of man as created in the living image of God and the notion of natural law which derives from it, both of which are expressed in the first four paragraphs of the Declaration.

If the Founding Fathers appealed to "Nature's God" to support their right to declare independence, why is that same God now being driven from our public institutions? ask the convention organizers. If our Founding Fathers appealed to the "Laws of Nature" to defend their right to create an independent sovereign nation with "separate and equal station" among the powers of the Earth, why is this principle not applicable today in respect to all nations? If the policies of such institutions as the International Monetary Fund and the United Nations have become destructive to the inalienable rights of man, why should these institutions not be abolished? If it is the right of a people to organize its powers in such a form "as to them shall seem most likely to effect their safety and happiness," why should Third World nations be forced to submit to supranational dismantling of their economies?

# Panicky Masons win pyrrhic victory at Southern Baptist Convention

by Scott Thompson

The Freemasonic Order's use of dirty tricks and heavy-handed manipulations has won them a temporary, but very costly, victory over their opponents in the Southern Baptist Convention (SBC). On June 16, delegates to the SBC annual meeting in Houston overwhelmingly approved a resolution that Southern Baptists' membership in Masonry was a matter of "personal conscience." The resolution was authored by the Masons themselves. Over the past year, the masonic-satanic affinity has been hit by the widely publicized exposés distributed by Baptist layman Dr. James L. Holly of Beaumont, Texas. Holly's work has paralleled the campaign by the political movement of Lyndon LaRouche to force the federal government to remove the statue of Ku Klux Klan founder Albert Pike from Judiciary Square in Washington, D.C. The statue was erected in 1901 under the auspices of the Scottish Rite of Freemasons. Representatives of the LaRouche movement and Dr. Holly's allies were present in force at the Houston meeting, distributing to the 25,000 Baptist delegates many thousands of pieces of literature exposing the Masons.

National Scottish Rite leaders flew into Houston to personally defend their influence in American religious life. A knot of Masonic officials, led by *Scottish Rite Journal* editor John Boettjer, spent several hours at the LaRouche table, frantically arguing with organizers distributing the pamphlet attacking Albert Pike.

Despite the outcome of the convention vote, the issue of curbing masonic power is now being openly addressed in a fashion not seen since the 19th century.

The approved resolution and a companion report were submitted to the SBC by Dr. Larry Lewis, who is president of the SBC's Home Mission Board (HMB). The HMB's actions were the result of a year-long study arising out of a resolution by Dr. Holly at the 1992 SBC meeting, which questioned whether Masonry is compatible with Christianity and SBC doctrine.

Since then, Masons, following the lead of the Scottish Rite Southern Jurisdiction, had used every evil trick to prove they were compatible with Christianity, including lying about their fundamental ideas, slander, financial blackmail, throwing anti-masonic pastors out of their churches, and encouraging schism. Meanwhile, Dr. Holly published a new edition of his polemical book, showing from a theological standpoint that Freemasonry is incompatible with Christiani-

ty, because Freemasonry is a satanic, syncretic religion. The Scottish Rite's actions to defeat Dr. Holly and his allies provided sufficient proof to many Baptists that Holly's arguments were sound.

*EIR* investigators obtained a copy of a letter from Gary Leazer, director of the Interfaith Witness Department (IWD) of the Home Mission Board, who was placed in charge of writing the draft report on the compatibility of Masonry with Christianity. Leazer sent the letter to Southern Baptist (and Mason) D.L. Talbert on Jan. 17. Leazer had just finished his draft report:

"I appreciate all of the help Masons have been to me. Jim Tresner, editor of *The Oklahoma Mason*, and Abner McCall, former president of Baylor University, have each read the report and offered suggestions which I used. John Boettjer asked me to read the proof of the February issue of *The Scottish Rite Journal*, which I did in December. It will be on Freemasonry and religion and will be sent to either 3,000 or 4,000 non-Mason Southern Baptists. I forget how many Fred McPeake said.

"James L. Holly is quite upset with me as I will not meet with him again to let him approve the report before it is submitted. He, of course, will explode when he sees it. I am reaffirming our department's 1986 position that Freemasonry is *not* a religion and recommending that the SBC take a stand neither for nor against Freemasonry. . . . [Still] it is essential that as many Southern Baptist Masons get to the SBC as possible. . . . Give my regards to the other men at your temple."

A June 15 press release from the Southern Baptist Convention stated:

"During last year's SBC, a motion to create a special committee to study Freemasonry was amended and then approved by 'messengers' to have the Home Mission Board's Interfaith Witness Department do the study of Freemasonry and then have the HMB bring 'a report with a recommendation' to this year's meeting. This referral to the Interfaith Witness Department was apparently an attempt to judo a finding of incompatibility between Freemasonry and the SBC.

"Dr. James Holly . . . who is the leading advocate of incompatibility, has issued a call for the resignation of the HMB's Interfaith Witness Department director, Gary Leazer, because he gave a draft of the Freemasonry study to two

Masons and incorporated their comments in the draft before submitting it to HMB President Larry Lewis. Lewis subsequently reprimanded Leazer and removed him from a committee drafting the HMB's recommendation to the SBC prior to approval by the HMB's trustees."

### **Abner McCall's dirty tricks**

Abner McCall is a 33rd Degree Grand Cross Scottish Rite Southern Jurisdiction Mason, president emeritus of Baylor University, and a former vice-president of the SBC. Abner McCall was featured on the cover of the February 1993 issue of *The Scottish Rite Journal*, referred to in Leazer's letter. *The Journal* noted that Baylor's founder and all subsequent presidents had been high-ranking Masons, despite the university's nominal affiliation with the SBC. McCall also had an article in *The Journal*, viciously attacking Dr. Holly.

*EIR*'s June 4 issue carries an article, "Baylor University Aided FBI in Waco Firestorm," which shows that McCall had approved of having members of Baylor University assist the FBI to develop a phony profile of Branch Davidian leader David Koresh as violence-prone and a child abuser. McCall himself once ranted that David Koresh was no different from Dr. Holly, because both imitated the anti-masonic stance of Hitler and Mussolini.

McCall admitted that he had helped Gary Leazer in drafting the HMB report. He sent Leazer some highly expurgated histories of Masonry, while suggesting to Leazer that masonic ideology was not monolithic. McCall did not want Leazer's report to use the Manichean dualist religious view of Scottish Rite Sovereign Grand Commander Albert Pike, as expressed in his *Morals and Dogma*, which believes explicitly in a Luciferian equilibrium principle in the universe to be taken as an unquestionable, authoritative view of Freemasonry.

The May 1993 issue of *The Scottish Rite Journal*, which was another broadside against the anti-masonic leaders in the SBC, warned that if the convention found Masonry to be incompatible with Christianity, there would be a schism. McCall told a journalist that he was helping lead a schism from the SBC to the Cooperative Baptist Fellowship, which is being founded by former President Jimmy Carter, some Masons, and moderate SBC members.

Moreover, McCall gloated that the Women's Missionary Union (WMU), which raises most of the money for some 5,000 Baptist missions at home and abroad, was also bringing pressure to bear upon HMB President Lewis to find Masonry compatible with the SBC. The WMU had threatened to begin sharing its income with both the SBC and the Cooperative Baptist Fellowship. McCall admitted that several leaders of the WMU are members of the Order of the Eastern Star, a rite that was written by a Confederate leader to bind women to Freemasonry. McCall said that most Masons would be urged to remain within the SBC, if it chose compatibility with them, but the SBC would be shrunk to half its former self.

### **Scottish Rite at the barricades**

*Scottish Rite Journal* editor John Boettjer ran a Scottish Rite command center at the Southern Baptist Convention. (It was Boettjer, too, who had written a lying letter to the *Washington Post* that LaRouche had no evidence proving that Albert Pike, a Confederate general, had been a founder of the Ku Klux Klan, after the *Post* ran favorable articles about the campaign to remove the statue.) Boettjer's Center for Masonic Information in Houston was founded with royalties from John J. Robinson's book, *Pilgrim's Path: One Man's Road to the Masonic Temple*. According to McCall, thousands of copies of this book were handed out at the convention, and it was mailed to all members of the SBC leadership.

Robinson, who was recently put on a fast track to become a 32nd Degree Scottish Rite Mason, had earlier written *Born in Blood*, which *The Scottish Rite Journal* at the time called the best book on Masonry by a non-Mason. It gives a mythological account of the historical role of the 13th-century heretical Knights Templar in founding the Scottish Rite. Robinson is an apologist for the Knights Templar and their participation in the Baphomet heresy, which involved spitting on an image of Christ at initiation; this desecration prompted French King Philip the Fair and the pope to proclaim the Knights Templar heretics and launch a crusade against them.

Boettjer was confident, when he spoke to a journalist the day before the vote, that the final HMB resolution would pass thanks to all the Scottish Rite manipulations. After a long discussion, Boettjer stopped lying, as he had done to the SBC participants, that Albert Pike was a Trinitarian Christian. He admitted Pike's Luciferian religion is Manichean dualism. Moreover, he admitted that Manley P. Hall, whom Boettjer's *Journal* has called "the greatest philosopher" of Masonry, wrote books telling Masons "how to" summon demons and make a pact with the Devil. After confessing this, Boettjer told the interviewer that he "had a pretty good understanding of what Freemasonry is really all about." Thus, the right-hand man of Sovereign Grand Commander C. Fred Kleinknecht, sent to preach the compatibility of Masonry with Christianity, agreed that the Scottish Rite Southern Jurisdiction adepts were Lucifer worshippers seeking a pact with the Devil.

### **'The fight has just begun'**

Although the final HMB resolution passed the SBC overwhelmingly, Dr. Holly told a journalist that "the fight has just begun." The HMB report and resolution claimed that some of the tenets of Freemasonry were compatible with Christianity, but Dr. Holly noted that the HMB was compelled to state, "Many tenets and teachings of Freemasonry are not compatible with Christianity or Southern Baptist doctrine." In fact, this latter finding was so unnerving that Leazer's accomplice, Fred McPeake, tried unsuccessfully to introduce an amendment that "Some people believe that certain tenets of Freemasonry are incompatible with Christianity."

## **V**ote on homosexuals in the military set

The House scheduling of a vote on lifting the ban on homosexuals in the military before the end of June may accelerate work on a compromise. Defense Secretary Les Aspin hopes to sell his policy to the Joint Chiefs of Staff and its chairman, Gen. Colin Powell. The Aspin policy would set strict guidelines for when commanders could investigate personnel for homosexuality, and would change current Pentagon policy that says homosexuality is incompatible with military service.

Several Republican congressmen, however, released on June 17 what they described as a comprehensive voting survey of House and Senate members. According to the group, which calls itself "the National Campaign to Keep the Ban on Homosexuals in the Military," as many as 300 members would vote to keep the ban if it came to an up-or-down vote on the House floor.

## **W**olf forces aid cutoff to Sudan

Rep. Frank Wolf (R-Va.), in floor debate on June 16 on the Foreign Operations Appropriations Bill, succeeded in adding Sudan to the list of countries which would not receive U.S. aid. Among the nations included in that category are Iraq, Serbia, and Libya.

There was no objection to Wolf's move. On the contrary, Rep. David Obey (D-Wisc.), chairman of the Appropriations Committee's Foreign Operations subcommittee, agreed to the motion, as did the ranking Republican on the subcommittee. The only "exemption" to the "aid cutoff" would be "humanitarian aid" going to the non-governmental organizations (NGOs) in the south of Sudan. It is the NGOs

and their "humanitarian mission" which are chiefly serving as a "fifth column" undermining any attempt to maintain a stable nation-state.

The "cutoff" of aid was more symbolic than real, however, since next to no U.S. aid has gone to Sudan since the Bush administration launched a campaign against that country for alleged "human rights" violations. The U.S. State Department has been helping to bankroll the revolt of rebel leader John Garang in the south in order to keep the country in a continual state of civil war.

The push by Wolf and others on Capitol Hill is part of an escalating international campaign to declare Sudan an "outlaw nation" on the pretext of the "displaced persons" resulting from the State Department-fomented civil war. Sudan has been the target of destabilization operations ever since the country broke some years ago with the International Monetary Fund.

## **S**enate okays campaign finance reform

The Senate gave final approval by a vote of 60-38 to a campaign finance reform bill on June 16 after all public financing was removed from the bill. This compromise succeeded in breaking away a few GOPers from the Republican filibuster which was holding up passage of the bill.

The legislation would ban contributions by political action committees (PACs), bar lobbyists from contributing to those they lobby or lobbying those to whom they contribute, and halt the practice by which special interest groups "bundle" donations to enhance their influence.

In the House, where members are more dependent on PAC contributions, sponsors of campaign finance legislation there warned that the Sen-

ate bill would be "dead on arrival." The House bill, sponsored by Reps. Mike Synar (D-Okla.) and Bob Livingston (R-La.), would cut PAC distributions from \$5,000 to \$1,000 and would cut individual contributions in half to \$500. In addition, the House proposal would provide "equal and adjacent" air-time at network expense to respond to independent expenditures; "close the soft-money loophole," and prohibit bundling. It would not take effect until after the 1994 elections.

## **B**ingaman links aid to population control

Legislation introduced in the Senate by Sens. Jeff Bingaman (D-N.M.) and Alan Simpson (R-Wy.) would appropriate \$1.4 billion by the year 2000 to encourage population control worldwide, and especially in Third World countries. These funds would be made available to governments, multilateral organizations like the U.N. and the U.N. Population Fund, and to non-governmental organizations (NGOs), with the lion's share of such aid being routed through the NGOs.

The legislation, entitled the "International Population Stabilization and Reproductive Health Act," also aims at financing "research on new, improved, and lower-cost fertility regulation options and related disease control for women and men." The bill would also require that an annual report be submitted to Congress on "world progress toward population stabilization and universal reproductive choice."

In a statement on June 16, Bingaman said, "The U.S. effort to develop economies and promote democracy in nations around the world is futile unless this staggering [population] growth rate is addressed." The bill, he

claimed, "has received broad, bipartisan support."

Identical legislation has been introduced in the House by Reps. Anthony Beilenson (D-Calif.) and Connie Morella (R-Md.). In introducing their bill, Beilenson tried to sell the bill as a "woman's health" measure. "In much of the developing world, high birth rates, caused in part by the lack of access of women to basic reproductive health services and information, are contributing to intractable poverty, malnutrition, widespread unemployment, urban overcrowding, and the rapid spread of disease."

Echoing the ravings of Parson Thomas Malthus in the 19th century, Beilenson continued: "Population growth is outstripping the capacity of many nations to make even modest gains in economic development, leading to political instability and negating other U.S. development efforts. . . . All our efforts to promote peace, security, and the well-being of people around the world will be ineffective unless we successfully address this problem."

## **B**rown welcomes Clinton backing for Space Station

Rep. George Brown (D-Calif.), the chairman of the House Science, Space and Technology Committee, and the prime mover of any NASA legislation in the House, welcomed the President's decision on June 17 to support a "cheaper, simpler version" of Space Station Freedom. Brown, who had previously announced that he would not support a bill which did not provide the funding he deemed necessary for building the Space Station, gave his support despite some "technical" reservations about the President's design choice.

At a background briefing, senior

White House officials explained that President Clinton had chosen "Option A" of the three options developed by a redesign team. "Option A" would cost \$10.5 billion over the next five years—\$1.5 billion more than the target set by the White House, but at least \$4 billion less than the current design. Savings over the possible two-decade life of the program supposedly could amount to about \$18 billion.

Though the technical specifications for the new design were not spelled out at the White House briefing nor by White House Science Adviser John Gibbons, who testified on the same day before the House Appropriations Committee on the NASA budget, it is clear that the basic Space Station Freedom hardware will be preserved. The administration will request \$2.1 billion in fiscal year 1994 (which starts in October) for the Space Station and related programs, and \$10.5 billion in the fiscal year budgets for 1994-98.

The White House stressed that \$4 billion will be "saved" over the next five years, compared to the cost of completing the current Space Station design, and that management changes at NASA will be required to so "streamline" the program.

## **L**ugar calls for an expansion of NATO

In a press conference held at the Foreign Press Center on June 21, Sen. Richard Lugar (R-Ind.), the ranking Republican on the Senate Foreign Relations Committee, announced that he would begin working for an expansion of NATO which would, initially, bring countries like Poland, Hungary, and the Czech Republic in as new NATO members.

Ultimately, Lugar said, he

thought that NATO could also include countries like Ukraine, and even Russia, but that the basic criterion for membership would be that member countries shared the fundamental values of the present NATO countries. "If other countries are involved in NATO," Lugar said, "there would be a better possibility to deal with crises."

One of the reasons he was taking the initiative, he indicated, was the failure of the West to respond effectively to the crisis in Bosnia—the demonstrated inability of organizations like the U.N. to deal with "peacemaking" as opposed to simple "peacekeeping" functions. Such peacemaking "requires a degree of coordination which the United Nations doesn't have," said Lugar.

He also bemoaned the failure of U.S. policymakers to understand the importance of Bosnia, and, indeed, even the importance of Europe as a whole in today's world. "Today in the United States," Lugar warned, "people are even calling into question the significance of Europe. . . . NATO must not become impotent."

When asked if he had a similar policy regarding the Pacific Rim countries, Lugar said that he had "seized upon Europe because of the serious deterioration in Bosnia." He also expressed great distress over the fact that "there could be a feeling of concern among Muslim nations" over the failure of the West to act in Bosnia. "President Clinton is sensitive to the opinion of Muslim nations," said Lugar, "and that is why he acted as he did on Bosnia." When asked if he felt that this wouldn't perhaps require that Indiana boys answer the call to battle if one of these nations is attacked, Lugar responded that if the East European countries become members of NATO, then "an attack on one would be an attack on all."

# National News

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## Hentoff blasts Court's 'hate crimes' ruling

Columnist Nat Hentoff denounced the recent Supreme Court decision upholding hate crimes sentencing enhancement legislation, calling it an attack on free speech, and placing the blame for it squarely on the Anti-Defamation League of B'nai B'rith, which drafted model laws adopted in over 30 states.

In a syndicated column in the *Washington Post* of June 19, Hentoff charges that the "Anti-Defamation League has conjured up and successfully implanted the concept of hate crime laws in many states. It has not demonstrated, however, that viciously battered victims of criminals motivated solely by greed suffer any less than black or gay victims." Hentoff asks: "[W]hat kind of message is sent by such laws to those in any community who are in fact random targets of violence? Are their lives less valuable to society or themselves because criminals have stalked them without any concern for who they are? This is equal protection of the laws?"

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## Koresh attorney challenges media

Dick DeGuerin, the Houston defense attorney who took on David Koresh as a client during the U.S. government siege of Waco, was a panelist at a June 17 roundtable discussion of the media and Waco, sponsored by the Houston chapter of the Society of Professional Journalists. DeGuerin said he was "disappointed" that reporters had allowed the ATF and FBI to "spoon-feed the news" through daily briefings. "Why weren't you out there digging?" he asked. "You could have gone to the music stores, the car repair shops, hardware stores, restaurants, and bars. All these people had seen David recently," he said. Instead, the ATF said that Koresh had been "holed up" for months to justify their decision to storm the Branch Davidians' farm outside Waco.

Many of the stories about Koresh and the Branch Davidians, DeGuerin said, were

"thinly attributed," and the sources were often anonymous. In the discussion later, he responded to a question about the role of the Cult Awareness Network (CAN) in both inciting the ATF against Koresh and then shaping the press coverage with its profile of the Branch Davidians as a "dangerous cult," by acknowledging that that's what he meant when he said stories had been "thinly attributed." DeGuerin said he believes that sources quoted by the press, including those from California and Australia (referring to private investigator Geoff Hossack, who worked for a CAN affiliate) "had a bone to pick" with Koresh.

DeGuerin believes the survivors who say there was no suicide pact, and that they didn't set the fire. It's clear, he continued, that the conflagration helped protect the ATF. He said the people inside had photographed bullet holes, including those in the ceiling caused by firing from the helicopters. The film was destroyed in the fire.

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## Spannaus lays out water program for Va.

Nancy Spannaus, the independent candidate for governor in Virginia, issued a policy statement on her plans for providing safe, clean water to Virginians on June 1: "I intend to begin now to assemble a Water Management Commission of individuals scientifically qualified to deal with the pressing water problems we face" in the Commonwealth.

"The solution lies with new technologies, specifically the technologies of desalination. This option, of turning sea water into fresh water, has been bandied about for decades, and yet has only begun to be put into effect for U.S. cities. The federal government, in its fit of privatization, discontinued supporting research into desalination in 1982. It's time we took this technology seriously." Spannaus, an associate of physical economist Lyndon LaRouche, pointed especially to the modular high-temperature gas-cooled reactor as holding much promise.

"Here in Virginia we have other capabilities," she continued. "As the center for the U.S. Navy, we are the home of research into some of the nation's most advanced techno-

logies, which have been put into practice in the nuclear Navy and other military arenas. We know that desalination capabilities are standard for use in military theaters of operation, and on ships as well. . . .

"A similar approach should be taken to the processing of dirty water and sewage. The inadequate treatment of waste, both solid and liquid, has become a major health hazard again. . . . Certain pioneer projects have even shown the feasibility of 'recycling' dirty water, through electron beam processing, for example. Rather than shut down industry, due to Clean Water Act restrictions, we should use government R&D."

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## Noriega exposes crimes of George Bush on ABC

The ABC News program "Prime Time Live" ran the first televised interview with the imprisoned Gen. Manuel Antonio Noriega on June 17. Despite the harshness of his situation as a prisoner of war at the Miami Correctional Center, General Noriega appeared quite lively, laughing and making many jokes.

Noriega directly blamed "George Walker Bush" for the destruction of Panama during the Dec. 20, 1989. His description of the crimes Bush committed were accompanied by shocking clips of the gutted neighborhood of Chorrillo, in which thousands died in the U.S. bombing.

If I had been a yes-man to the White House and the CIA, Noriega told ABC's Diane Sawyer, why am I here in prison? It is because I said, no. Sawyer then proceeded to point out many of the witnesses against the general were drug dealers whose sentences were reduced, and showed footage of the hooded witness before Congress and the imprisoned (although unidentified) Carlos Lehder Rivas. The interview also made the point that drug operations have exploded in Panama since Noriega's capture, and showed a collage of headlines covering the fact, followed by footage of U.S. puppet Guillermo Endara.

Sawyer also said that Noriega had told her that in 1985 then-National Security Adviser Adm. John Poindexter had wanted Noriega to set up a provocation with Nicaragua, and then ask the U.S. for help, allowing



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a U.S. invasion of Nicaragua. Of course, Noriega refused, and went on to accuse Bush of punishing him for his refusal to be a yes-man. The program was broadcast in Panama as well, where the government of Guillermo was installed after Noriega's illegal overthrow. *EIR* sources say that the Endara crowd is extremely upset with it.

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## Va. must refund stolen taxes from retirees

The U.S. Supreme Court ruled on June 18 that Virginia must refund money it raised from unconstitutional taxes on federal retirees totalling \$467 million. The decision is a huge defeat for former Virginia attorney general, Democratic gubernatorial candidate Mary Sue Terry.

The U.S. Supreme Court ruled that its 1989 *Davis v. Michigan* decision was retroactive. *Davis* struck down a Michigan law giving state and local retirees a tax break withheld from the state's federal retirees. Virginia rewrote its own, similar law after *Davis*, but refused to make refunds to its 200,000 federal retirees for years of illegal taxation. Terry's representative had argued that the federal pensioners had procedurally forfeited their right to a refund because they had not challenged Virginia's law prior to *Davis*.

The U.S. Supreme Court has remanded the case to the Virginia Supreme Court to work out the relief required.

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## Military wary of Aspin 'win-hold-win' strategy

Military officers have already expressed grave doubts about the new "win-hold-win" military strategy announced by Secretary of Defense Les Aspin to 400 graduates of the National Defense University. The new strategy foresees conducting a holding action in one regional war, while fighting to victory in another regional war, then returning to the first war to win that. Aspin told the new graduates that the strategy is made possible by new "smart" weapons—which, he omitted, are not yet in the military inventory.

According to the *Washington Post* June

17, senior officers are deriding the new strategy. One four-star general is reportedly telling colleagues that the strategy "is a recipe for 'win-lose-lose.' Another senior officer, reflecting the views of a service chief, said in an interview, 'I call it the win-hold-oops strategy.' "

Aspin said that "the most critical" element of the strategy is the ability to stop heavy armored attacks with very small military forces. "For the first time," Aspin said, "it appears that air and missile forces will be able to kill large numbers of armored vehicles from the air, land and sea. . . . [New surveillance technology will] detect the main concentrations of the enemy force, process and analyze the information, and then pass it to the shooters before it becomes obsolete."

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## Coal companies make new offer to strikers

The chief negotiator for the Bituminous Coal Operators Association announced a new job security proposal in an attempt to get the United Mine Workers Union back to the bargaining table, according to the *Roanoke Times and World-News* of June 15. The number of strikers has doubled to 12,000 since the selective strike began on May 10.

UMW President Richard Trumka said the companies failed to live up to the 1988 contract which expired Feb. 1. It called for the operators to give three of every five jobs at their new mines, including non-union mines, to laid-off members of the UMW. The companies contend that the non-union operations were not covered by the 1988 agreement.

Now, BCOA's chief negotiator, B.R. Brown, president of Consol, Inc., says he has authority to negotiate for the non-union companies not covered by the 1988 agreement. The UMW said the new proposal would allow the companies to fill the first 40% of all new jobs with whomever they wanted, with UMW workers guaranteed only three of five jobs in the remaining 60%, or 36% of the total. "We had three out of five jobs at all their mines and now they are offering 36% of the jobs. That's certainly not acceptable," said UMW spokesman Greg Hawthorne.

## Briefly

● **AIDS** is the leading cause of death among young men in five states and 64 cities, according to 1990 data from the National Center for Health Statistics released on June 15.

● **JEFFREY GARTEN** was tapped to become Undersecretary of Commerce for International Trade on June 15. A former New York banker, Garten warned Clinton in the Winter 1992 issue of *Foreign Affairs* that Wall Street would "bring him to [his] knees" if he didn't "emerge as a tough fiscal conservative right away."

● **NEW YORK CITY** is planning decade-old schemes to privatize key city services, according to the *New York Times* on June 15. The plans are being promoted by the New York City Partnership and the New York Chamber of Commerce and Industry.

● **THE SECOND** African-African-American Summit in Libreville, Gabon held over May 24-28 was addressed by Nation of Islam Minister Louis Farrakhan, Coretta Scott King, Joseph Lowery of the Southern Christian Leadership Conference, former Atlanta Mayor Andrew Young, Virginia Gov. L. Doug Wilder, and others. The conference was organized by Rev. Leon Sullivan of Philadelphia.

● **THE ADL** is willfully exaggerating the extent of anti-Semitism in the United States, according to a feature by Rabbi Arthur Hertzberg in the *New York Review of Books*. Hertzberg cites the November 1992 report, "Highlights from an Anti-Defamation League Survey on Anti-Semitism and Prejudice in America," whose conclusions contradict its own findings.

● **THE AMERICAN** Assn. of Retired Persons and the Texas Motor Transportation Assn. have already begun to mobilize against proposed cuts in entitlements and the 7.3¢ a gallon increase in gas taxes, according to the June 15 *Houston Chronicle*.

### *The course of human events*

July 4, 1776 was a dark and fearful period. A small group of people, clustered in 13 separate colonies, determined to defeat the seemingly awesome power of the British Empire. The leaders of this struggle, weighed down by the task which they had assumed, were given a last offer by the British: Renounce your "treason," and we will give you amnesty; continue to fight for what you conceive to be your rights, and we shall crush you.

As we all know, the answer of these brave men, the 55 signers of the Declaration of Independence, was a stirring refusal, a declaration of the true rights of all men and women then and for all time to unite in defense of God's law. Thus they declared their right to renounce allegiance to the British Crown, and all political connection with the state of Great Britain.

The War of Independence was won, and the British Empire ultimately, as such, was dissolved; yet today, the British are attempting—albeit in an altered form—to reimpose the colonial system upon the world. That is the truth of their opposition to the basic demands of the Bosnian nation to be allowed to arm itself for the defense of its people, against extermination by a brutal enemy.

Sadly, this period in human history has not seen anywhere people of the stature of Benjamin Franklin, the Adams brothers, George Washington, and the rest, in control of the destiny of their nation. It is true that among political leaders—President Clinton, now Chancellor Kohl, President Demirel—there have been protests against the inhumanity of the appeasement of Serbia; but nowhere are there leaders in power who have shown their willingness to stand as beacons to the world in the cause of right.

Today we see in every portion of the globe governments that are falling apart. Compare John Major with the equally abominable Margaret Thatcher, or look at the situation in Italy, the fall of the Japanese government on the eve of the Tokyo summit, the weakness of the Clinton administration. The very institution of the nation-state, so powerfully defended by the victorious

American Revolution, is now under mortal threat.

This is occurring not only under force of arms as in the Balkans, or in Somalia, but because of the chaotic impact of the deepening economic collapse. This is occurring because of the stupid acceptance of the British ideology of the so-called free market. Speculators, the freebooters and feudal lords of today, are given free rein to systematically destroy the means of support of whole populations, in the name of the sanctity of profit-making.

The American Revolution was fought against this kind of economic warfare, against Britain's attempt to use its economic weight to destroy the colonies. At that time, the British sought to prohibit manufacture and to impose arbitrary taxes; today, the International Monetary Fund serves the same function as George III did then. Then it was taxation without representation; today it is the forced repayment of artificially inflated debt, at the expense of shutting down basic industries throughout the world.

We here today—not only Americans, but the Chinese students in Tiananmen Square who held up an image of the Goddess of Democracy to represent to the world who they were; not only Americans, but the brave fighters in Bosnia; not only Americans, but all human beings present and future—owe a debt to those 55 men who joined together on July 4, 1776 to issue their Declaration on behalf of natural law.

Let us take this Fourth of July as a moment to reflect on that document, to pledge ourselves to the great tasks at hand. Let us do so with courage, with hope, and faith. Let us assume the mantle which they left us with as much calm determination as they did then.

Let us also joyously honor the spirit of Lyndon H. LaRouche, who, imprisoned by the spiritual descendants of George III, is unflinching in his fight against tyranny, and who with his brave comrades imprisoned and facing prison in the Commonwealth of Virginia, represent the truest sons and daughters of those 55 signers of the Declaration of Independence.

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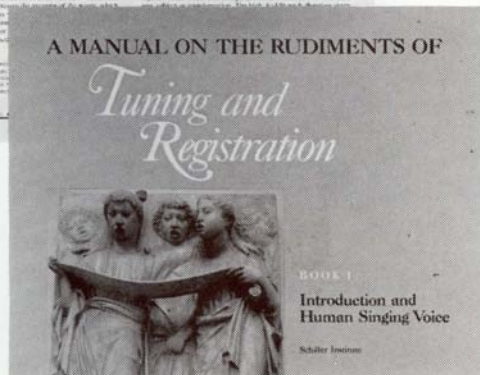
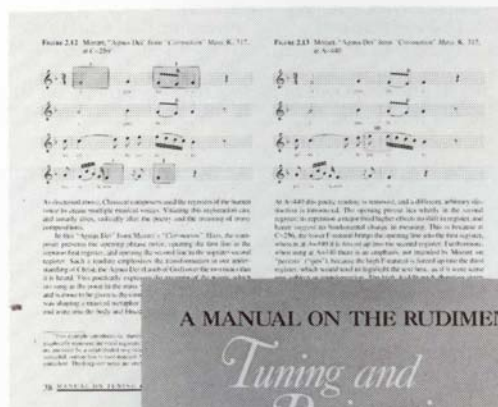
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