

EIR

Executive Intelligence Review

October 22, 1993 • Vol. 20 No. 41

\$10.00

Thatcher confesses: I tried to save Iron Curtain
Russia's Arbatov links shock therapy, war risk
Waco reports evade key corruption question

**The LaRouche factor in the
Virginia governor's race**



COLD FUSION

Challenge to U.S. Science Policy

The ground-breaking discovery announced by Martin Fleischman and Stanley Pons on March 23, 1989 has been received, not with scientific debate, but with a crude political witch-hunt. Compare what the anti-science mob is saying, with what Lyndon LaRouche writes in a 173-page science policy memorandum issued by the Schiller Institute.

Lyndon LaRouche



"These cold fusion experiments, taken together with other experiments exhibiting related kinds of anomalous results, should become featured elements of a special research project—a 'mini-crash program' of fundamental research—enjoying the moral and material support of appropriate public and private institutions of the United States and other nations."

Paul Ehrlich

Given society's record in managing technology, the prospect of cheap, inexhaustible power from fusion is "like giving a machine gun to an idiot child."



Jeremy Rifkin

"It's the worst thing that could happen to our planet."



Nature magazine

"The Utah phenomenon is literally unsupported by the evidence, could be an artifact, and given its improbability, is most likely to be one."



The New York Times

"Given the present state of evidence for cold fusion, the government would do better to put the money on a horse."



LaRouche's memorandum is available for \$25 postpaid from

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P.O. Box 66082 Washington, D.C. 20035-6082

EIR

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EIR (ISSN 0273-6314) is published weekly (50 issues) except for the second week of July, and the last week of December by EIR News Service Inc., 333½ Pennsylvania Ave., S.E., 2nd Floor, Washington, DC 20003. (202) 544-7010. For subscriptions: (703) 777-9451.

European Headquarters: Executive Intelligence Review Nachrichtenagentur GmbH, Postfach 2308, 65013 Wiesbaden; Otto von Guericke Ring 3, 65205 Wiesbaden-Nordenstadt, Federal Republic of Germany Tel: (6122) 9160. Executive Directors: Anno Hellenbroich, Michael Liebig

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

Japan subscription sales: O.T.O. Research Corporation, Takeuchi Bldg., 1-34-12 Takatanobaba, Shinjuku-Ku, Tokyo 160. Tel: (03) 3208-7821.

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Postmaster: Send all address changes to EIR, P.O. Box 17390, Washington, D.C. 20041-0390.

From the Editor

It seems fitting in an issue which features candidate Nancy Spannaus on the cover, to depart from the usual format of these letters and to promote our sister publication, the newspaper *New Federalist*, which she directs. Before the launching of this remarkable weekly newspaper in 1987, Mrs. Spannaus was the editor-in-chief of its predecessor, the twice-weekly American System newspaper *New Solidarity*, which was fraudulently bankrupted by U.S. government forces serving the private financial interests who wanted to muzzle Lyndon LaRouche and his associates.

I believe that every reader of *EIR* should also subscribe to *New Federalist*, because although they share the same philosophical inspiration, the two publications serve complementary functions. On the one hand, *EIR* concentrates on detailed economic intelligence, science and technology, strategic studies, interviews, reviews, and a high ratio of articles written by overseas contributors (e.g., last week's exclusive package on Russia). In contrast, *New Federalist* has shorter articles on breaking news, and more coverage of the week-to-week organizing of the LaRouche political movement, as in the popular "Food for Peace" page.

New Federalist is currently performing a public service of unique importance. For several issues, its Almanac section—the center four pages which carry in-depth articles on a variety of subjects—has been printing timelines documenting the record of Lyndon LaRouche on the life-and-death issues of our day, and thus showing why he must be freed from prison. The timelines are arranged to compare, chronologically, four categories of information: LaRouche's Initiatives, His Enemies Respond, What Other Leaders Said, What Actually Happened. The timeline in the Oct. 4 issue was addressed to the Middle East, Oct. 11 to the Strategic Defense Initiative, and the Oct. 25 issue will carry a double, eight-page Almanac with two timelines, one on Geopolitics and one on the Third Rome doctrine of Russia.

The timelines are also reflected, in a more summary fashion, in *EIR*, for they embody the unique authority of our method. It is never enough to report what a given individual is saying at a given time. A truthful evaluation must be based on knowledge of who that person is, as mirrored in past actions and their results.

Nora Hamerman

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Russia's Arbatov: Shock therapy is threat to peace

by Mark Burdman

Senior Russian official Georgi Arbatov, director for the past 25 years of the U.S. A. and Canada Institute in Moscow, has delivered a blunt warning to the West, that the continued application of the International Monetary Fund's "shock therapy" policies in Russia is producing a "very dangerous" threat to world security. Speaking on Oct. 12 at a conference on global strategic questions sponsored by the Evangelical Academy in Tutzing, Bavaria, Arbatov unsettled his predominantly German audience by charging that shock therapy had been devised by high-level American policy circles in order to deindustrialize and destabilize Russia, to "bring Russia to its knees." The Russians' growing awareness of this "made in America" strategy, he said, was leading to an "anti-western backlash," at the highly volatile moment when Russia is already living under civil war conditions. The West, he asserted, should be "extremely cautious" in its dealings with a nuclear power like Russia under such circumstances, and should drop its insistence on shock therapy measures for Russia.

Arbatov's comments are all the more intriguing and ironical, in that they effectively confirm the past weeks' insistent warnings by Lyndon LaRouche, that International Monetary Fund (IMF) shock therapy measures in Russia were leading the world toward war. For well over a decade, Arbatov has been one of LaRouche's leading enemies, having strongly opposed LaRouche's Strategic Defense Initiative policy during the 1980s, and having been one of the first individuals in the world, in early March 1986, to spread the lie that LaRouche and associates were responsible for the murder of Swedish Prime Minister Olof Palme.

One sign of how unsettled the western elites were by what Arbatov said, is that *not one word* was published about his intervention in any German or other media throughout the entire week of the Oct. 11-14 Tutzing conference.

Anti-western backlash grows

On Oct. 12, Arbatov discarded the relatively mildly worded written speech he had submitted to the Tutzing event. After a few introductory remarks, he got to his point, stating that "the main questions facing Russia are economic," and that "the major mistake" made by Boris Yeltsin and others, after the failed August 1991 *putsch*, was to have supported shock therapy. Now, two years later, after the dramatic events of the late September-early October period, Russia is experiencing "extremely worrying problems. . . . We now have a great victory of totalitarianism, the events of the last weeks show this. . . . The economic and social problems can become even more extreme than in the 1991-92 period." This is mainly attributable to the application of shock therapy, the results of which are "very poor," he said.

Arbatov commented favorably on the Oct. 3 statement by U.S. Sen. Robert Dole (R-Kan.), the Senate Minority Leader, that "America had made a mistake in pressing too hard, through the International Monetary Fund and World Bank, in imposing this shock therapy. This put pressure on Russia in an intolerable way." He welcomed the fact that Senate Majority Leader George Mitchell (D-Me.), had basically agreed with Dole.

Referring to a just-published interview with an aide to Russia's pro-IMF First Deputy Prime Minister Yegor Geidar, affirming that subsidies to agriculture and other sectors would be slashed, Arbatov warned that Russia would soon see massive unemployment and that "the social fabric" of the country was under threat. This could "enforce imperialistic tendencies," and "could be very dangerous. An anti-American, anti-western backlash will arise, because of Geidar's policies." Arbatov criticized shock therapy promoters such as Harvard's Jeffrey Sachs and Sweden's Anders Aslund, for so

openly flaunting their views in Moscow, thereby reinforcing the perception in Russia that such people are “taking over,” and that shock therapy is “something imported from the West, grafted onto Russian society. . . . It seems as if all the policies are ‘made in America.’ This could lead to a backlash of conservative forces, and become very dangerous.”

The Russian official charged that “shock therapy was invented by the IMF, and tested by experts, mainly in the countries of the Third World, to get debt repayment out of these countries.” The policies were so brutal and negative, that they had been rejected by some countries in Ibero-America, and, more recently, by the voters of Poland. Meanwhile, as applied to Russia, shock therapy was being “especially conducted, to come to terms with Russia once and for ever, to deindustrialize Russia, to cut it down to size, to bring it to the level of an underdeveloped country.”

Challenged then by former U.S. Ambassador Jonathon Dean (ret.), who proclaimed that Russia required effective measures to deal with hyperinflation, Arbatov shot back that “the situation *started* with shock therapy, there was inflation only *after* shock therapy was introduced.”

Later, in response to Dean’s insistence that the United States actually wanted a more stable and prosperous Russia to help guarantee security in Europe, Arbatov, who knows the American political establishment extremely well, responded that this was indeed the view of certain Americans, “but I’m not convinced that *all* Americans would agree with that; there are some with quite different views, who think that this time, once and for all, Russia can be beaten, forced to its knees. [These Americans] are wrong, but they don’t know they are wrong, and that is what makes them dangerous.” Arbatov underlined that, throughout history, it was the irrational element that often led to wars and other disasters.

Some agitated members of the audience insisted that he reveal the identities of the Americans he had in mind. Arbatov named Bush-era U.S. Secretary of Defense Richard Cheney and Reagan-era senior Defense Department official Richard Perle, while insisting that other relevant persons are “my friends,” and had to remain anonymous, although all in this grouping believe that “to have one Russia is too little, it’s better to have three, four, or five Russias.”

It might be assumed that Arbatov also had his old buddy Henry Kissinger in mind. Elsewhere in his speech, in a different context, he attacked Kissinger for promoting the view that it was the U.S. “China Card” policy that had forced Russia to accept “détente” with the West.

He stressed that the policies of the relevant American grouping represented “the greatest danger to our security,” and could create “a disaster” in a country that has “a whole pile” of nuclear weapons. This is doubly dangerous, in a situation where Russia’s neighbor, Ukraine, which also has nuclear weapons, is “in even a worse situation than we are.”

Arbatov also reminded his audience that the United States itself was hardly in a position to make economic policy de-



Georgi Arbatov says that shock therapy was designed “to bring Russia to its knees,” and those Americans who hope to do so, are playing with fire.

mands, since “the Americans are now the greatest debtors in the world.” He caustically recalled George Bush’s “April Fool’s Day” declaration of April 1, 1992, that Russia would receive \$24 billion, if it imposed IMF conditions, a declaration that was never meant to be fulfilled: “The American President should be honest, the U.S. government has no money.” He also noted, with sarcasm, that nobody *inside* the United States asks Jeffrey Sachs for advice: “He’s good for export, not for internal purposes.”

‘Free elections for your hangman’

Otherwise, the Russian representative blasted the West for making “free elections” the only yardstick for democracy: “You can have free elections for your hangman, or for your prison director,” he declared, adding that the baneful consequences of western advice were made yet worse by the insistence on supporting one man, Yeltsin, against his opponents. By doing this, the West was repeating “the same mistakes it made with Gorbachov.”

In a further intervention the next day, Oct. 13, Arbatov warned again of the dangers to security in Europe posed by “the further destabilization of Russia.” Declaring that “we do not have a government now,” he drew parallels to the situation now and that of the 1917-1919 period, “a time of civil war. . . . Today, we have civil war with other means, to paraphrase Clausewitz. This civil war is *on*. The end cannot be predicted. . . . This is the situation Russia is in now. You should be especially concerned—and especially cautious.”

How IMF shock therapy created the current Russian crisis

by William Engdahl

The recent dramatic crisis in Russia is a lawful consequence of the imposition by the Group of Seven (G-7) powers of International Monetary Fund "shock therapy" economic policies on Russia for the past two years. The resulting social chaos and collapse of living standards, and the imminent outbreak of Weimar-style hyperinflation, have created the preconditions where Russia today is being turned into a dictatorial imperial state once more. Here in outline is what IMF policies have produced in Russia.

On Jan. 2, 1992, the new economic team of Russian President Boris Yeltsin announced drastic measures of price decontrol and other steps allegedly intended to revitalize the collapsing Russian economy. The program was designed by 36-year-old Harvard economist Jeffrey Sachs. Sachs was brought into Russia by speculator George Soros, to impose his "shock therapy" as he had done in Bolivia, Yugoslavia, and Poland.

As part of the package, the government reversed more than 60 years of state price controls and began to unfreeze prices on 90% of consumer goods and 80% of industrial goods, allowing "markets" to decide the new price levels. For the rest, by state fiat, prices rose immediately by some 350%. By the end of that January, overall consumer price inflation had increased 500% as a result of the first stage of shock therapy. But simultaneous with the mandated freeing of prices, the income levels of the broad population were effectively frozen, resulting in a collapse of living standards unlike anything since 1917.

At the same time, under orders from the IMF and Sachs to attack this state-created explosion of inflation (output of goods in industry did not increase 500% at the same time), the Russian central bank simply stopped printing money. This meant that prices zoomed, while money in circulation to buy necessities, contracted. The central bank in the first quarter of 1992 increased its interest rates to local (state-owned) banks from 2% in late 1991, up to more than 80% by April 1992, and removed interest restrictions on member banks altogether, meaning that new ruble credits for investing in rebuilding industry were impossible to pay.

Next, on Jan. 29, 1992, Yeltsin and Deputy Prime

Minister Yegor Gaidar issued Presidential Decree No. 65 which said, "Everyone has the right to trade anywhere in whatever they wish." In short, unbridled free market chaos was also unleashed, in the name of "economic reform." At the same time, Gaidar introduced liberalization of foreign exchange and foreign trade, allowing local producers to import and export at will, with the exception of oil and gas. Gaidar's program called for all export prices, oil and gas as well, to rise to "world market" price levels by the end of 1993.

To an understandably desperate Russian population, the slogans of Sachs's IMF shock therapy promised a miracle cure. The IMF and the G-7 states, led by Washington, immediately held out the carrot of \$24 billion in western credits as soon as Russia agreed to formalize its shock reform by signing the dreaded IMF letter of intent. In April 1993, the size of the western aid "carrot" was increased to \$43 billion, even though no money in any significant amount had yet reached Russia from the promises made in 1992.

IMF out of control

What has transpired since the Yeltsin government foolishly agreed to go with the IMF shock therapy is predictably tragic. The Russian program of "shock therapy reforms" was the boldest attempt in history to restructure an entire national economy at a single blow. It has been an utter disaster. By December 1992 the economy was in a shambles and hyperinflation was threatening, and the Congress of People's Deputies finally forced Yeltsin to dump Gaidar, though not the reform.

As a result of government decisions, domestic oil prices increased between December 1991 and the first weeks of 1993 by a staggering 85 times, or 8,467%. Fuel for tractors or truck transport became prohibitive. This was all part of IMF "world market price" demands.

The IMF also demanded as a precondition to its recommending release of the promised G-7 funds, that first the Russian state cut its budget deficit. But the IMF made no provision for ensuring that Russia had a modern functioning economic infrastructure in place beforehand, so that the un-

derlying causes of the budget deficit could diminish along with the deficit. The result was predictable chaos. On paper the Gaidar government cut the state budget deficit. Its stated goal of a balanced budget by April 1992 was not reached, but it claimed an impressive state deficit of 3.5% of Gross National Product (GNP) by April, some 50 billion rubles.

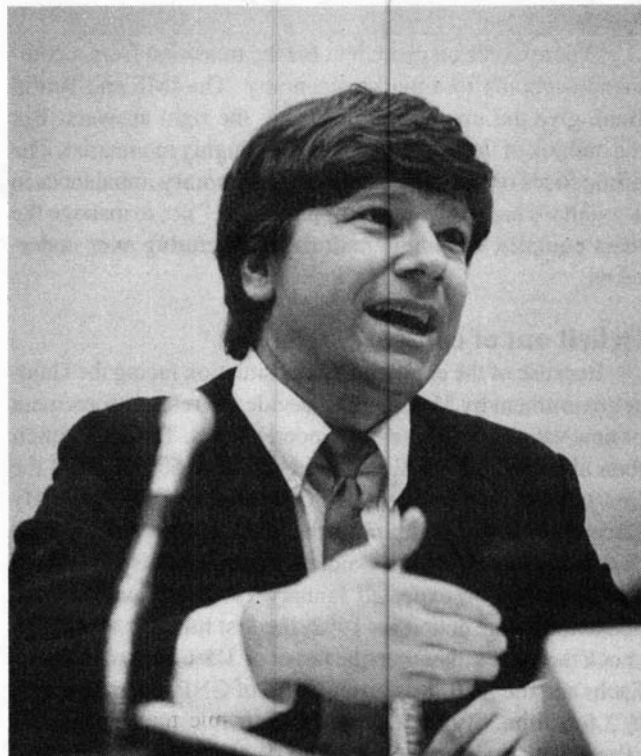
But sharp cuts in government spending were the only means to cut the deficit, since company "profits" in a western sense were nonexistent in the inefficient economy, and taxation of income was not successful with falling living standards. The result was that the state performed a bookkeeping trick to try to appease the IMF. It cut state allocations to industry, but at the same time it let state-owned industries run up huge new debts (or credits) to each other.

The "state" deficit was merely shifted to become "enterprise" debts, despite the fact that these enterprises were totally state owned. Companies which suddenly had credit cut off by the central bank under the Gaidar shock therapy, simply refused to pay other enterprises the amounts owed for purchases. Inter-company debt of state firms to one another and to the central bank jumped from R 40 billion in December 1991 to R 3,200 billion by July 1992, an 8,000% increase in some six months! Major state enterprises at that point were forced to rely on central bank printing of rubles to bail them out of the unpayable debts, creating a general monetary inflation and collapse in value of the ruble for ordinary purchases, further enhancing the frantic efforts to get hard dollars at any cost.

In this situation, the possibilities for criminal, "mafia" groups to loot the resources of the country and sell them at below world market prices to unscrupulous western speculators such as Marc Rich, became irresistible. Russian aluminum has been dumped onto western markets in the past months, collapsing prices here by 30% or more. Similarly with oil exports and other raw materials such as timber, aggravating an already severe postwar unemployment crisis in western Europe.

Had this shift to ballooning of inter-company debts not taken place, given the impossible IMF conditions, more than one-third of all producing enterprises in all of Russia, maybe half, would have been forced immediately to shut down and fire all their employees, creating a widespread social explosion, because the IMF state deficit constraints allowed no increase of social security spending for mass unemployment. Not surprisingly, local company managers and others opted to at least keep production going, however inefficiently, in order to maintain employment levels.

To alleviate this unstable social situation, the central bank decided to extend "soft credits" to help settle inter-company debts, reducing them to a nominal R 1.2 trillion by September 1992. But confidence again broke down and inter-company debts mounted again, along with inflation, to previous levels by December 1992.



Harvard snakeoil salesman Jeffrey Sachs. He promised Russia that shock therapy would bring a miracle cure, and instead it has brought utter ruin.

Because the Gaidar government's monetary shock recipe called for severe contraction of money supply, while a 655% consumer price inflation existed by March 1992, ruble cash for payment of employee wages was not available, and the wage arrears for workers began to balloon also. The arrears in wages exceeded R 21 billion, or 8% of the population's monthly income, by that April, and rose to R 65 billion by July 1, almost one-fifth of nominal (depressed) monthly wages in the entire economy.

Faced with a credit cutoff by the central government and a breakdown of supply deliveries, the state-owned companies raised their prices and cut production to meet the crisis. Industrial production in 1992 dropped 20%, by official data. For 1993, industrial production is expected to drop another 15%, for a combined contraction of 35% in two years of shock therapy. On top of this there has been a negative investment in industrial capital goods. In 1992, according to data from the Geneva-based Economic Commission for Europe, gross fixed investment decreased 45% over the year before. In 1993, it will fall another estimated 50%. This is indeed a "shock" treatment.

The Harvard computer model of Sachs and the IMF had no response to this situation, except to demand more shocks. Prof. Klaus Laski of the Vienna Institute for International Comparative Economics correctly points out the absurdity of

the IMF and the G-7 insisting on rigid monetary shock in Russia:

"There exists no precedent for the transition from a command economy to a market economy. The IMF and World Bank give the impression of having the right answers. But the outlook of these institutions is thoroughly monetarist. The prime focus of the IMF is to correct temporary imbalances in a country's national balance of payments," not to manage the most complex economic national restructuring ever undertaken.

Deficit out of control

Because of the explosive social situation facing the Gaidar government by May 1992, it decided to relax enforcement of new value-added taxes and income taxes. The state deficit then also began to explode, going from R 50 billion in the first quarter, and reaching R 301 billion by July 1992. By December 1992, combining the state budget deficit with "extra-budget" credits to Gaidar's Finance Ministry, and the advance draw on expected January 1993 tax revenues, the actual total state deficit for 1992, the first full year of the IMF shock therapy, rather than the target of 3.5% as demanded by Sachs and the IMF, was instead 17% of GNP, or a staggering R 2.6 trillion. By the end of 1993, it is estimated that the state deficit will reach a total of R 16 trillion, more than 100% of the entire GDP of Russia!

Price levels have already risen by Weimar-style dimensions. In February 1992, at the start of the IMF shock therapy program, consumer price inflation was on the level of 40-50% annually. Total price inflation in 1992 was an estimated 920% under shock therapy. By August 1993, consumer price inflation exceeded 1,250% annually.

In this situation, the real economy and living standards plunged. But, of course, this is not the International Monetary Fund's concern. Real wages after inflation fell by an estimated 50% according to data compiled by the Economic Commission for Europe. The ECE estimates a level of poverty in Russia, defined as income below "living minimum," to have included "over 40% of the population" by the end of 1992. Today it is far higher.

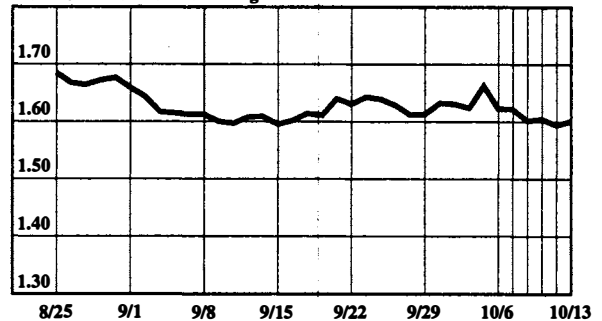
The ruble-dollar exchange rate also collapsed in the last quarter of 1992. The government's much-publicized issuing of "vouchers," or small-share ownership certificates, in state companies to the population by the end of 1992 was a thinly veiled political attempt by the Yeltsin-Gaidar government to calm popular discontent by giving Russians an illusion of ownership, and the paper vouchers could be traded, as money substitute. But with no decision on final ownership rights over property, the shares are ultimately worthless.

Shock therapy has failed in all respects in Russia to improve the domestic economic condition. But the nations of the G-7 persist in adhering to the dangerous and foolish IMF demands on Russia, because this is what certain powerful voices in the Anglo-Saxon establishment desire.

Currency Rates

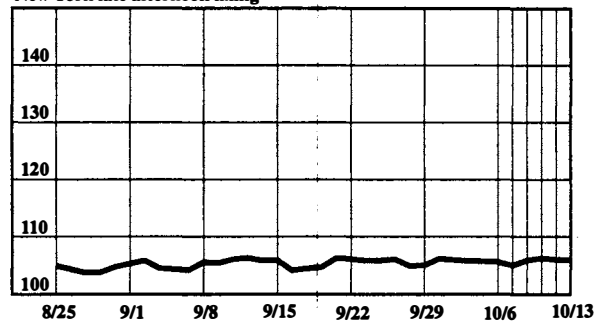
The dollar in deutschemarks

New York late afternoon fixing



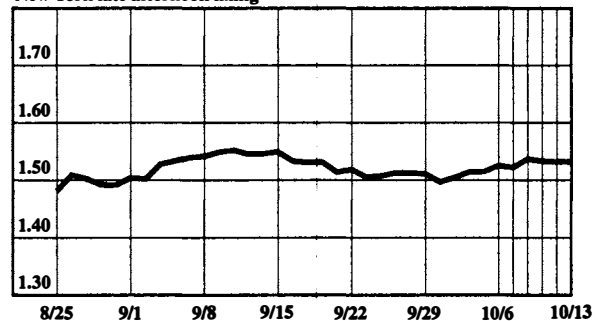
The dollar in yen

New York late afternoon fixing



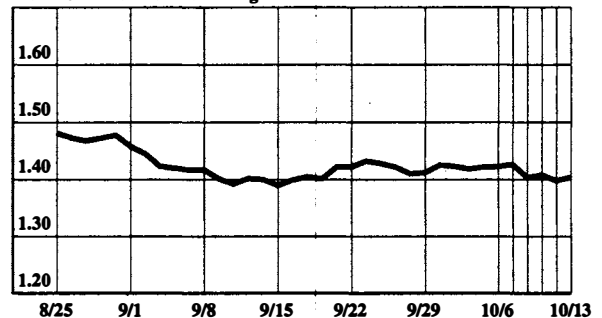
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



World Bank, U.S. donors conference jeopardize Mideast peace accord

by Joseph Brewda

"Let's face it: Over \$100 billion has been spent on weapons since the [Persian] Gulf war and here we are talking about a commitment of less than \$2 billion on peace," Jordanian Crown Prince Hassan complained to reporters after a "donors conference" for Mideast development sponsored by the World Bank and the Clinton administration in Washington on Oct. 1. The conference supposedly dealt with the economic development of the Gaza Strip and West Bank, but only \$1.7 billion in initial aid was promised, and only \$3 billion projected as an aid package over 10 years. "We simply can't continue to see piecemeal handouts and amateurish approaches, altruistic though they may be, amounting to anything in terms of dealing with the global problems of suffering," Hassan added. "Media events in Washington or Oslo" are not a "substitute for change on the ground."

Palestine Liberation Organization (PLO) Chairman Yasser Arafat had similar comments: "\$1.7 billion? It is nonsense. It is peanuts. We need at least \$5 billion for the West Bank" over the next three years. Arafat had already told the Israeli newspaper *Davar* on Sept. 15 that "if the United States and the international community failed to send funds to finance infrastructure projects in the territories, and especially in the Gaza Strip, it was doubtful if the agreement could be implemented." Similarly, Israeli Foreign Minister Shimon Peres has called for an \$8 billion per year "Marshall Plan" to develop the entire region, emphasizing the need for massive infrastructure projects.

Unfortunately, Hassan and Arafat are correct: The World Bank and the Clinton administration are opposed to precisely the type of projects required to make the accords work. The administration was already moving to oppose the substance of the accords on Sept. 20, when Secretary of State Warren Christopher announced plans for the donors conference which, he said, would be modeled on the January 1992 donors conference that pledged aid to Russia. At that conference, the United States and other nations decreed that aid to Moscow is contingent on its "long-term reform plans" and its implementation of International Monetary Fund (IMF) conditionalities.

On Sept. 20, the World Bank released its *Developing the Occupied Territories: An Investment in Peace*, a six-volume

series laying out its vision of Palestinian development. The study, and a related report, "Mideast Peace Talks Regional Cooperation and Economic Development: A Note on Priority Regional Projects," shows that the World Bank is thoroughly opposed to the type of projects that Hassan, Arafat, and Peres have urgently called for:

The World Bank plan

No state-directed credit: Right up front, the World Bank demands that neither Israel nor the emerging Palestine state ever carry out the type of state-directed "dirigist" credit policies required to agriculturally and industrially develop the region.

"International experience," the report asserts, "indicates that differentiated patterns of protection, activist industrial policy or public channelling of money into unviable enterprises via the financial system too frequently lead to economic disaster." In reality, the contrary has always been shown to be true. It is only when such policies are followed, for example formerly by the United States and by Japan, that countries ever develop.

"Economies that have prospered in the past," the study continues, "have relied primarily on the private sector, working in undistorted markets, as the primary engine of economic growth." To understand this formulation it is important to know that the World Bank considers increasingly impoverished Mexico to be a show-case example of economic growth.

Abandon attempts to achieve food self-sufficiency: The World Bank is clear that increased food production through developing new sources of water will not be allowed. "Diminishing water resources throughout the region will constrain the development of the agricultural sector," the report reads, "with future growth limited to high-value export crops catering to niche markets." In other words, grow oranges, asparagus, and cut-flowers for Europe, but do not grow staples like rice and beans for one's own population.

This is par for the course for the World Bank and IMF. For example, the IMF is demanding that Egypt take land currently used to grow staples like beans, and instead grow cotton for export. Egypt used to produce virtually all of its food, by adhering to the development policies of former

President Gamal Abdul Nasser. Today, having failed to continue infrastructure development, Egypt barely produces half of its food. It is, consequently, easy for foreign powers to spark food riots in Egypt. Similarly, the IMF is demanding that Mexico stop growing staples, claiming that Mexico can more cheaply depend on international markets for its food supply. In Peru, farmers are growing coca plants for producing cocaine, rather than potatoes, a policy lauded by the World Bank in its praise of the "informal economy."

No industry, but a service economy: The World Bank is also opposed to heavy industry. "Given the paucity of industrial raw materials and the small market size, heavy industry is unlikely to be a major contributor to future growth," the report reads. "Instead, skill-based, light and medium-sized industries would appear to be more promising."

Associated with creating such light industries are plans to create "free trade zones." Demanding open trade relations between Israel and the Arab states, the report states that "a possible approach to consider would be a free-trade area with Israel, linked with a significant opening of trade to Jordan and Egypt," i.e., that Israeli-owned Palestinian sweat-shops assemble cheap radios for export to neighboring Arab states.

"Above all," the report continues, "the economy of the West Bank and Gaza is likely to remain mainly a service-oriented economy with an important contribution made by the tourism sector." Already, some Israeli economists, such as Ezra Sedan, who are opposed to Arab industrial development, are saying that the accords can be used to develop "Riviera-style" beach resorts on the Gulf of Aqaba coast—presumably employing Arab prostitutes.

Rationalization and privatization: The study emphasizes the supposed need for rationalizing and privatizing "inefficient" government sectors that have "poor performance." As an example, the study cites *existing* health care as being inefficient due to being too high-technology. "Most health care resources are being used to provide costly, high-technology, hospital-based care," it complains.

In this respect, the report claims that the Occupied Territories are blessed with a relative lack of government involvement in the economy, since, after all, the territories are occupied. The territories do not have a "bloated bureaucracy nor any loss-making public enterprise. . . . Free from these legacies, public policy can, therefore, focus on structural reform." In other words, the Palestinians will have genocidal "structural reforms" imposed on them without even having a state, or even the crushing external debt typically used to enforce such policies.

In its related report, "Mideast Peace Talks Regional Cooperation and Economic Development: A Note on Priority Regional Projects," the World Bank gives "low priority" to almost all infrastructure projects which are urgently needed if the accords are to be implemented. The only project recommended, a gas pipeline from Algeria to Europe, is based on

Algeria using the pipeline to pay off its huge IMF debt.

Among the regional projects intended for oblivion are: the Mediterranean Sea-Dead Sea Canal, necessary for irrigation, transportation, and water management generally; an expressway from Beirut to the Syrian border to develop war-ravaged Lebanon; a Gulf of Aqaba-Iraq land corridor, linking Jordan's Aqaba port on the Red Sea to Iraq. Of course, the World Bank would not even consider mass-scale nuclear power-driven desalination of sea water.

Harvard condemns development too

One week before the signing of the PLO-Israel Accord, Harvard's Institute for Social and Economic Policy in the Middle East released its "development plan," entitled "Securing Peace in the Middle East: Project on Economic Transition." It has been lauded by the Clinton administration, and Vice President Al Gore has appointed its author, Leonard J. Hausman, to chair the U.S. Taskforce for Private Investment in the West Bank and Gaza. Harvard is the base of self-identified economist Jeffrey Sachs, whose "shock therapy" policies have destroyed eastern Europe since 1989.

The Harvard study makes the same type of demands as those made by the World Bank. "Each of the three economies ought to be market-friendly, relying on the private sector and market forces to play the leading role in allocating resources," the study says. Israel, Jordan, and the Occupied Territories should move toward free trade within months of the accords, dedicated to a "market-oriented, private enterprise-dominated Palestinian economy." These free-trade arrangements could then be widened to include Egypt, Lebanon, and Syria; ultimately, they could be extended to create "an all-embracing Middle East Economic Community."

Similarly, it says that a "transborder flow of services" is "required for the successful development of industry and trade." A proposed Palestinian Department of Industry, Trade, and Tourism would "encourage the development of industrial and free-trade zones."

Harvard Prof. Roger Olson made similar demands in his address to the Sept. 30 annual conference of the Middle East Institute in Washington. Olson, a former Oxford University economist, directs the Harvard Center for Mideast Studies; the Middle East Institute is led by former top U.S. foreign service officers.

The prime importance of the accords, Olson stressed, is that resources that are now squandered could be managed through treaties between states. There is no real shortage of water in the region, he claimed, only misuse. The worst problem of misuse, he said, is that farmers use water in growing low-priced foodstuffs. Consequently, a regional agreement must impose a sufficiently high price on water such that growing such crops would no longer be possible. Imposing such a high market price is much more efficient than dictatorship, he added. This is the post-Cold War world, he said, and there will be no more free rides.

'Free trade' is anti-western treason

Historian Anton Chaitkin explains why free trade and communism are twins born of the same mother—the British Empire's war on national sovereignty.

There are still in public life those who know that there was at one time a fundamental controversy between free trade and an opposed western economic doctrine. But this vaguely remembered and poorly understood controversy is thought to have been decided long ago, by the power wielded on the free trade side, or even by the alleged superiority of free trade arguments. And these arguments are all that appears in the predominant British-authored versions of economic and national history.

Let us remember that the doctrines of "free trade" and "communism" are philosophical twins, both based on the absurd premise that God-centered morality must be excluded from all considerations of economic policy. It should thus not surprise anyone when the first free traders descending on the countries newly freed from communism are gangster-speculators such as George Soros who rush to devour these societies.

If this is the West . . .

If the speculator vultures and their cultural partners such as Michael Jackson, Hollywood pornography, and cocaine seem to represent western values and western thinking, then the Russians will reject this slave-culture "West" in favor of a chauvinism and imperial outlook of their own, which will bring the world to tragedy.

Under the free trade doctrine, real national sovereignty is not permitted: Governmental power must not be used to create or protect private manufacturing enterprises in one's own country, such as by using protective tariffs. The free trade policy does not admit the legitimacy of infrastructure enterprises of the government itself, such as central transportation projects engineered by the government. And under the free trade dogma, the slogan "private property" does not mean that the government should take strong steps to see to it that millions of citizens get to own their own property, such as homes and businesses and family farms. Rather, the slogan means that the government must not presume the right to regulate the national markets or the large enterprises, or interfere with their domination by "private" international financiers.

The intense irony of these doctrines, and why Americans of all people should feel ashamed to push such things on Russia, may be seen from a quick review of the history of

relations between the United States and Russia.

Russia's first major railroad, the line from Moscow to St. Petersburg, was built directly by the Russian national government in the 1840s. On earlier experimental rail lines, the government had offered inducements to private enterprises guaranteeing a minimum rate of profit, government grants of all the land through which the lines passed, grants of all the surrounding timber and raw materials, and the duty-free import of rails and rolling stock. This approach was similar to that used in America at that time: U.S. railroad lines were either financed by states or cities buying the stocks and bonds of private railroad builders, or in some cases were simply built by the state governments.

Whistler's contribution

To superintend the Moscow-to-St. Petersburg project (entirely financed by the government), Czar Nicholas I hired American railroad engineer George Washington Whistler. Major Whistler had earlier been one of the U.S. Army engineers assigned by President John Quincy Adams to design and supervise the construction of the first commercially successful U.S. railroad, the Baltimore and Ohio. Major Whistler began work in Russia in 1842. He built fortifications and docks at Kronshtadt, bridged the Neva River, and saw through the vast enterprise, dying in Russia in 1848. America thus repaid Russia for joining Benjamin Franklin's anti-British "League of Armed Neutrality" back during the American Revolution.

Nicholas's son Czar Alexander repaid the Americans by intervening in the U.S. Civil War. The Russian fleet paid a visit to both New York and San Francisco harbors in 1863, convincing the British and French empires that they would face a European war if they came into the American conflict on the side of the slaveowners' insurrection.

The rebelling South, backed by British guns and ships, fought under the banner of "free trade"—the right of cotton planters to use their "private property" (slaves) as they saw fit. The other project of the British just then was burning Chinese cities to force China to buy British opium—more free trade.

The Union government under President Abraham Lincoln, on the other hand, sharply discriminated in favor of *useful* private trade. Resurrecting the nationalist economic

thinking of George Washington, Alexander Hamilton, and Henry Clay, the United States abolished private slave property, gave millions of acres of free land to private farmers, created the steel industry by imposing a 50% steel tariff, regulated bankers with federal usury laws, set up free state colleges, and began construction of five federally organized and federally subsidized railroads to span the continent from coast to coast. These and other similar "dirigist" national measures soon made the United States the world's biggest industrial power.

The United States repaid Russia in the 1890s. Gen. Grenville Dodge, Lincoln's chief military engineer who planned the Union Pacific Railroad (the first transcontinental line), served as consulting engineer to Economics Minister Count Sergei Witte in planning Russia's giant Trans-Siberian railroad.

In this era Russia resumed its American-style protectionist tariff and infrastructure policy, which it had abandoned under British pressure to adhere to free trade. Thus, Russian modern industry, which had made a start in the 1840s, again surged ahead with the construction of iron foundries and the oil industry. But British imperial geopoliticians were not pleased with Russia becoming a great western power, in potential alliance with the United States, Germany, and France. So revolutionary chaos was favored and fostered by senior empire men such as Lord Balfour and his Anglophile

friend Theodore Roosevelt, and Russia was driven out of the West.

Russia as a communist empire was perhaps convenient to those who would rule the world with a balance of terror. But before this terror returns and stalks the world, should we not encourage Russia to join us in our old concept of human freedom, linked to inspiring national achievements in science and industry?

Even in this "Anglo-American" century, all significant infrastructure, transport and utilities especially, are essentially public enterprises, state-financed and state-regulated. Yes, the U.S. railroads were bought out by financial sharks, and as a result were looted and eventually collapsed. Yes, airlines were deregulated, and are crashing financially. But let us point with pride to the defense-contracting aircraft industry, the government-built airports, and John Kennedy's Apollo space program; the magnificent U.S. highways grid; our Army engineers-built river and harbor systems and power projects which have made American private-enterprise production work; and the original canal and railroad enterprises, almost all government-financed and planned.

Let us not hide the truth of our own national greatness, merely in order to satisfy the lust of gangster speculators. We will not benefit by the plundering of Russia, but will only go down to our own destruction as did the southern Confederacy in its horribly false definition of "democracy" and free trade.



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Salinas's 'Procampo' program for Mexico is cold-blooded genocide

by Carlos Cota Meza and Carlos Méndez

The acceptance of "secret accords" in the North American Free Trade Agreement (NAFTA) by Mexican President Carlos Salinas and U.S. President Bill Clinton has given a green light for the commencement of the final phase of the so-called "Paddock Plan," that is, the elimination of 30 million Mexicans through starvation and disease—genocide.

In 1975, Rockefeller Foundation agronomist William Paddock, an outspoken advocate of population reduction, declared that "the Mexican population must be reduced by half. Seal the border and let 'em scream." Paddock's prescription that this reduction be accomplished through "the usual means: famine, war and pestilence," was denounced in 1976 by statesman and economist Lyndon LaRouche in a nationwide U.S. television broadcast. At the time, Paddock had significant input into the State Department and the White House, and helped shape global policy for Washington circles dedicated to these malthusian results.

Two elements combined are necessary to impose the genocide plan outlined by Paddock: the destruction of the Mexican farm sector and a total closing of the Mexico-U.S. border. Both of these have been set into motion with the announcement of Salinas's new *Procampo* farm program and the construction of a *steel wall* along stretches of the U.S.-Mexico border.

A cemetery for the farm sector

Facing growing protests by farmers throughout Mexico against bankers' usury and its own agricultural and economic policies, the government attempted to calm the ferment by promising that President Salinas was preparing a global solution to the farmers' problems. On Oct. 4, Salinas announced this new agricultural program, which is called *Procampo*, a coined phrase meaning literally pro-countryside, that is, pro-farm. Its central aim is so clearly to destroy producers and production, however, that the Permanent Forum of Rural Producers (PFRP) of the state of Sonora immediately dubbed Salinas's program *Procamposanto*—*camposanto* being the Spanish word for cemetery. Alberto Vizcarra Osuna, one of the leaders of the PFRP which has been mobilizing farmers in the Mexican northwest against the policies of usury which

are crushing agricultural activity in the country, told the press, "*Procampo* would better be called *Procamposanto* because its activation will bury 60% of the agricultural producers" of Mexico.

Pro-cemetery is no metaphor, but an accurate description of the program. As explained by Carlos Hank González, secretary of agriculture and hydraulic resources, "During a transitional stage which is to last approximately one year, *Procampo* will grant more than 3 million farmers a direct subsidy of 300 new pesos [or \$100] per hectare in the fall-winter season of 1994, for those fields in which corn, beans, wheat, soy, sorghum, rice and cotton have been cultivated in the last three years. The payments will be made after *March*, and the total budget for this program will be, in 1994, 11.7 billion new pesos," about \$4 billion, (emphases added).

At the same time, all parity prices will be eliminated after April 1995, leaving "the market" to set prices for agricultural products thereafter. Until then, Secretary Hank González announced, there will be new parity prices which are 10-15% less than current prices.

This measure alone will throw hundreds of thousands of farmers into bankruptcy, thereby creating massive unemployment in the farm sector. The problem now is, where will these unemployed farmers go? With unemployment zooming in the cities also, the only possibility is for the unemployed to try to emigrate to the United States. Ah, but now a steel wall is being built along the border to keep Mexicans from crossing. Thus we see Paddock's demand, to "seal the border, and let 'em scream," made operational.

Fostering a derivatives market

Without parity prices, and with agricultural prices left to the whim of supply and demand controlled by the international grain cartels, the only beneficiaries of the *Procampo* program are the grain cartels and the banks. As columnist M. David Páramo wrote on Oct. 6 in the newspaper *El Economista*, under *Procampo*, "it is now indeed possible to expect that an agricultural commodities exchange starts up, given that obstacles such as parity prices no longer exist." Indeed, on that same day, a top official of Hank González's agricul-

ture department, Alfredo Rojas Cabrera, declared that a commodities exchange for basic grains could begin functioning in 1995, but for that to occur, he specified that it will be necessary for *Procampo* to be consolidated and parity prices to be lifted. Unspoken was that the first step must be the destruction of Mexican farming, so that the domestic supply falls, so that imported foreign products increase.

The creation of these kinds of financial derivatives markets is in fact one of the centerpieces of the NAFTA secret accords.

Procampo functions such that a lower price is paid per ton, the greater a farmer's productivity per hectare—a measure which can only be understood as deliberately designed to destroy production. Let's look at this. In the state of Sonora, an average of five tons of corn are produced per hectare. Thus, five tons of corn sold for 650 new pesos results in earnings of 3,250 new pesos. Adding on the 330 new pesos per hectare from the government, brings a total of 3,580 new pesos. Divided by the five tons, Sonoran farmers will make 716 new pesos per ton of corn. But in the state of Sinaloa, average productivity is eight tons per hectare. So, eight tons sold at the 650 price yields 5,200 new pesos, plus the 330 in subsidy for that hectare, brings a total of 5,530 new pesos, or 691.1 new pesos per ton—lower than that earned in Sonora.

The same scheme applies for beans, wheat, and other supposedly "protected" crops.

It is said that this "penalty" for the price of corn is applied because this crop gains higher profits with respect both to other crops and to world market corn prices, and that this led to an explosion of lands planted with corn which should have been dedicated to other uses. What the authors of *Procampo* do not say, however, is that for three years in a row, the government itself presented "record harvests" of corn and increases in those of beans as both a product and proof of an alleged "farm recovery." Now what will happen is that the production of corn will fall drastically, and the harvests of other crops (wheat, soy, sorghum, rice, etc.) will continue to be depressed by their low prices, thus "forcing" an increase in imports of all these.

A book by investigator José Luis Calva, *Probable Effects of a Free Trade Accord on Mexican Farming*, conclusively demonstrates that of all the Mexican farmers now dedicated to growing corn and beans, only 5% can survive under NAFTA. Calva's statistics show that under the free trade accord, only 19,273 of the 3,161,796 Mexican families who grow corn and beans have sufficient technological capability to be competitive.

The worst of it is that *Procampo* is designed to eliminate precisely those 19,273 more technologically advanced farmers. As presidential candidate Adalberto Rosas López, one of the leaders of the Sonoran PFRP, said, "*Procampo* is a hoax and a betrayal of the Mexican farmer, which will give the *coup de grace* to farming because it does not raise the prices of the crops, and in some cases, such as corn, the price

per ton was reduced from 750 to 659 new pesos."

No solution for overdue debts

As for the problem of crushing debt arrears, a crisis which has stirred up unprecedented mobilizations by farmers against the banks, Salinas simply answered that "the arrears of individuals involved in farming make up less than 10% of total outstanding debt, and those with commercial bank loans have a lower percentage." That is, there will be no solution offered to farmers who have been forced into bankruptcy by the combination of the government's economic policies and the usury practiced by the banks.

PFRP spokesman Alberto Vizcarra told *El Financiero del Norte* on Oct. 7 that "agricultural non-performing debt now stands at \$4.5 billion, and the 11.7 billion new pesos offered by President Salinas to reactivate the countryside represents only \$3.5 billion, which does not even represent the aspirin for which many farmers were hoping."

If the failure to resolve the problem of debt arrears and the lack of new credits is added to the fact that the first subsidies for being unproductive will begin to be handed out in March 1994, it becomes clear that the majority of the winter season crops this year simply cannot be planted.

In addition to the economic disaster that this creates, the government gets a double benefit: The subsidies for being unproductive also serve to buy votes for the candidate of Salinas's Institutional Revolutionary Party (PRI) in next year's presidential elections.

A steel curtain

The gravestone for *Procampobanto* is the steel wall which the United States is building along the border with Mexico. This wall is being constructed out of the large metal sheets used as runways by the U.S. military in its war against Iraq so that military planes could land in the desert. So far, almost two miles of this steel wall have been built along the border with Agua Prieta, Sonora, with another seven miles constructed along the border with Tijuana, Baja California, all to the purpose of stopping illegal immigration into the United States.

As if that were not enough, on Oct. 5, Pete Wilson, governor of the border state of California, signed into law a bill which prevents illegal immigrants—estimated at 2 million people in this state, the majority of them Mexicans—from receiving any state medical services. According to a report by Spanish news agency EFE, after signing the law, the governor's office issued a press release stating that "this law sends a clear message to the federal government that we are taking decisive action to prevent illegal immigration. It is time that Washington officials do likewise."

The closing of the border and policies such as that of Wilson will generate a greater crisis in which violence and racism will flourish, as already occurs in western Europe against immigrants.

S. Korea opens economy to speculative ruin

by Michael O. Billington

The new government of South Korean President Kim Young Sam, the first civilian President in 30 years, has opened up the carefully protected Korean financial system to certain disaster. New foreign exchange regulations were announced for implementation Oct. 1, which effectively deregulate the financial structure and invite the invasion of international speculators, the very speculators who are now being exposed in eastern and western Europe for the deliberate destruction of national economies.

Previous regulations demanded that foreign exchange transactions be tied to actual commodity exchanges, or could at least be shown to be required to hedge on transactions which were tied to such hard commodities. The Ministry of Finance has announced, according to the Sept. 23 *Far Eastern Economic Review*, that 90% of all forward foreign exchange transactions by banks "will be allowed without having to prove to the ministry that they need to hedge their currency risks." In other words, unrestricted currency speculation will be encouraged. The director of the ministry's division on foreign exchange policy, Kim Chang Lok, told *FEER*: "The deregulation measures will bring about hard competition among foreign exchange banks, especially for new business opportunities in fund transfers and foreign options and futures trading."

The explosion of such derivatives trading since the mid-1980s has brought the world financial system to a point of near-term collapse. The total of derivatives outstanding ballooned from about \$1 billion per year in 1986 to over \$12 trillion in 1992, with a turnover estimated at between \$80-100 trillion per year. Some \$1 trillion or more, at least half of which is derivatives, is traded every day on currency exchanges around the world. In contrast to this blizzard of speculative paper, for example, the International Monetary Fund's Trade Statistics indicate \$6.55 trillion worth of actual goods and services were exchanged in 1990. The depression collapse of the western economies has to a great extent been *caused* by the diversion of necessary investment capital into this bubble, the largest by far in human history.

The *FEER*, published in Hong Kong but owned by Wall Street's Dow Jones & Co., crows that "the new foreign exchange rules indicate Kim is getting serious about deregulating the economy and about internationalizing [Korea's currency] the won."

Kim Young Sam, who took office in February, has pleased the Anglo-American financial oligarchy in other ways as well, with a similar potential for disaster for the South Korean "economic miracle." An "anti-corruption" campaign, linked with the world "human rights" mafia, has been used to justify the dismantling of major industrial structures (as opposed to *banking* interests), and a brutal assault on the military institutions of this constantly threatened nation.

The most dramatic case is Kim's assault on the Hyundai conglomerate. Hyundai's founder Chung Ju Yung launched a presidential bid last year which many viewed as aimed primarily against Kim and his Democratic Liberal Party. Soon after the December 1992 election, Chung was indicted on embezzlement charges. According to the Sept. 20 issue of the *Asian Wall Street Journal* weekly, "Hyundai affiliates, company officials note, have been cut off from credit routinely doled out by the central bank, which is tightly controlled by the government. Hyundai applied for 500 billion won in 1991, and received about half. Last year, after Mr. Chung's political debut, the group applied for 652 billion won and got nothing. This year, Hyundai applied for 836 billion won, and again came away empty-handed." The *Journal* adds that capital investment has fallen by 15% in the first half of 1993, due in part to the global economic problems, but also "because industrialists fear the anti-corruption drive might be trained at them next."

Kim dismantles military

Although the entire "new world order" apparatus of the U.N. has been utilized for targeting North Korea as an extreme threat to the peace of the Korean Peninsula, President Kim has nonetheless dismantled the general staff of the South Korean Armed Forces, with support from the United States. The retired commanders of all three services were jailed by civilian prosecutors in May on charges of taking bribes. Kim also personally ordered the detention of five Air Force brigadier generals, four commodores, one Marine Corps general, and several Navy captains on allegations of obtaining promotions by bribery. The detention of the Air Force generals, according to the *FEER*, "led to the grounding of several fighter wings. This, in turn, has reportedly frozen at least 10% of the Air Force's combat capacity."

The unrelenting attacks on the military led former Korean Military Academy Chancellor Min Pyong-ton to remind Koreans recently that "a country will collapse if its military collapses under the security circumstances we face. I sense a crisis when I notice that the military has lost its morale. . . . The history of the fall of South Vietnam, in which the South Vietnamese military had lost its morale, is instructive."

In the name of "corruption," Kim's policies follow the script of the U.S. policy demanding the dismantling of national military forces as effective institutions in defense of national sovereignty, first imposed in Ibero-America over the past decade.

Science editor Hecht testifies, 'methyl bromide ban will cost lives'

As one of his last acts, William Reilly, administrator of the Environmental Protection Agency under George Bush, banned methyl bromide, a widely used pesticide and fumigant, on Jan. 19, 1993. The ostensible reason is that methyl bromide is an "ozone depleter," although the scientific evidence for this is uncertain at best. When asked directly at a press conference Nov. 12, 1992, if the EPA had studied the consequences of such a ban, Reilly admitted that there was no such study. He also said that no effective substitutes were available for this benign agricultural chemical.

At the November 1992 meeting in Copenhagen of the signers to the Montreal Protocol banning "ozone-depleting" substances, the United States had proposed adding methyl bromide to the list. The proposed amendment failed, however, after meeting fierce opposition from Israel, France, Italy, Spain, and Greece, and especially from Third World nations, with Kenya leading the battle. For some developing nations, the ban on methyl bromide would mean that they could no longer be self-sufficient in food, nor could they export certain crops that require fumigation.

The proposed excise tax on methyl bromide was part of the continuing campaign of the EPA and environmental organizations to ensure that methyl bromide is phased out—no matter what the cost to the economy. During hearings by the Subcommittee on Select Revenue Measures of the House Ways and Means Committee, subcommittee chairman Charles Rangel (D-N.Y.) commented that he was convinced by the agricultural groups that such a tax was "premature" because the science was too "uncertain."

We reprint below the testimony of Marjorie Mazel Hecht, the managing editor of 21st Century Science & Technology magazine. Other groups testifying at the Sept. 23 hearings included the California Carrot Board, the Western Growers Association, the California Association of Winegrape Growers, the American Agriculture Movement, and the Crop Protection Coalition.

I am Marjorie Mazel Hecht, representing 21st Century Science Associates, publishers of the magazine *21st Century Science & Technology* and the book *The Holes in the Ozone Scare: The Scientific Evidence That the Sky Isn't Falling*.

We strongly oppose the proposal to add methyl bromide,

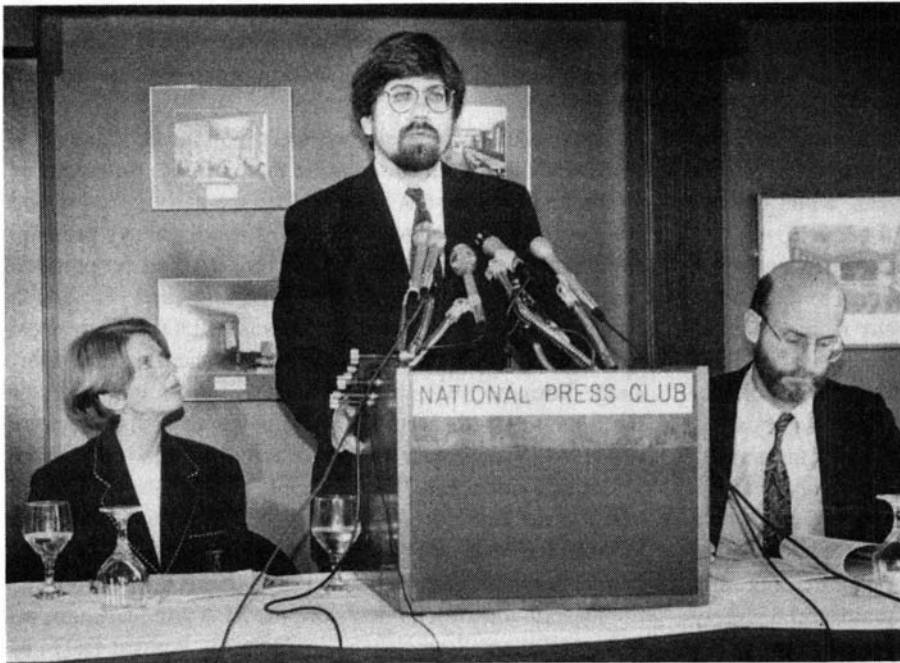
HCFCs, and HBFCs to the list of taxable ozone-depleting chemicals in Code section 4682. The actual cost to the nation of such a tax would be crippling, when measured in food losses and economic losses, and it will *not* protect any lives. Indeed it will damage lives, here in the United States and worldwide.

The proposal of such a tax continues the unscientific flight-forward pattern that has become U.S. policy regarding ozone depletion. This is a policy based on public perception and hypothetical models, not scientific evidence. It is a policy pushed very hard by environmental organizations and some research groups, backed by millions of dollars from foundations and corporations. The alleged dangers of ozone depletion have been repeated so often by these groups and the media that they have come to be accepted as truth, without question.

In this testimony, I would like to raise the questions that I think committee members should address before continuing this ozone flight-forward. My perspective in this is to look at the consequences of the nation's policy on ozone depletion in terms of human lives—how many lives will be lost as a result of these policies. I am not a scientist, but a science writer and editor, and I have considered the evidence presented by many experienced scientists worldwide whose work does not often get printed in the popular press or even the scientific press because it is not "politically correct."

First, what is the worst case scenario if the ozone depletion theorists are correct? They say we will have a 10% ozone depletion within the next 50 years. What does that translate into in terms of the alleged increase in ultraviolet radiation reaching the Earth? It means an increase equivalent to what you would receive if you moved 100 miles or so toward the equator—in other words, from Washington, D.C. to Richmond, Virginia. When we put this to the inventor of the ozone depletion theory, Prof. F. Sherwood Rowland, he acknowledged that this was not something that he would worry about—moving 100 or so miles south.

Clearly this is not a crisis situation for most people but a trivial geographic move. Is such a worst-case ozone-depletion scenario worth the disruption of refrigeration worldwide and trillions of dollars of costs incurred by the ban on CFCs and now the ban on methyl bromide? I think not.



Some clues as to why the Environmental Protection Agency rushed to ban methyl bromide were provided by a Washington press conference Nov. 12, 1992 given by a coalition of environmental groups. They demanded—with no scientific evidence—a ban on methyl bromide. The demand is part of an overall campaign “to overhaul our chemically dependent farming system.” Not coincidentally, the groups expect that the concomitant drop in agricultural output will help reduce world population.

Here, the panel of environmentalist lawyers: (from left) Liz Cook, ozone campaign director for Friends of the Earth; Jay Feldman, executive director, National Coalition Against the Misuse of Pesticides; and David Doniger, senior attorney for the Natural Resources Defense Fund.

Second, has any increase in ultraviolet actually been measured? No, there is no trend of an increase. The most definitive study by U.S. researchers Scotto and Urban over more than a 12-year period showed no significant trend of increase in UV-B, while some stations showed decrease.

Third, is there significant scientific evidence to indicate that ozone depletion is a natural, seasonal, and cyclical phenomenon that seems to follow the sunspot cycle? Yes, there is. The renowned ozone scientist Gordon Dobson discovered low ozone levels in Antarctica in the 1950s. As his colleague Marcel Nicolet recently testified, they were so startled to find such low levels of ozone that they threw out all the readings below 250 dobson units. French researchers also found such low ozone levels in the 1950s, before the widespread use of CFCs [chlorofluorocarbons]. Today's computer models, based not on observations but on the conjectures of Rowland and Molina, cannot explain why there would be a so-called ozone hole in the 1950s.

Fourth, what about natural sources of chlorine? They admittedly dwarf the man-made sources: There are millions of tons of natural sources (seawater, volcanoes, etc.) but only a few thousand tons of man-made sources. But do natural sources of chlorine reach the stratosphere? Ozone depletion theorists assert that they do not. The evidence indicates that they do. For example, French volcanologist Haroun Tazieff pointed out in a recent interview that in Antarctica the stratosphere is very low (5,000 meters) and the active volcano there, Mt. Erebus, is at a very high altitude (4,000 meters), so that the volcanic emissions indeed reach the stratosphere. Based on studies of the radioactive fallout from the Chernobyl accident, Zbigniew Jaworowski showed definitively that

chlorine and other heavy elements do reach the stratosphere.

There are many more basic questions that could be asked about ozone depletion. I think at best one could say that the science here is uncertain. I would put it more boldly: The science is faulty and in some cases nonexistent. Why is this nation making a policy decision about ozone depletion based on uncertain science or faulty science when the consequences are so drastic? What is certain, is that lives will be lost, as supplies of the benign and cheap refrigerants are cut off, and people here and in the rest of the world will not be able to afford the much more expensive replacements.

Methyl bromide crucial to food production

Methyl bromide is an absolutely essential, ubiquitous, and benign fungicide and fumigant. It is used as a soil fumigant, increasing crop yields by up to 500%. It is also used in the storage and transportation of food, including grains, fruits, nuts, and vegetables to dramatically decrease losses from mold, bacteria, insects and other pests. The capacity to preserve food in a wholesome form until it gets to market is the hallmark of an industrialized nation. A tax on methyl bromide, an essential component of that capacity, will turn a nation from food self-sufficiency to dependence on increasingly scarce and unaffordable food imports.

Banning or taxing methyl bromide will not have any appreciable impact on the amount of methyl bromide in the atmosphere; 300,000 tons a year are produced by marine life in the oceans. Marine microorganisms, seaweed, and marine invertebrates use methylation to eliminate hazardous substances. In the process of methylation, they produce methyl bromide—thousands of tons of it yearly. Many swamp and

bog organisms do the same thing, as do some land plants. Sea salt spray throws 2 million tons a year of bromide into the atmosphere; volcanoes throw an average of 78,000 more tons per year. The net result is that man's use of methyl bromide pales in comparison to natural sources of bromide released in the atmosphere. Natural sources add 2,378,000 tons of bromide to the atmosphere per year, while halons, like methyl bromide, add only 12,040 tons per year.

Banning or taxing methyl bromide out of existence will exacerbate national and global food shortages. This food shortage, which will be hitting Americans in the form of increased food prices within weeks, was generated by disastrous weather here and internationally, coupled with collapsing economic conditions for farming. The process of cartelization of U.S. agriculture is driving many family farmers off the land and replacing them with huge agro-industry farms owned by the leading cartels that market grain and meat. As a result, much of the world is dependent on the very productive Midwest grain belt. The summer floods mean that not only are most of this year's crops lost, but the grain stored largely in that same area from last year's crops—our food reserves—are also largely lost.

Many other countries experienced comparable or worse weather catastrophes that add up to a global food shortage on a scale not seen for decades. Other agricultural areas in the United States have been hit with weather disasters—some from floods, some from droughts—and there are predictions of early frosts.

Where does this leave the issue of protecting the crops that are harvested under these food-scarce conditions? The reality is that in spite of the push to find substitutes, good, economically realistic substitutes for methyl bromide do not exist. Phosphene can replace some uses of methyl bromide, but this is a far more toxic compound. Irradiation and controlled atmospheres could replace some uses of methyl bromide, but the infrastructural capacity does not exist to use these on a wide scale to reduce food spoilage—and it is not likely to be there soon.

Under these disastrous conditions, can Congress possibly afford to tax or ban methyl bromide, and thus allow a good percentage of what is harvested this fall to be wasted by spoilage?

The consequences in terms of human lives

We know that the human consequences of the ban on CFCs and the ban on methyl bromide were not even considered. In fact, *21st Century* asked EPA Administrator William Reilly at a press conference Nov. 12, 1992, whether the EPA had evaluated the consequences worldwide of a phaseout of methyl bromide. They had not! In other words, the EPA was making a decision based on uncertain science and they had not even bothered to assess the damage it would cause. (An hour earlier on Nov. 12, several environmental groups, including Friends of the Earth, the Natural Resources Defense

Council, and a coalition of groups opposing methyl bromide held a press conference demanding that methyl bromide be banned. They also made no mention of the consequences of such a ban.)

How could it be that such an important U.S. policy is made without regard to scientific evidence or consequences to human life? One has to go back to the early 1970s to find the answer to this question. In 1972, under heavy pressure from environmental groups that were waging propaganda campaigns against DDT, the Environmental Protection Agency set up hearings on the effects of DDT. There were seven months of hearings before an EPA hearing examiner, Judge Edmund Sweeney, and scientists from both sides of the issue testified. Nine thousand pages of testimony were produced. The hearing examiner ruled, on the basis of the scientific evidence, that DDT should not be banned. He said "DDT is not a carcinogenic, mutagenic, or teratogenic hazard to man [and] does not have a deleterious effect on freshwater fish, estuarine organisms, wild birds, or other wildlife."

Despite this official decision, the EPA administrator, attorney William Ruckelshaus, unilaterally banned DDT, as of January 1973. Ruckelshaus never attended a day of the hearings and admitted that he never read the testimony. He also admitted that his decision was based on political reasons, not scientific evidence. As a result, millions of people, particularly people of color in Africa and Asia have lost their lives. And to this day one still hears and reads the same fallacious allegations about the harm of DDT that were disproved in the EPA's seven-month hearing in 1972.

I have recounted this DDT history, because I think DDT was the "mother" of many environmental hoaxes over the past 20 years whose consequences kill people. In this sense, the ozone depletion theory is another "son of DDT," and its consequences will also kill people. That is what I would like this committee to consider.

Of course, there are many well-meaning people who do not know this history and who may be genuinely concerned about ozone depletion. But I think that the committee should also be aware that many of the promoters of the ozone depletion theory are environmental extremists and malthusians. Sherwood Rowland, for instance, signed something called the Morelia Declaration. His name was second on the list of signers in a one-third page ad that appeared twice in the *New York Times*. The last paragraph of this Morelia Declaration ad reads: "If the latter half of the 20th century has been marked by human liberation movements, the final decade of the second millennium will be characterized by liberation movements among species, so that one day we can attain genuine equality among all living things."

Such genuine equality of species—where human lives are treated as cheaply as blades of grass—is what we are moving toward by increasing the number of policies based on political perception, not scientific evidence. This is not a practice worthy of this nation—or of this committee.

Farmers join forces to revive economy

A national resistance movement is consolidated, with support from the U.S., around the Permanent Producers Forum.

Farm leaders representing eight Mexican states met Oct. 3 in Ciudad Juárez, Chihuahua to join forces around a common program to stem the tide of bankruptcies in the rural sector and to revive the national economy, which is under siege by the free-trade monetarist dictates of the International Monetary Fund. The all-day meeting resulted in the "Declaration of Ciudad Juárez," which combined a call for moratorium on the agricultural debt with a series of anti-usury, pro-growth measures designed to make food self-sufficiency a national priority.

Attending the meeting from the state of Chihuahua were 80 delegates from 29 producer organizations representing all shades of the political spectrum. They have been on a virtual war-footing since mid-September, with tractor occupations in 15 cities, highway blockades, etc. The Permanent Forum of Rural Producers (PFRP), based in Sonora but also representing the states of Baja California, Sinaloa, Jalisco, Queretaro, and Guanajuato, brought delegates from throughout the region. The PFRP has spearheaded the farmers' resistance movement in Mexico. Delegates also came from Río Bravo, Tamaulipas, representing 100 growers who have carried out a tractor occupation of the municipal plaza in that border city since mid-September.

Also, for the first time since the Mexican farm protests began in early September, an American delegation was there to lend support: Harley Schlanger, from the Schiller Institute and the LaRouche movement in Texas, and South Dakota farmer Ron

Wieczorek, a leader of the Food for Peace movement. According to *Diario de Juárez*, Wieczorek "said that farmers in Dakota are prepared to undertake binational action" in support of the Mexican fight. Wieczorek, who received warm applause from his Mexican counterparts when he said that he was speaking in the name of the Food for Peace movement and the Schiller Institute (both founded by U.S. economist and political prisoner Lyndon LaRouche), told the meeting to "say no to NAFTA," a reference to the North American Free Trade Agreement whose secret arrangements would permanently bury the Mexican farm sector.

In fact, NAFTA was at the center of debate at the Ciudad Juárez meeting, with PFRP spokesman Alberto Vizcarra fighting to include a condemnation of the trilateral accord in the final declaration. In particular, he highlighted NAFTA's financial arrangements, which came to light at a Sept. 8 hearing of the U.S. House of Representatives Banking Committee, chaired by Henry Gonzalez (D-Tex.). The accords would accelerate the theft of Mexican farm land, increase Mexico's foreign indebtedness (now more than \$120 billion), and promote dollarization and looting that would subordinate U.S. and Mexican sovereignty to the Wall Street banks.

According to Sonora's *El Imparcial*, Vizcarra charged that the Banking Committee of the U.S. Congress has "warned about the dangers of an institution based in Mexico, that will issue credits in U.S. dollars with the help of the Federal Reserve, outside the reach of U.S. laws and regula-

tions." Those behind the secret accords, he said, seek to have the Bank of Mexico (to which the Mexican Congress has just granted absolute autonomy) abet this scheme. Billions of dollars worth of "NAFTA bonds" would be issued. "But that money will not come into Mexico," warned Vizcarra. It will instead go to the Big Seven banks, to feed the derivatives and other speculative markets.

Although Vizcarra's denunciation of NAFTA won support from many delegates, the chairman of the meeting, a Salinas government loyalist, blocked a consensus on the issue. But the common program adopted in Ciudad Juárez did include many key PFRP proposals, including for a national bank to issue credit for investment in infrastructure and to promote productive investments in agriculture and industry, fair parity prices, a program for national food self-sufficiency, import controls, an immediate end to farm foreclosures, and a farm debt moratorium.

The leaders agreed to publish the Declaration of Ciudad Juárez as a nationwide ad, and to get producers from other states to join their growing movement. They also voted to send representatives to the United States to help organize American farmers, and to offer testimony to Gonzalez's Banking Committee.

On Oct. 11, Vizcarra gave an interview to the daily *El Imparcial* announcing the next phase of the mobilization, which is to expose the secret agreements behind NAFTA, and to demand their investigation by the Mexican Congress. He also announced plans for a nationwide conference on the secret agreements, to which representatives from every economic sector would be invited. *EIR* has been asked to send specialists to the event, and U.S. farmers will be asked to attend.

Business Briefs

Russia

Unemployment time-bomb said to have short fuse

Fyodor Prokopov of the Russian Federal Employment Service has warned that it won't be easy to maintain for much longer the illusion that only 800,000 Russians are unemployed, the Oct. 7 London *Financial Times* reported in an article entitled "Fuse Burns Low on Unemployment Time Bomb."

When the illusion of "hidden unemployment" is no longer maintained, and various part-time work ploys and unpaid "holidays" are done away with, unemployment could reach an acknowledged level of 7 million (7-10% of the population), and that *before* large-scale bankruptcies begin. In some regions, there is already 20% unemployment. Up till now, the unions have been quiet and worker militancy has been almost nonexistent, but that could quickly change, the paper said.

Meanwhile, the tonnage of U.S. maritime exports to Russia has collapsed 57% so far this year, compared to last year, the Oct. 5 *Journal of Commerce* reported. The collapse has been especially dramatic in foodstuffs.

Germany

Politicians lobby for more high-tech jobs

The deepening depression may boost prospects to get high-technology projects under way in Germany, as politicians face growing pressure from labor and the unemployed. Such a possibility was hinted at recently in remarks by several senior politicians.

On Sept. 29, Lower Saxony Gov. Gerhard Schroeder (Social Democratic Party, SPD), at a conference of the five northern German states in Schwerin, called for increased federal funding of the aerospace sector and research in that area. Schroeder attacked the DM 70 million (\$44 million) cuts in the government research budget as being intolerable at a time when many jobs in that sector (30,000 in his state alone) are threatened by market conditions.

Mecklenburg-Prepomerania Gov. Bernd Seite (Christian Democratic Union, CDU) also issued a call from Schwerin for the completion of the Hamburg-Berlin magnetic levitation train project, a decision which is long overdue. The line would run through his state and create several tens of thousands of new jobs.

Wolfgang Clement, spokesman of the SPD-led state government of North Rhine-Westphalia, again declared that the SPD is willing to talk about a nuclear power component of a future energy policy consensus with the governing CDU. A spokesman of the mine workers union IGBE told *EIR* on Sept. 28 that German miners would support nuclear power if Bonn first signed guarantees for coal-mining jobs.

Labor

Nuclear industry will lack skilled labor

The *Brown Book*, a publication of the OECD's Nuclear Energy Agency, gives dramatic figures on the estimated reduction of the work force qualified to run the nuclear industry (not counting R&D and teaching sectors). World nuclear output is expected to grow from 281.6 gigawatts-electric (GWe) in 1990, to 295.8 GWe in 2000, and 309.2 GWe in 2005. Even though no new plants have been ordered in the United States since 1987, none since 1982 in Germany, and the next French one has been postponed to 1995, Japan as well as some other countries are expected to build additional plants.

From 75,000 specialists in 1990, the United States is expected to have only 72,000 in 1995, rising to 80,000 in 2005. However, of these, 12,000 will have been transferred over to waste management by 2005. Concerning nuclear engineering courses, only 39 are left compared to 63 in 1978, which means 1,300 students as compared to 2,200 in 1978.

In Germany, before the 1986 accident at Chernobyl, Ukraine, 11 universities and 11 institutes were producing specialists, with 30-60 students in the classes. Now, the same

classes are taught to 3-6 students. If the number of specialists is expected to increase by 1,800, this is largely due to the students who will be graduating from universities in the former East Germany.

In Sweden there has been no increase in qualified specialists. The situation there is critical: Five doctorates are expected per year, which is insufficient for industry and university needs. The Royal Institute has been asked to do something to "preserve national skills."

In Japan, a growth of 2.7% of specialists is projected, going from 10,000 in 1990 to 14,000 in 2000.

Overall, in Europe and the United States the number of engineers is falling.

Italy

Banking liabilities may be higher than expected

Liabilities of the Italian banking system, officially 42,000 billion liras (roughly \$26 billion), may in reality be four times bigger. The official figures, which were reported at the end of September by Tancredi Bianchi, head of the Italian Banking Association (ABI), already are a 22% increase from 1992. However, *Corriere della Sera* reported on Oct. 9, a Bank of Italy investigation into the important savings bank Cassa di Venezia revealed that official liabilities are half the real figures. "Somebody hypothesizes the system's hole as being L 100,000 billion, but pessimists spell figures that would make dust out of all bank assets and threaten to collapse the sector."

The Italian government, acting in agreement with the Bank of Italy, recently authorized banks to transform credits into shares of indebted companies, and lowered mandatory reserve requirements, in order to free liquidity for takeover operations, including purchase of privatized state companies. The debt of state industries alone, a large part of which is technically in default, amounts to L 100,000 billion. The state turns out to be creditor and debtor at the same time, because it also owns many banks like Credito Italiano, Banca Commerciale, Banca di Roma, Banca Nazionale del La-

voro, Istituto Mobiliare Italiano, and others. However, three of these banks are already on the privatization list, and their sale has been commissioned to Wall Street firms such as Goldman Sachs and Merrill Lynch.

Meanwhile, the Italian national association of machine tools producers, UCIMU, reported that Italian domestic orders of machine tools collapsed 3.8% in the third quarter of 1993, compared to the same period in 1992.

Flavio Radice, president of UCIMU, warned, "The domestic market contraction has reached an unprecedented level, and tells us that in our country there are no investments in productive technologies. . . . We are therefore below the red line and worse, since in the absence of an immediate stimulation of investment, the situation could worsen further." Italy is the second largest producer of machine tools in Europe.

Health

Neglect of infrastructure cited in report on TB

The lack of investment in basic health infrastructure in the United States was cited as the reason for the resurgence of tuberculosis, which has increased 20% since 1985, according to a report by the congressional Office of Technology Assessment. The report, "The Continuing Challenge of Tuberculosis," was released Oct. 6 at a press conference on Capitol Hill.

"Recent trends in the incidence of TB have been linked, in part, to decreases in public health investment over the last two decades," according to a press release accompanying the report. "Multidrug-resistant TB (MDR-TB) has been directly linked to inappropriate and incomplete treatment, which in turn has been linked partly to a lack of resources to ensure the proper delivery of TB services. Only in the past two years has the government begun to restore significant funding to TB programs cut during the 1970s and early 1980s. Other associated factors. . . include the human immunodeficiency virus (HIV) epidemic, foreign birth, substance abuse, poverty, and other social problems."

The report includes 11 policy options for Congress to consider, starting with fully funding public health activities identified in the Atlanta Center for Disease Control's 1992 National Action Plan to Combat Multidrug-Resistant Tuberculosis.

Demographics

Family size falling everywhere, says Unicef

The size of families is "falling steeply in almost all regions of the developing world," the United Nations Children's Emergency Fund (Unicef) reported in "The Progress of Nations," its annual report issued in early October.

"By about 2000, the annual number of births in the developing world will have reached its peak." Sub-Saharan Africa had "previously stood out against the trend. But evidence from recent surveys, not yet incorporated into official U.N. estimates, suggests that in Africa, too, fertility may now be making a downward turn," Unicef admitted. In Asia and Ibero-America, "family size is falling at a *far faster rate* than was achieved by today's industrialized countries. . . . Seventeen nations including the most populous Latin American nations, Brazil and Mexico, have reduced the average number of births per woman by half or more in *one generation*. In the last decade alone, births per woman have fallen by one child or more in 21 nations. The steepness of these falls in fertility is *unprecedented in demographic history*. . . . Even in Africa a turning-point may now have been reached" (emphasis added), Unicef wrote.

The report listed the nations, including South Korea, Spain, China, Thailand, Venezuela, and Portugal, where births per woman have fallen by 50%. The fastest-growing nations, where population is supposed to double by 2025, are almost all in underpopulated Africa and the Middle East.

The report noted that Spain and Italy, the two nations with the lowest fertility rate in the world, did not reach the target mortality rate for children under five of 70 per 1,000 births until 1960.

Briefly

● **UGANDAN** President Yoweri Museveni warned rich nations to stop looting Africa, at an international conference on aid to sub-Saharan Africa on Oct. 5. "If foreign interference was the source of wealth, Africa should be the richest continent now," he said.

● **THE 'JUST DEMAND'** of developing nations for nuclear energy for peaceful purposes should be met, Chinese delegate Jiang Xinxiong told the 37th session of the International Atomic Energy Agency in Vienna on Sept. 27, the *China Daily* reported. Nuclear weapons proliferation should not be a pretext for hampering the development of nuclear technology and industry, he said.

● **THE U.S. SHARE** of arms transfers to developing nations has increased from 10-15% in 1985-87, to 57% in 1992, the *Asian Strategic Review* of New Delhi reported Sept. 29.

● **INDIA AND ISRAEL** will grant each other "most favored nation" trade status soon and begin negotiating a trade and commerce treaty, Israeli Ambassador to India Ebrahim Doweik said. Indian Science and Technology Minister P.R. Kumaramangalam urged the joint development of parallel processing supercomputers and strategic electronics.

● **POVERTY** in the United States (officially defined as \$14,335 income for a family of four, \$11,186 for a family of three) reached a 31-year high of 36.9 million people, according to a U.S. Bureau of the Census survey of over 60,000 households. The purchasing power of a typical family *fell* \$2,000 over 1989-92, to \$30,786, a collapse of 6.1%.

● **OIL AND GAS** reserves in the United States dropped for third straight year, the Energy Information Administration reported in September. Crude oil declined about 4% from 1991 to a 1992 level of 23.75 million barrels. Natural gas reserves in 1992 were 165.02 billion cubic feet, down about 1% from 1991.

History may take revenge on Mary Sue Terry

Virginia has twice been the site of strategic defeats of this nation's mortal enemies. In 1781, the British surrendered at Yorktown; in 1865, the forces of the British-backed Confederacy surrendered at Appomattox. (Appomattox bills itself today as the place "Where our nation reunited.") Will 1993 see another major defeat?

The enemies of our republic are on the defensive again today in Virginia. Mary Sue Terry, the former Virginia attorney general who embodies just about every facet of the political corruption which is destroying our nation, has gone from being a 30-point favorite in the current gubernatorial race, to fighting desperately to save her political neck. The key force in Terry's retreat is the growing strength of LaRouche Democrat Nancy Spannaus, who is running against Terry as an independent in this year's election.

Indeed, the "LaRouche factor" is becoming the determining element in this nationally watched race, possibly marking the most prominent emergence of LaRouche as an electoral factor since the last high-water mark in 1985-86 (see maps, pp. 31-35).

Terry's demise is particularly fitting, because she has played a key role in the national "Get LaRouche" task force which coordinated federal and state legal frameups of LaRouche and many of his associates. In March 1987, Terry publicly vowed to drive organizations associated with LaRouche out of the state. Now, she may go down to political defeat at the hands of the movement she tried and failed to crush.

The LaRouche case has started to become an issue between Terry and her Republican opponent, George Allen. In an Oct. 12 televised debate between Terry and Allen, Allen asked Terry why she had spent \$25 million travelling at taxpayer expense to resorts in Nevada and Arizona and other such pleasant places. Terry answered that as president of the National Association of Attorneys General, she had attended conferences to deal with issues like the recall of ambulances, model insurance legislation, and "to work in partnership with others as it related to the



Virginia Attorney General Mary Sue Terry (center, wearing skirt) on Oct. 8, 1986 at a Richmond press conference called to celebrate the “get LaRouche” raid.

prosecution of Lyndon LaRouche.”

Terry’s first really bad week opened with a lead editorial Oct. 3 in the *Richmond Times-Dispatch’s* Sunday edition titled “Mary Sue Bush?” which analyzed what it called Terry’s “September stumble.” The same day, the *Washington Post* featured a contrived poll showing Terry with a 48-46% lead over Republican Allen (while most polls are showing around 25% still undecided and some are showing Allen leading). Of more interest was what the *Post* reported about dissatisfaction with their two chosen candidates: The poll showed that 34% of Virginia voters wished there were a third candidate in the race. (True to form, the *Post* blacked out the fact that there *is* a third candidate—Spannaus—with strong support among labor and black voters.) And then, on Oct. 7, the *Washington Post* ran an article headlined, “After a Fast Start, Terry Is Stumbling.”

Oct. 7 was also the first “official” debate between the “major” candidates, Terry and Allen. However, much of the coverage of the debate also featured statements by Spannaus denouncing the new media’s attempts to rig the election, and shots of Spannaus supporters picketing outside the NBC studios where the first debate was held.

Earlier the same day, a bombshell hit Terry in Richmond, when Roanoke psychiatrist William G. Gray told the State Board of Medicine that he had treated a female lover of Terry’s who had then committed suicide in 1990. Gray—who has himself been accused of sex crimes—claimed that he had advised this patient over an eight-year period to break

off the relationship with Terry. Gray’s sensational allegations were featured across the state that evening in television coverage, and the next day in all the major Virginia newspapers (see p. 28).

Terry’s immediate response was to try to link the allegations to LaRouche and his supporters. She called the allegations “vile,” “ridiculous,” and even “untrue,” and said: “The same thing happened to me when I prosecuted Lyndon LaRouche’s associates. His followers have also engaged in a smear campaign against me for years.”

Terry challenged to ‘come clean’

Dr. Gray’s allegations came only a few days after a six-page leaflet titled “Virginians Need to Know the Truth about Mary Sue Terry” had been released by the Spannaus campaign. The Spannaus broadside featured blackmail threats made against Terry by former Loudoun County, Virginia Deputy Sheriff Donald Moore, who was Terry’s pointman in the Virginia “LaRouche” cases. Overheard on FBI wiretaps, Moore said he had warned Terry’s Assistant Attorney General John Russell that he, Moore, could “blow the LaRouche investigation sky-high” if Terry did anything to damage Moore’s hoped-for political career.

John Russell, who personally prosecuted all the Virginia “LaRouche” cases for Terry, seems to have gotten the message. Five months later, in December 1992, he perjured himself in Don Moore’s defense when Moore was tried on federal kidnap conspiracy charges. Russell’s perjury is the clearest

proof that Moore was not lying when he said he had damaging information on Mary Sue Terry's handling of the LaRouche cases.

Moore's charges are potentially much more serious than the allegations of Terry's lesbian relationships, in that they go to Terry's conduct in the courtroom, not just her conduct in the bedroom. The exposure of Moore's blackmail threats against Terry have been circulating throughout the state, along with Spannaus radio ads on the same theme. Spannaus's brochure asserts that Terry "has an obligation to come clean before the elections," so that Virginians do not have a repeat of the situation with J. Edgar Hoover, the late FBI chief who was reportedly blackmailed by organized crime over his homosexual lifestyle.

EIR has reprinted the full text of the leaflet beginning on p. 25.

NAACP debate

Predictably, Terry's paranoia reached new heights the day after Gray's allegations hit, during negotiations over the arrangements for a debate involving all three gubernatorial candidates being held before the state convention of the Virginia chapter of the National Association for the Advancement of Colored People (NAACP). According to knowledgeable sources, Terry went berserk when she heard that the NAACP had invited Spannaus to participate. Terry reportedly threatened to boycott the NAACP altogether if she had to appear on the same platform as Spannaus, arguing that Spannaus might bring up the allegations of Terry's homosexuality. Under this pressure, the NAACP leadership agreed to change the format, so that each candidate appeared separately for about 30 minutes of questioning by a panel of reporters.

Spannaus, who appeared first, emphasized the differences between herself and her two opponents, especially on the issues of the death penalty and parole, on the economy, and on education.

Questions from the panelists to Spannaus included queries about her program for infrastructure, her reasons for opposing the North American Free Trade Agreement (NAFTA), and the reasons for her campaign slogan, "Virginia Is for Mothers."

Spannaus's appearance in the NAACP debate, and Terry's refusal to debate her, caused a significant breach in the press blackout. A number of papers around the state covered the debate and Spannaus's inclusion in it. Breaking profile, the *Washington Post* ran a prominent story entitled "Terry Refuses to Debate Independent Candidate," with a photo of Spannaus. The *Post* even gave reasonably accurate coverage to Spannaus's views as expressed during the NAACP debate, and reported that Republican candidate George Allen had—in the words of his press secretary—"pitched a fit" because Terry rejected the debate format."

Concerning the death penalty, Spannaus's opposition to this form of ritual torture could not contrast more with both

Terry and Allen, who have been vying with each other as to who can be "tougher" on criminals by eliminating parole for violent criminals and carrying out the death penalty. Terry has also run "tough" television spots promising to eliminate all color television sets from Virginia prisons.

On education, Spannaus is the only candidate mobilizing meetings and protest demonstrations to shut down such New Age brainwashing programs as outcome-based education, while Allen has given only lip-service opposition (see p. 30).

'Spannaus got the attention'

But the real shocker for the Terry campaign came on Oct. 10, in a powerful warning to Terry and the Bush Democrats issued by the *Roanoke Times and World-News*. The headline blared: "Black Vote Not Secure: Terry, Allen Fail To Impress NAACP." Underneath was a subhead in large type: "Democrats would have freaked if they'd seen all the LaRouche literature in NAACP conventioners' briefcases this weekend. Just goes to show: Democrats don't have the black vote in the bag this run for Governor" (see box, p. 26).

The author of the article had come up to the Spannaus table at the NAACP convention on the day after the debate to demand to know: "What is going on? Everyone is talking about Spannaus. Did I miss something?" She had. Her newspaper, like the *Richmond Times-Dispatch* and the *Washington Post*, had up to that point assiduously eliminated Spannaus from its daily campaign coverage.

Over the week following the NAACP debate, Spannaus's campaign further deepened its influence among black civil rights layers through a tour by the Rev. James Bevel, a close associate of Dr. Martin Luther King and Lyndon LaRouche's vice-presidential running mate in the 1992 presidential elections.

Within the labor movement, more problems for Terry emerged as du Pont heir and LaRouche associate Lewis du Pont Smith addressed a number of meetings of union members at DuPont plants in Virginia, urging them to support Spannaus's campaign. Du Pont Smith's tour received high-profile press coverage throughout the state, adding to the problems already faced by Terry because of Spannaus's strong support among striking coal miners in southwest Virginia (see p. 31).

The Virginia race has clearly entered a new phase. Now that the efforts to contain Spannaus's campaign through an almost universal press blackout has failed, Spannaus campaign coordinators say they expect new efforts, including dirty tricks and threats. The Spannaus campaign has announced its intention to escalate its efforts with a media blitz throughout the state.

With Spannaus's campaign showing particular strength among the Democratic party's traditional labor and black constituencies, and with new scandals hitting Mary Sue Terry, it may well be too late to stop Terry's campaign from unravelling.

Terry's vendetta against LaRouche: 'one black bag job after another'

This exposé of the corrupt career of Virginia gubernatorial candidate Mary Sue Terry was issued as a pamphlet by the Spannaus for Governor campaign, under the title "Virginians Need to Know the Truth about Mary Sue Terry."

What is Mary Sue Terry hiding? How many corrupt political favors and illegalities did she carry out during her two terms as Attorney General? Virginia voters have a right to know.

Donald Moore, a former Loudoun County deputy sheriff who was fired for misconduct in March 1992, has bragged that he has damaging information on Mary Sue Terry's role in the investigation and prosecution of Lyndon LaRouche and LaRouche's associates. After Moore was fired, he was caught on government wiretaps threatening to "blow her [Mary Sue] out of the saddle and . . . eat her horse," if she interfered with his hoped-for political career.

Moore also called Terry's office at that time to warn that he would "blow the LaRouche investigation sky high" if she did anything against his career. Later, Terry's Assistant Attorney General John Russell perjured himself in Moore's defense, at Moore's first trial for conspiracy to kidnap.

What does Don Moore know about Mary Sue Terry which could have blown up the investigation? Now that Mary Sue Terry's running for the highest office in the state, don't you think Virginia voters have a right to know?

What does Don Moore know?

A few weeks before making this threat, ex-deputy Moore had already launched a public attack against Loudoun County, Virginia Sheriff John Isom, which began with a lengthy May 21, 1992 letter to the editor printed in the *Loudoun Times-Mirror*. In this letter, Moore boasted of the importance of the role he himself had played in the LaRouche cases:

"Isom was dragged into the LaRouche investigation, kicking and screaming, by me. . . ."

"When the planning was conducted for the October 1986 search warrant 'raid,' using 475 men and women from the state police, FBI, ATF, IRS, Secret Service and, at my insistence, the Sheriff's office, Isom never attended the meetings. Instead, he was off hunting in Mississippi with 'General-for-Life' Herb Bryant.

"When Attorney General Mary Sue Terry asked Isom to second her nomination for her current term as attorney gener-

al, he was so ignorant of the LaRouche case that he ordered me to write his speech and then read it just like I wrote it. . . ."

"I could go on for days but I will close by stating that, if John R. Isom wants to debate this issue under any format at any time, I will be overjoyed to do so. Just tell [local eccentric] Frank Raflo to bring some extra food—because I plan to eat Isom's lunch in public."

Before launching his campaign against Isom, Moore also called up Virginia Assistant Attorney General John Russell, the chief prosecutor for Attorney General Mary Sue Terry on the Virginia LaRouche cases. Moore warned Russell that if Terry took action to defend fellow Democrat John Isom, Moore would "blow the LaRouche investigation sky high." On July 17, 1992, Moore told Ann Curley, a Loudoun County Democratic activist who had turned against Isom, about his conversation with Russell. The transcript of this conversation, captured by an FBI wiretap on Moore's phone, reads:

Donald Moore: . . . Did I ever tell you about this? About calling John Russell?

Ann Curley: No.

Don Moore: I said, you know, when I was writing this letter about the LaRouche situation—

Ann Curley: Yeah.

Don Moore: And I called up John Russell, and I said, "John, we've been friends for many years, but I don't know if you knew this, but I've been fired by Isom, da dah ha dah da." And I laid it out for him. And then I said in the clearest possible terms, "I want you to understand one thing. I'm about to take a head shot at John R. Isom over the LaRouche matter."

Ann Curley: Um-hm.

Don Moore: If Mary Sue, and this is my exact quote, "If she rides into town to rescue John R. Isom, I will blow her out of the saddle and I will eat her horse."

Ann Curley: Hm.

Don Moore: And Russell said, "I hear you."

Ann Curley: Hm.

Donald Moore: I said, this one ought to be left to local politics and she has stayed away from him ever since.

Ann Curley: Is that right?

Don Moore: Message sent. Message received.

Democrats worry as Spannaus briefs NAACP

"Democrats would have freaked if they'd seen all the LaRouche literature in NAACP conventioners' briefcases this weekend," wrote the *Roanoke Times-World-News* on Oct. 10. "Just goes to show: Democrats don't have the black vote in the bag this run for governor." The article ran under the headline, "Black Vote Not Secure: Terry, Allen Fail to Impress NAACP."

The article warned that Democratic gubernatorial candidate Mary Sue Terry must spend more time with black voters, and talk to them more about the social problems that worry them, according to delegates at the Virginia state annual convention of the National Association for the Advancement of Colored People. The article quoted reactions to Terry and GOP hopeful George Allen after a

debate at the convention on Oct. 8: "To me, it was a waste of time. Neither of them said anything," said one delegate. "They've given us a lot of fluff," said another. "What we want to hear . . . is manufacturers coming to give our children jobs," said a third.

The article continued:

"Conventioners were grabbing up literature on independent Nancy Spannaus, a follower of Lyndon LaRouche. He's a political extremist and frequent presidential candidate who's serving a prison term for mail fraud and tax evasion.

"Charles Brown of Suffolk probably will vote for Terry, but he admired Spannaus' 'straightforward answers' to questions Friday night.

"Spannaus got attention partly because she gave it. She spent hours at the convention Friday, and her staffers were still there Saturday, handing out a table's worth of literature.

"Terry needs to do the same thing, according to NAACP delegates."

Moore's threat apparently worked. Terry's assistant John Russell showed up on Moore's behalf in his 1992 trial for conspiracy to kidnap LaRouche associate Lewis du Pont Smith, to perjure himself. Moore was acquitted then, but his co-conspirator Galen Kelly has now been convicted and sentenced to more than seven years in a kidnapping Moore also participated in. The federal prosecutor says Moore is going to be indicted again.

Moore and Mary Sue

Mary Sue Terry was not always so afraid of being associated with Isom—whose office was raided by FBI agents on April 21, 1992, as part of an FBI investigation of the Loudoun County Sheriff's Office. Isom was in fact her campaign manager during her 1989 run for a second term as Virginia Attorney General. And it was none other than John Isom who made the speech nominating her for her second term at the state Democratic Convention on June 10, 1989.

This was the speech that Don Moore says he wrote for Isom. In this speech, Isom described how he had allegedly "turned to Mary Sue Terry for help":

"Investigating the LaRouche organization was . . . opening up a hornet's nest of trouble that I didn't have the manpower to handle.

"So I called the FBI.

"I tried the U.S. Attorney's Office.

"I called every office I could think of. I talked to more government officials than you can imagine, and no one would

give us a hand. Nobody, until I called Attorney General Mary Sue Terry.

"Right away, Mary Sue sat down with my office and formed a task force. She called in the State Police and the Virginia State Corporation Commission to take part in the investigation, and then finally, we got a new U.S. Attorney in Alexandria who decided that this was a case worth pursuing.

"Because of that task force, and Mary Sue Terry . . . 16 individuals and five corporations of the LaRouche organization, [were] charged with violations of the Virginia Securities Act."

Terry, in fact, carried Don Moore's theme throughout her reelection campaign. In a statewide campaign mailer in September 1989, Terry announced a list of "Terry Talking Points" concluding:

"Coordinated Virginia's investigation and prosecution of key figures in the Lyndon LaRouche organization." In October, in the *Richmond News-Leader*, in a front-page article on her reelection campaign, Terry described her role in the Get LaRouche task force, "We moved into that situation, filled a void and made a difference."

Mary Sue in her 1993 brochure still brags that she "coordinated the investigation of the Lyndon LaRouche operation in Virginia and sent the criminals involved to jail. . . ." But she has been much quieter about the LaRouche cases and her ties to Sheriff Isom and Don Moore in this election campaign. Is it because she knows Isom's office is still under investigation by the FBI and by a federal grand jury? Is it because Don Moore has been indicted once for kidnapping, and, according

to statements by federal prosecutors, is about to be indicted again? Or is it because of the "message received" from Don Moore?

In fact, Mary Sue Terry may have a lot to fear from Moore. The LaRouche cases were riddled with massive government misconduct. An indication comes from Moore himself on the FBI tapes: "It was one black bag job after another."

Virginians have a right to know.

FBI complained about Terry's 'political motivation'

Terry's conduct in the LaRouche cases was so heavy-handed that even the FBI complained about it! In September 1986, the FBI's Alexandria office described to the FBI director its difficulty in planning the raid on the LaRouche movement's headquarters, because Terry was just seeking "political mileage." The FBI report states:

"It was subsequently determined that the state Attorney General's office was adamant in being the lead agency for the purpose of entering and securing of the two locations which was construed to be for politically motivated reasons on behalf of the Virginia state government administration rather than for the successful prosecution of state and federal cases for the mutual benefit of all agencies involved."

Describing one of many state-federal planning meetings, the FBI memo states:

"Disagreements were again discussed concerning the desire of the state Attorney General's office to be the principal agency in serving the warrants and implementing the searches. . . . It was emphasized to the state Attorney General that there was much more involved in this case than just mere temporary political mileage."

A Dec. 18, 1991 *Richmond Times-Dispatch* editorial entitled "Terry and the LaRouchies" called the FBI memo "politically explosive," and a "remarkable document." The *Times-Dispatch*—hardly a friend of the LaRouche movement—concluded: "At the least, this FBI document raises a question as to whether Ms. Terry was so anxious to grab political credit that she almost botched a major law-enforcement operation."

Terry, obviously stung by the editorial, submitted a lengthy letter attempting to refute the *Times-Dispatch* and the FBI's allegations, published on Dec. 21, 1991. A second editorial contained the following concluding paragraph:

"The self-congratulatory tone of the Attorney General's letter only increases our suspicions. At one point she brags about Virginia juries having handed down sentences like 86 years and 77 years to LaRouche associates for securities fraud, an offense that could only be pursued against a political organization after a special ruling from the State Corporation Commission. Meanwhile, Ivan Boesky of Wall Street infamy was sentenced to three years and served two for massive securities fraud. We don't doubt that prosecution was in order

for fraudulent practices associated with LaRouche fundraising. But there is a question of proportionality here. And also a question of prosecutorial bias."

In the situation of her Democratic friends, like former Bristol Sheriff Marshall Honaker as well as Isom, Terry was not so eager to investigate, much less prosecute. Honaker, whose conduct had allegedly been questioned by state police, was ultimately investigated by the federal government and charged with embezzlement. It is unclear if Terry was ever asked, and declined, to investigate Isom.

What was the reason for the bias in the LaRouche case? Virginians have a right to know.

Mary Sue and the ADL

On April 8 of this year, police in San Francisco and Los Angeles raided the offices of an organization which was deeply involved in Mary Sue Terry's pursuit of the LaRouche cases: the Anti-Defamation League of B'nai B'rith—the ADL.

Court documents made public at the time of the raids showed that the ADL had paid San Francisco art dealer Ry Bullock at least \$170,000 to spy on thousands of U.S. political and ethnic groups and U.S. citizens. Much of the information given to the ADL by Bullock was obtained illegally from police department files in San Francisco and other cities. Investigations of the ADL were soon launched in other major cities, and indictments of the ADL are expected to be issued soon.

Does Mary Sue Terry have something to hide? Court testimony in the Virginia LaRouche cases showed that the ADL worked closely with the Virginia prosecutorial teams. In May 1990, the prosecution stipulated in open court in Roanoke that the ADL was a part of the Virginia state prosecution, as well as the federal prosecution.

ADL official Mira Lansky Boland—one of those under investigation in San Francisco—testified about her contact with Loudoun County Sheriff Isom, Mary Sue Terry's 1989 campaign manager. Ex-deputy Don Moore, who was in frequent and regular contact with Boland and other ADL officials, bragged that he had taken official law enforcement records to his home and stored them there. Did Moore pass confidential Virginia law enforcement records to the ADL? What does Mary Sue know about this potential scandal?

Mary Sue herself is quite familiar with the ADL. She received the ADL's "Defender of Human Rights Award" in 1992, at the same time she was denying death row prisoner Roger Coleman a hearing on new evidence of his innocence.

Other top figures in Mary Sue's political vendetta against the LaRouche movement were also tied to the ADL.

For example, when Mary Sue Terry's office issued felony indictments against 16 individuals and four publishing corporations associated with the LaRouche movement, she was using the securities laws of the state in a manner completely

without precedent. These 16 individuals were all charged with "failing to register as securities broker/dealers" and "selling unregistered securities."

Lawyers in Virginia cannot remember the application of the state securities laws in criminal prosecutions before. They are exclusively used for civil regulation. So, after the massively publicized arrests and indictments, Terry had to ask the State Corporation Commission to issue a ruling that the political loans to the LaRouche movement were in fact securities. Elizabeth Lacy, one of three SCC commissioners, accommodated Terry by issuing an *ex post facto* ruling which allowed the prosecutions to proceed. Since then, her career has been meteoric. In 1991, she received the Merit Award of the National Conference of Christians and Jews in Virginia,

Terry comes unglued over lesbian charges

Just before the Oct. 6 televised debate of Virginia gubernatorial candidates, which excluded independent Nancy Spannaus, Dr. William Gray, a psychiatrist whom the state is prosecuting for sex with minors, stunned a hearing of the state Board of Medicine by charging that Democratic candidate Mary Sue Terry had a lesbian affair with a patient of his throughout the 1980s, and that his patient committed suicide over the affair in 1990.

Gray denies the charges against him, which were dropped as part of a plea agreement in which he agreed to surrender his medical license. Gray, who claims he is being railroaded by the state, charges that after the suicide of the young woman, whom he refuses to name, "all hell broke loose. . . . There was a concerted effort to generate witnesses against me."

In the televised debate, mention of the charges by Dr. Gray was scrupulously suppressed by the panelists. But the media throughout Virginia on Oct. 7 reported the charge, and Terry's response, which was to lash out against Lyndon LaRouche and Nancy Spannaus. "It's obviously ridiculous and untrue," said Terry. "As Attorney General, my office prosecuted this doctor for having sex with young boys. . . . He has now struck against me in the vilest way. The same thing happened to me when I prosecuted Lyndon LaRouche's associates. His followers have also engaged in a smear campaign against me for years." Terry told the media she has never had a homosexual relationship.

an organization which is a virtual clone of the ADL, and then she was appointed to the Virginia Supreme Court.

In addition, the Virginia Supreme Court placed all of the "LaRouche" trials, except that of the now-jailed Rochelle Ascher, in the courtroom of an ADL-linked judge, Clifford Weckstein of Roanoke.

Weckstein, who came under sharp criticism for the barbaric 77-year sentence of the now-jailed Michael Billington, flagrantly violated a principle fundamental to the rule of law—that a judge must at least appear to be fair and impartial. Judge Weckstein *initiated* a 14-letter correspondence with the ADL, through the law firm of its national committeeman in Virginia, Murray Janus. Weckstein's letter, notifying Janus of the difficulty of his position, produced a mobilization of ADL networks throughout the state, and the publication in news media of numerous ADL slanders of the LaRouche movement. Weckstein never rebuked the ADL, even when ADL regional director Ira Gissen sent him an ADL resolution calling for a Jewish judge to fill the next vacancy on the Virginia Supreme Court, and implying that Weckstein would be backed for such a promotion if he continued aiding the prosecution.

For the five defendants tried before him to date, Weckstein has imposed an average sentence of 41 years.

What does Mary Sue Terry owe the ADL for their invaluable assistance in the LaRouche cases? What does the ADL have over Mary Sue? Is the ADL influence over Terry responsible for the singular lack of success of her office against the drug trade? Will the nationwide criminal investigation of the ADL soon come to Richmond?

Virginians have a right to know.

Who rents Mary Sue?

In addition to campaign contributions from Wall Street firms and law firms that everyone knows about, Mary Sue Terry is also being funded by the moneybags behind the ADL, who are also behind the anti-union coal companies.

Mary Sue's gubernatorial campaign received \$10,000 from Edgar Bronfman, and \$5,000 from Seagrams in early July. Bronfman is honorary vice-chairman, as well as a financial backer, of the ADL. Seagrams, the whisky and soft drink company, is the Bronfman family's premier business.

The Bronfmans hold a major interest in Consolidated Coal, the corporate giant which has recently forced a new miners strike by renegeing on hiring agreements with the United Mineworkers Union. The Bronfmans own 25 percent of the DuPont Corporation, which in turn owns 50 percent of Consolidated Coal.

Democrat Terry has earned these contributions: She is well known as an enemy of the labor movement and the mineworkers.

When presented with evidence of massive brutality by state police against mineworkers during the 1989 Pittston strike, she shrugged her shoulders. She did nothing to prevent

moves to collect an outrageous and politically motivated imposition of \$52 million in fines against the union. The fines were imposed for actions including sit-downs by striking miners at mine entrances. The case of these fines, which have been upheld by the Virginia Supreme Court, is currently pending before the U. S. Supreme Court.

Terry the chiseler

In March 1989, while Mary Sue was devoting great attention and substantial resources to attempts to break the LaRouche political movement, she managed to “overlook” a major U.S. Supreme Court decision which put the Commonwealth of Virginia on notice that it had illegally been collecting taxes from its federal and military retirees on their pensions. Two years later, the U. S. Supreme Court ruled that Virginia must provide relief to 200,000 Virginia federal and military retirees who were unconstitutionally taxed by the state while state and local government retirees were exempted.

The court’s 1991 decision was a huge political defeat for Mary Sue Terry. Although the state had announced a \$600 million budget surplus in 1989, Terry never advised the state of the possibility that Virginia—which had more federal retirees than any other state—could face a huge liability.

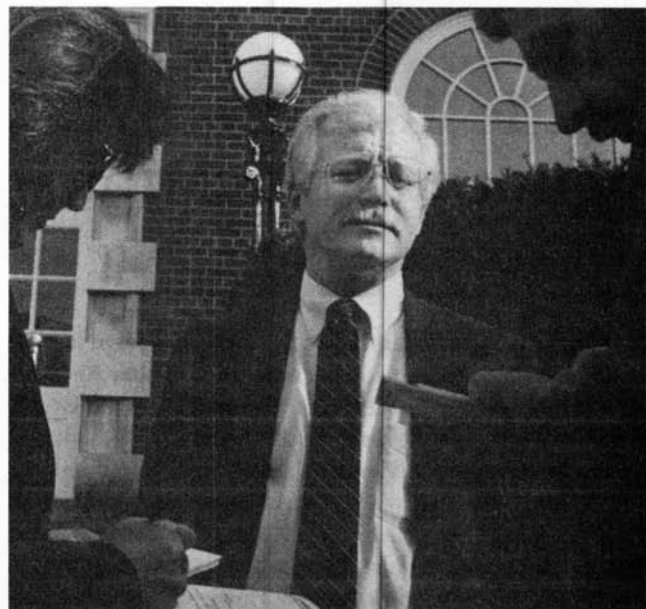
Terry callously called the Supreme Court’s 1991 reversal of a Virginia Supreme Court’s decision on the pension taxation “a victory,” because the Supreme Court did not order Virginia to immediately repay the federal retirees. Mary Sue has continued to oppose making any settlement with retirees as long as possible, perhaps hoping that more will die in the meantime.

Terry’s disregard for law and justice in the case of the pensioners is as callous as her handling of the death penalty, where she has successfully fought to prevent hearings of evidence showing *innocence* in order to proceed with executions.

Was Mary Sue just asleep at the switch in the pension case? Or did her preoccupation and obsession with the LaRouche cases cost the state a \$467 million liability to its federal retirees?

Why is a Maryland racetrack owner funding Mary Sue Terry’s campaign?

The owner of Maryland’s Pimlico and Laurel racetracks, Joseph DeFrancis, along with other similarly minded Maryland moneybags, is throwing a fundraising event for Mary Sue Terry on Oct. 19. DeFrancis happens to be applying for a license to run a proposed Virginia racetrack and off-track betting parlors. And it so happens that the next Virginia governor will determine the members of the Virginia Racing Commission, and the Racing Commission will choose among the proposals for the new Virginia racetrack. The *Washington Post* noted that DeFrancis “has a strong interest in the commission’s decisions”: both because he is a bidder,



Former Loudoun County sheriff’s deputy Don Moore, shown here in December 1992 at the federal courthouse in Alexandria, Virginia, after being acquitted on charges of conspiracy to kidnap Lewis du Pont Smith. Mary Sue Terry’s prosecutor in the “LaRouche” cases perjured himself in testimony on Moore’s behalf.

and because “the location and racing dates of the new track could affect the profitability of his Maryland racing facilities, which are ailing financially.”

DeFrancis’s lawyer for his Virginia racetrack proposal is William G. Thomas of Alexandria—a leading fundraiser for Terry and a top adviser to the candidate. He certainly is covering all the bases.

What else is Mary Sue hiding in her closet?

From the above, you can see that Mary Sue Terry has a lot to hide. But besides all this, we are also concerned with the fact that the state is awash with rumors about Mary Sue’s personal life, and indiscretions which might be highly embarrassing to the citizens of this commonwealth if Mary Sue were to be elected governor. While we do not know whether these rumors have any basis in truth or not, we do think that Mary Sue has an obligation to come clean before the elections, so that Virginia is not subjected to new scandals and ridicule.

Virginians do not want to have a repeat of the situation with J. Edgar Hoover, the FBI’s “Mr. Clean,” who was exposed in early 1993 as having been blackmailed by Meyer Lansky and others from organized crime. In a book called *Official and Confidential*, by British journalist Anthony Summers, and in a nationwide television expose on PBS’s “Frontline,” Hoover was reported to have been controlled by organized crime in order to prevent publicity about his homosexual lifestyle.

Battle lines drawn in fight over education

by Suzanne Rose

The Spannaus for Governor gubernatorial campaign has become a lightning rod for popular opposition to New Age education reforms. Feeling the heat, and to diffuse the issue's potential impact on the election, Democratic Gov. Douglas Wilder in September suspended the proposed "Common Core of Learning," the Virginia version of "outcome-based education," or OBE. Spannaus opponent Mary Sue Terry hoped to be able to campaign without being saddled with the controversy, while keeping her views hidden. However, Spannaus supporters have managed to bring the issue to the fore, because the state is undergoing radical educational restructuring—with or without the support of the legislature, the Democratic Party establishment, or the state Department of Education. Many of these programs are already in place, and will remain there until they are shut down by popular protest.

Virginia has been host to numerous conferences promoting the schemes of New Age school reformers, who sell school restructuring as the answer to the state's budgetary woes and the failure of the system to educate. The Bush "America 2,000" Education Summit was held in Charlottesville, Virginia in 1989, and top OBE reformer William Spady says that Virginia is one of the most advanced states in implementing his reforms. Shortly after the Education Summit, Virginia adopted the World Class Education Initiative, which included a commitment to the now-suspended Common Core of Learning. However, after Governor Wilder cut the school budget in the name of "equalizing" funding disparities within the state in 1989, reforms, in the guise of "pilot projects," took off. Department of Education grants were given to elementary schools for pilot projects in early childhood education and other areas.

Heavy corporate involvement

Corporations such as Xerox, Mobil Oil, and RJR Nabisco have set up "business-education partnerships" throughout the state, in which cash-strapped districts receive funds in return for giving these firms a franchise to run the schools according to their needs. Sold to the public as a way to make education accountable and oriented toward "the real world," OBE reforms actually lower academic content, providing a docile labor force at low wage levels.

Democratic gubernatorial candidate Terry has tried to keep a low profile on the issue, but she is the beneficiary of funding and political support from the most radical corporate

"reformers" such as RJR Nabisco, which runs the Next Century Schools program; Seagrams Foundation, which funds design teams for the New American Schools Development Corp. (NASDC); and the AT&T Foundation, which funds the controversial Atlas programs.

In June, as *EIR* reported (see July 23, 1993 issue), RJR Nabisco brought together the top circle of the corporate and academic education reformers to Virginia for a "break the mold" attack on public education. The reformers included the top echelon of NASDC, a private corporation whose headquarters are in Arlington, Virginia.

At the Atlas "Learning Communities" schools in Norfolk, Virginia, a NASDC project, the children enter an environment controlled by the Atlas brainwashers from kindergarten through high school. Parents and teachers are recruited onto a "team" which is supposed to oversee the school and its "innovative" approaches to learning, without the interference of the state or local government, or unions, for that matter. In reality, this means that parents and teachers alike are manipulated by social engineers and group dynamics experts from Yale and Harvard, into carrying out the brainwashers' agenda.

Spannaus forces intervene

In the Spannaus campaign, parents have a vehicle for challenging an educational apparatus which will turn their children into zombies. Her supporters have thrown up picket lines and conducted community meetings outside the schools in Norfolk, where the Cozi and Atlas programs are being implemented. Spannaus has demanded an end to "spiritual child molestation," in public appearances and radio commercials throughout the state. In Loudoun County, outside Washington, supporters have picketed schools against the ubiquitous and perverted "Family Life Education" (FLE) sex education program, as well as the New Age relaxation therapies known as "Pumsky" and "Duso."

In response, Terry has reiterated her support for FLE, which she abetted as Attorney General by offering an interpretation of the enabling legislation which permitted instruction in condom use to be included in the curriculum. Terry has also let it be known carefully in her campaign literature that she supports "community-based school management," a code phrase for taking the control of the school away from the public education system, and turning it over to the corporate sponsors and their political surrogates. Terry has called for bringing private businesses into the management of Virginia public schools, and has supported apprenticeship training programs to allow high school students to combine classroom instruction and on-the-job training with local employers.

Spannaus has vowed to stop these programs and fight for an economic recovery, which will require real education for the nation's future scientists, engineers, and skilled workers, the very jobs the architects of the "Brave New World" are throwing on the scrap heap.

Du Pont heir blasts NAFTA, Terry

by John Sigerson

During the week of Oct. 11, Lewis du Pont Smith, an heir to the du Pont fortune who has been blackballed by his own family for his association with Lyndon LaRouche, swept through southwestern Virginia in an effort to clinch labor support for independent gubernatorial candidate Nancy Spannaus. Joining the United Mine Workers on a picket line and delivering two major addresses to trade unionists in Martinsville and Roanoke, Smith was universally welcomed because of his opposition to the North American Free Trade Agreement and to the destruction of the DuPont industrial giant which his ancestors had built up. A flurry of press coverage of his comments effectively—though belatedly—broke through the barrier of silence about the existence of Spannaus's alternative to the anti-labor Democrat Mary Sue Terry and the anti-labor Republican George Allen.

On Oct. 12, Smith spoke for four hours to the Martinsville Nylon Employees Council in order to convey his support for their resistance to NAFTA. Only a month before, DuPont, which owns the nylon plant there, had announced that 675 of 1,300 jobs were to be eliminated between November and July. On top of this, company managers introduced a new dehumanizing speedup scheme called the "high-performance work system."

According to an article in the *Richmond Times-Dispatch* on the event, "Smith struck a few responsive chords for members of the DuPont Co. union yesterday. . . . Smith, 36 . . . said industry has abandoned the classic American ideal that a nation must invest in its workers for economic progress, and instead business is trying to 'make the fast bucks' with cheap labor and by destroying the individuality of the worker. 'You're just a worker ant, that's what you are,' he said," in describing the new speedup scheme.

According to workers interviewed afterward by the *Martinsville Bulletin*, Smith's message to "stick it to DuPont" and vote for Spannaus garnered a good deal of support. "I'm just sorry that even more of the community could not hear his talk. I'll do what I can to get the word out," said one DuPont employee slated to lose her job. Smith "told it like it was—the way they're doing us and the way they did him. . . . They don't value a working person whatsoever over here," the paper quoted a union representative as saying.

His reception was equally warm in Roanoke—site of the infamous frameup trials of LaRouche associates—where on Oct. 13 Smith addressed an anti-NAFTA rally sponsored by

The LaRouche movement's election record, 1982-92

The maps on pages 32-35 document a decade of election campaigning in the United States by individuals committed to the policy-outlook of Lyndon LaRouche. LaRouche's own Democratic presidential campaigns of 1980, 1984, 1988, and 1992 and his 1990 congressional campaign in Virginia, have been flanked by thousands of candidates for local, state, and national office.

The eight maps document the growth of the LaRouche electoral movement leading up to the "breakout years" of 1985-86, when LaRouche-associated candidates began to win statewide primaries and break into double-digit results in the general elections. The subsequent maps show the damaging impact of the concerted police and propaganda assault launched by the Soviet-backed, U.S. government "Get LaRouche" task force, in an attempt to eliminate LaRouche's policymaking influence. But the most recent maps also show a gradual regaining of strength since LaRouche's jailing in January 1989, indicating that despite the worst efforts of such organized crime-tainted organizations as the Anti-Defamation League, growing numbers of Americans are waking up and realizing that LaRouche was indeed right, while all of his critics and detractors were dead wrong.

The maps are not exhaustive, indicating only the most prominent electoral results. The numbers in thousands or millions indicate total votes cast for all LaRouche candidates in that state. The percentage figures indicate results for one or more candidates. "Cong." indicates U.S. Congress.

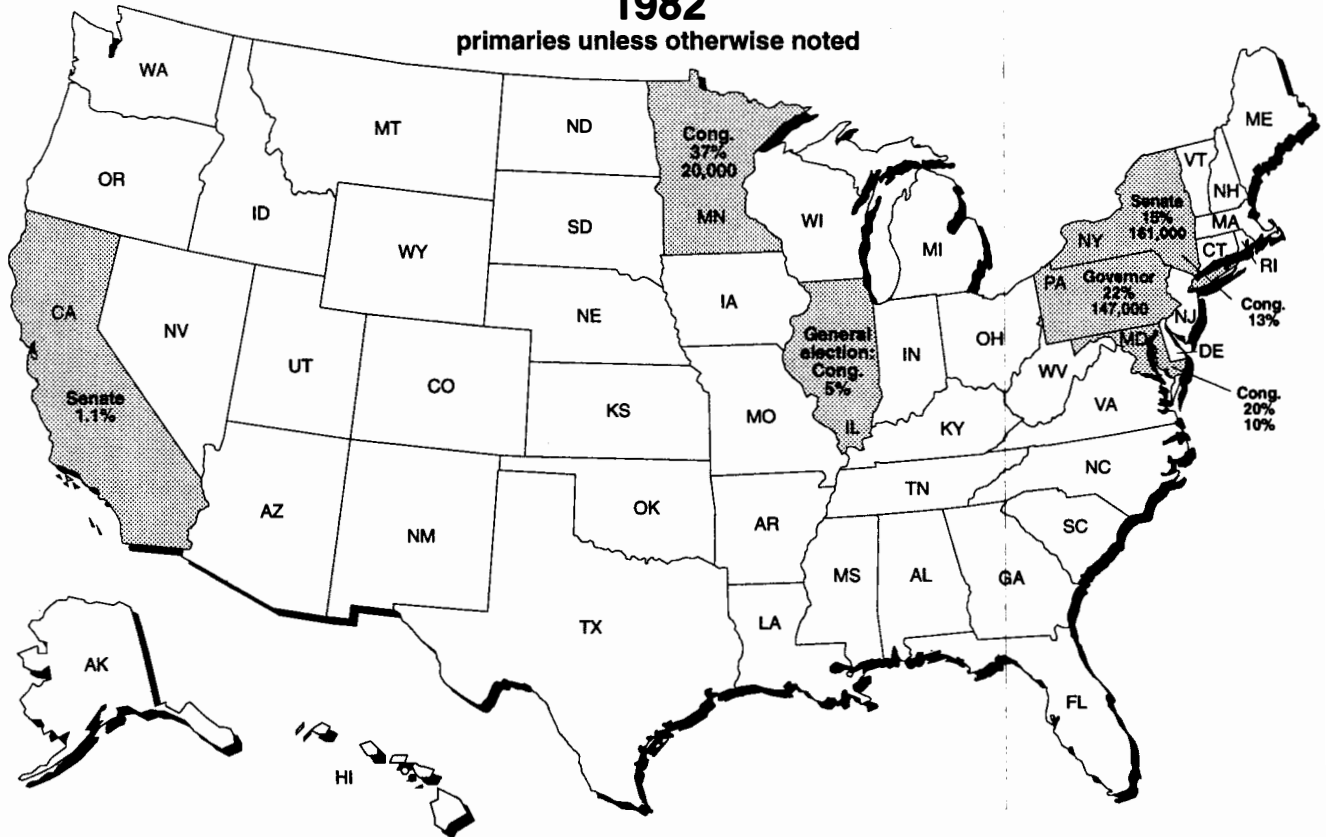
the Central Labor Council and the International Union of Electrical Workers. "What we discovered, working with [Rep.] Henry Gonzalez, was that [NAFTA] is not a trade [accord] at all. . . . He discovered there were secret financial protocols in the treaty. . . . Then we found out this was a secret scheme to issue dollar-denominated bonds to Mexico which put the [Michael] Milken junk bond scheme to shame. This is going to loot Mexico and force Mexico to pay back the bonds."

To applause, Smith concluded, "If I'm crazy [referring to his parents' efforts to declare him mentally incompetent], you're crazy. We have to shut this down. . . . I will continue to support your efforts."

LaRouche electoral movement

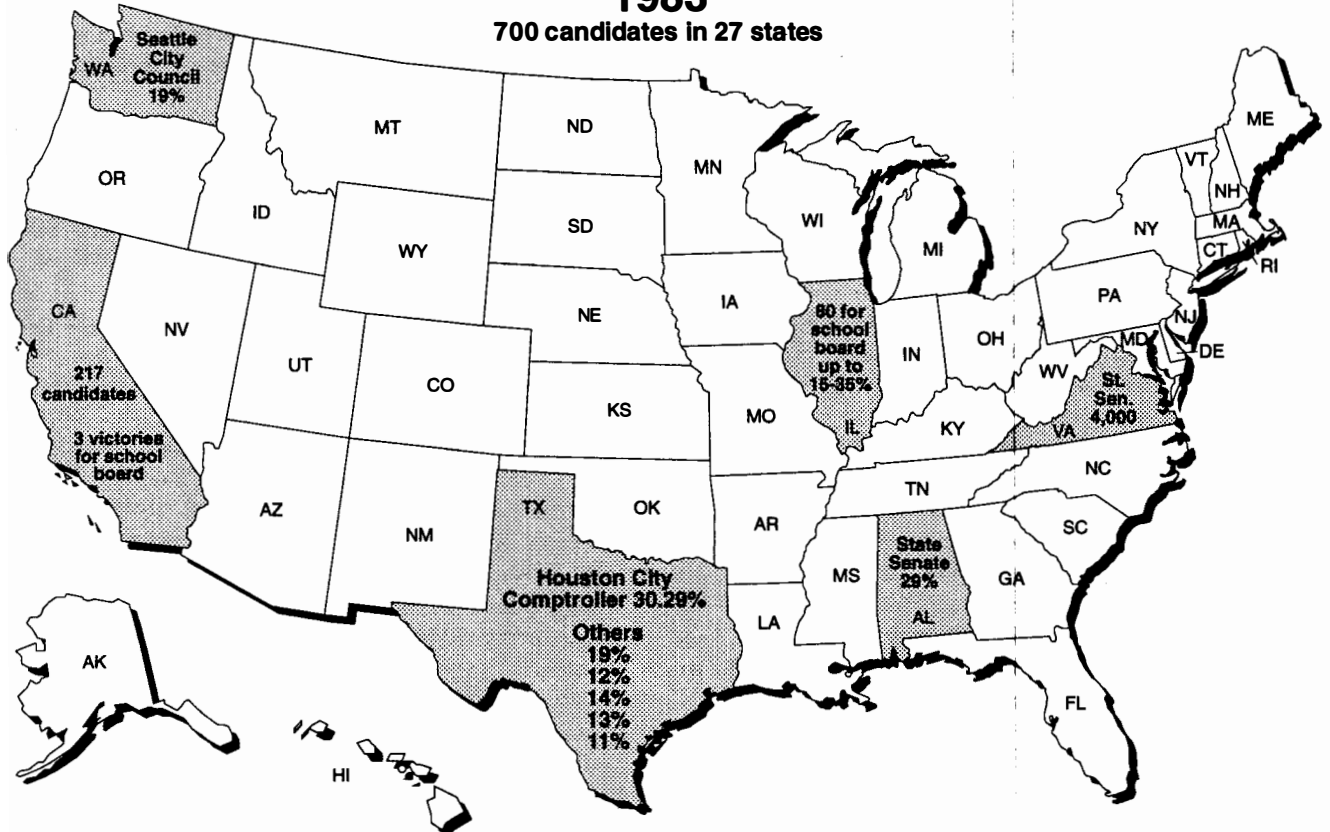
1982

primaries unless otherwise noted



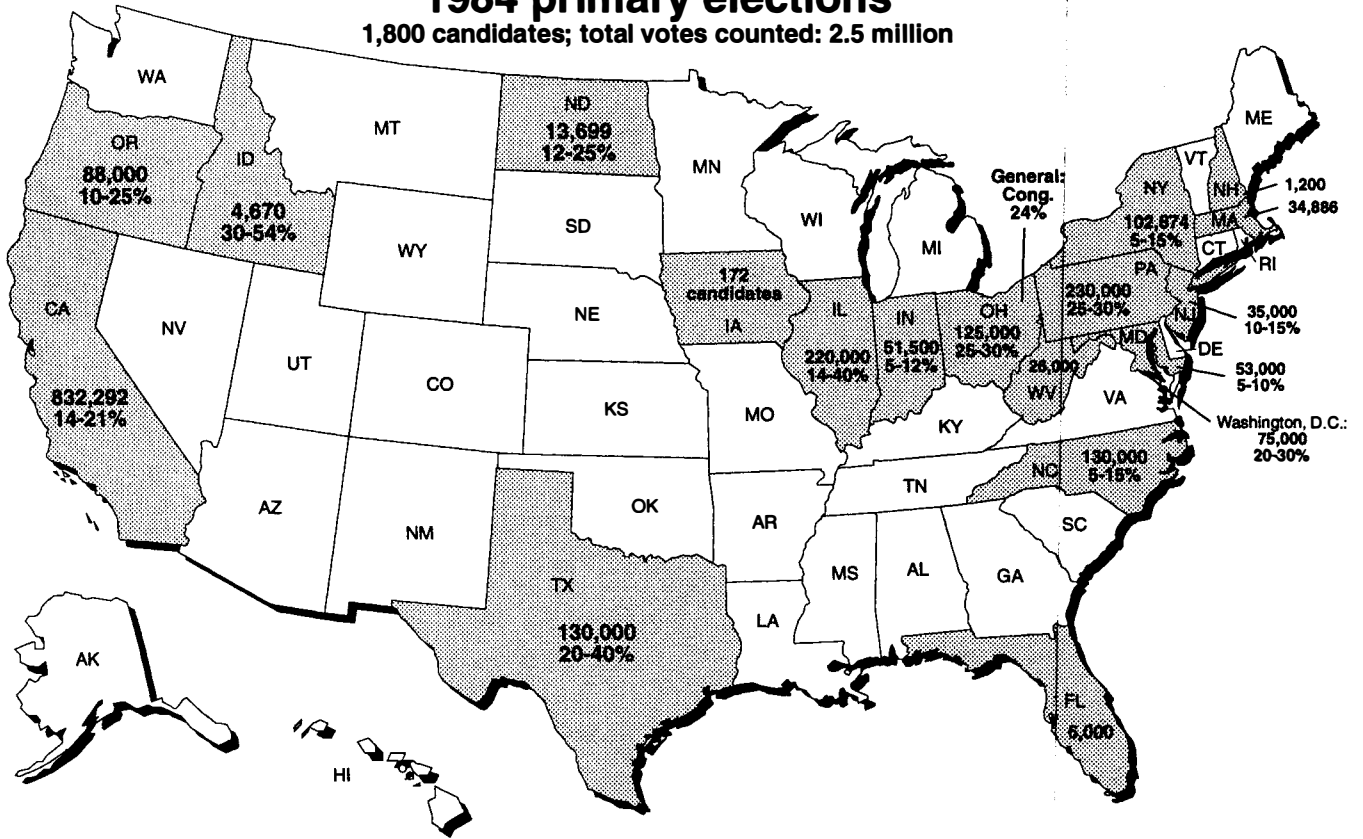
1983

700 candidates in 27 states



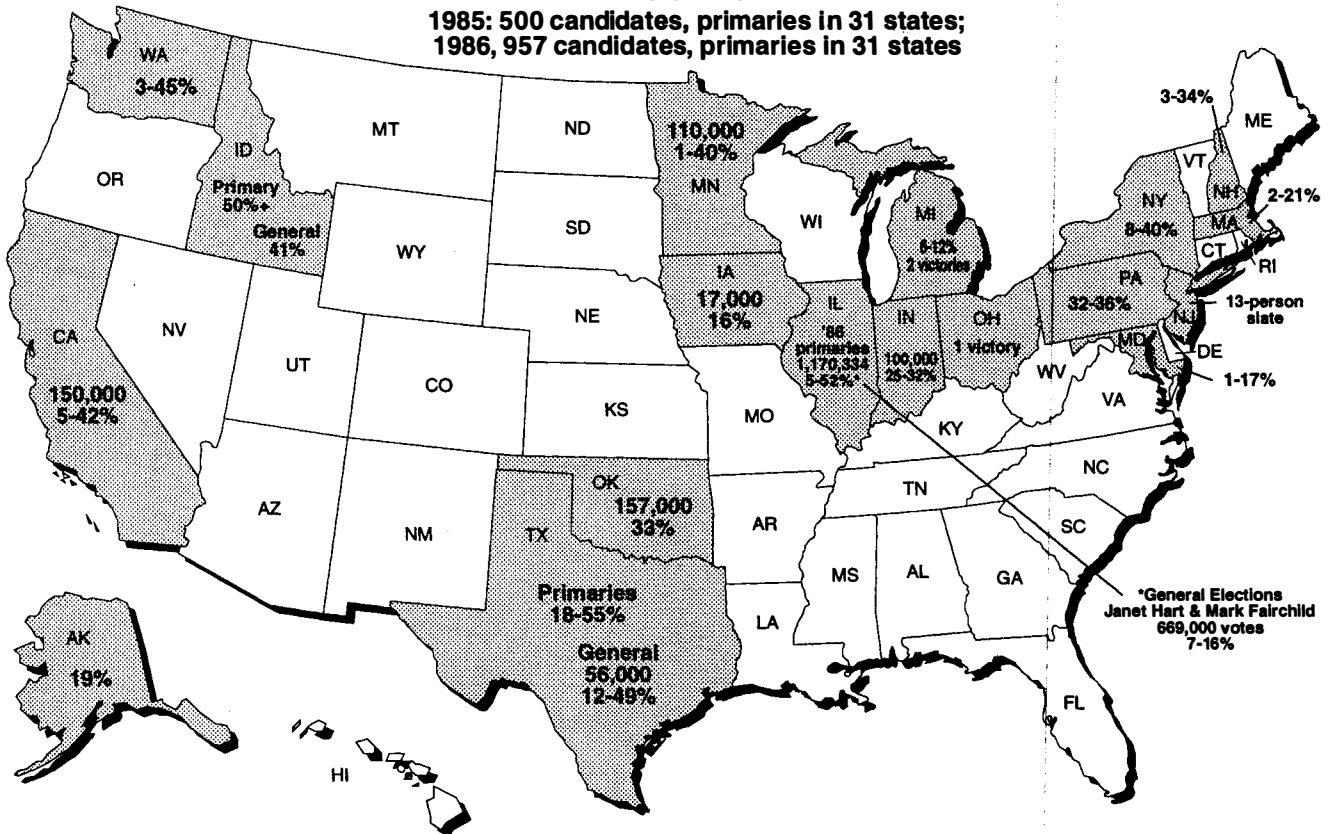
1984 primary elections

1,800 candidates; total votes counted: 2.5 million



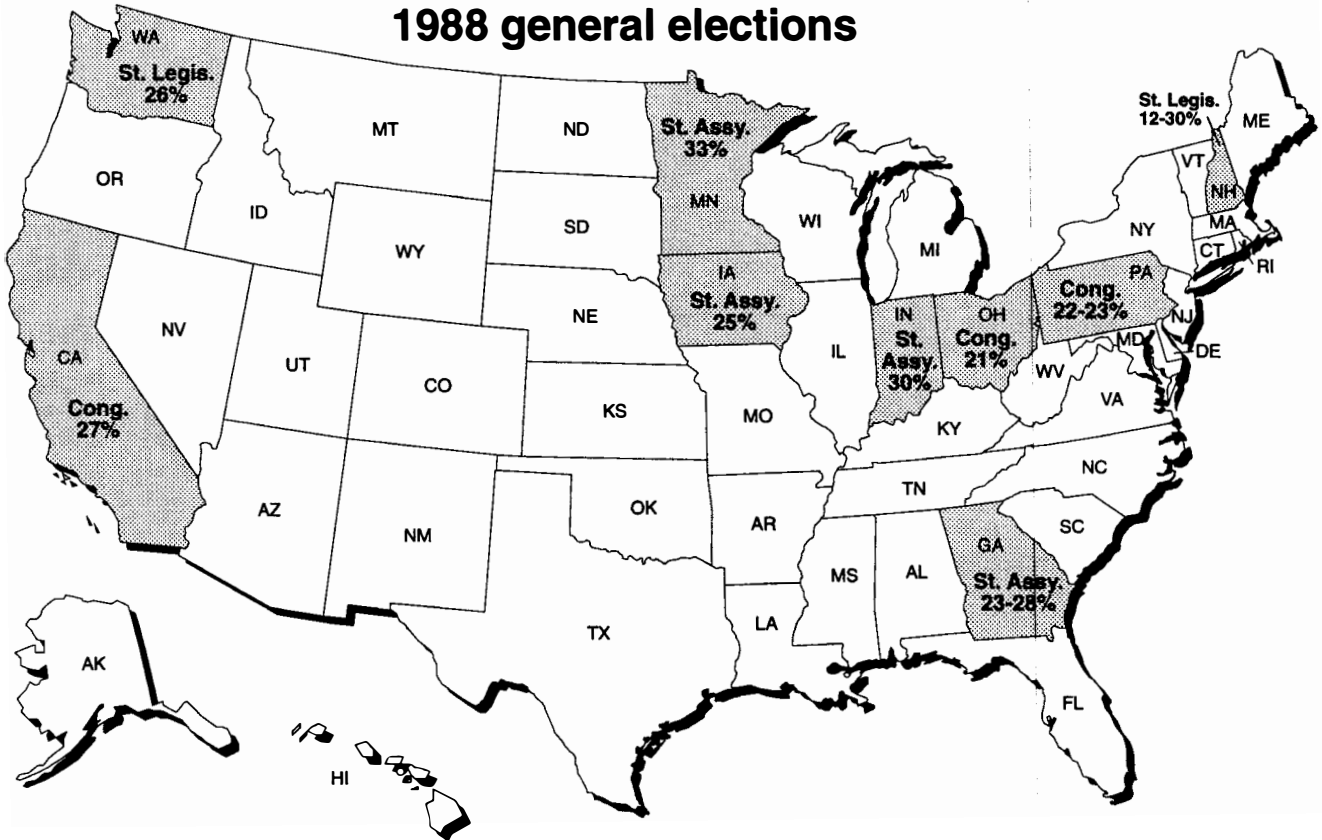
1985-86

1985: 500 candidates, primaries in 31 states;
1986: 957 candidates, primaries in 31 states



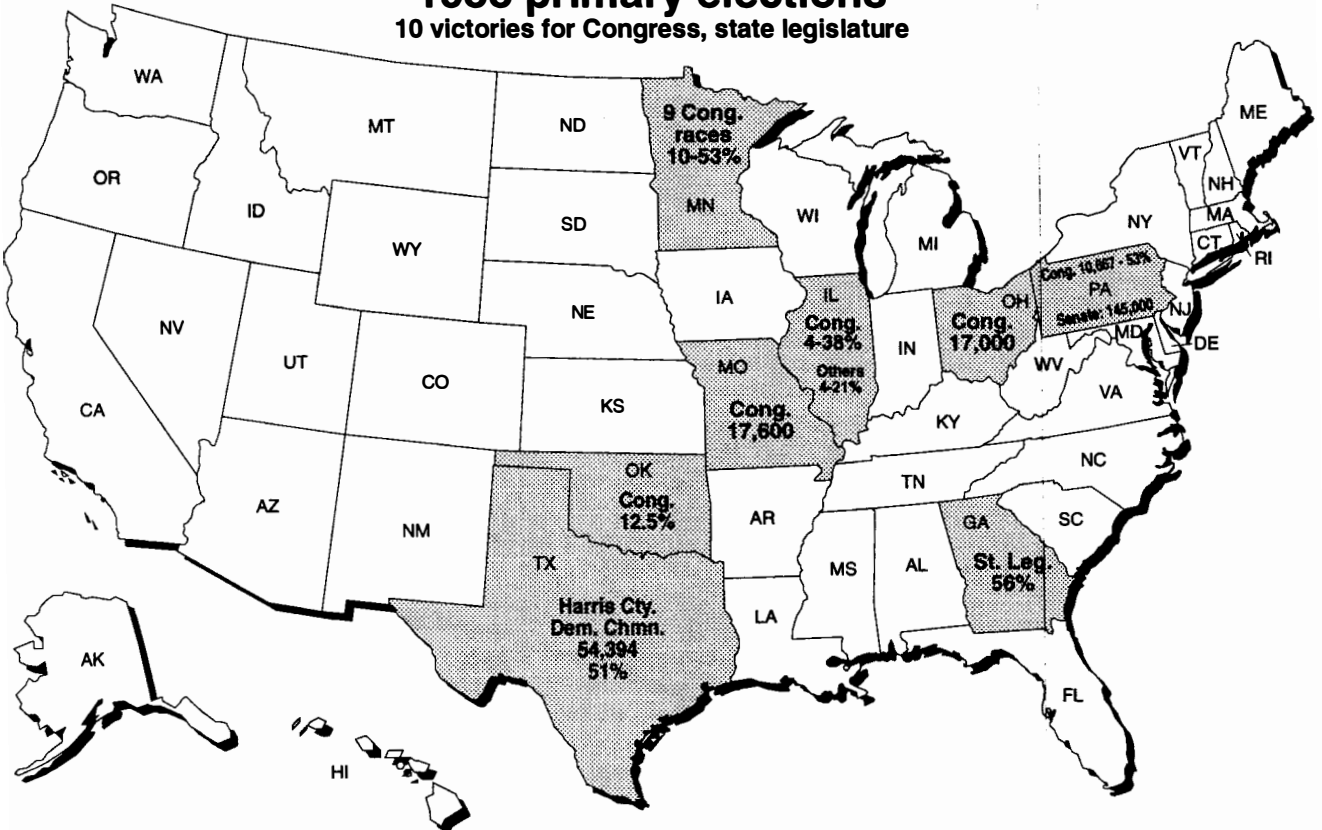
LaRouche electoral movement

1988 general elections



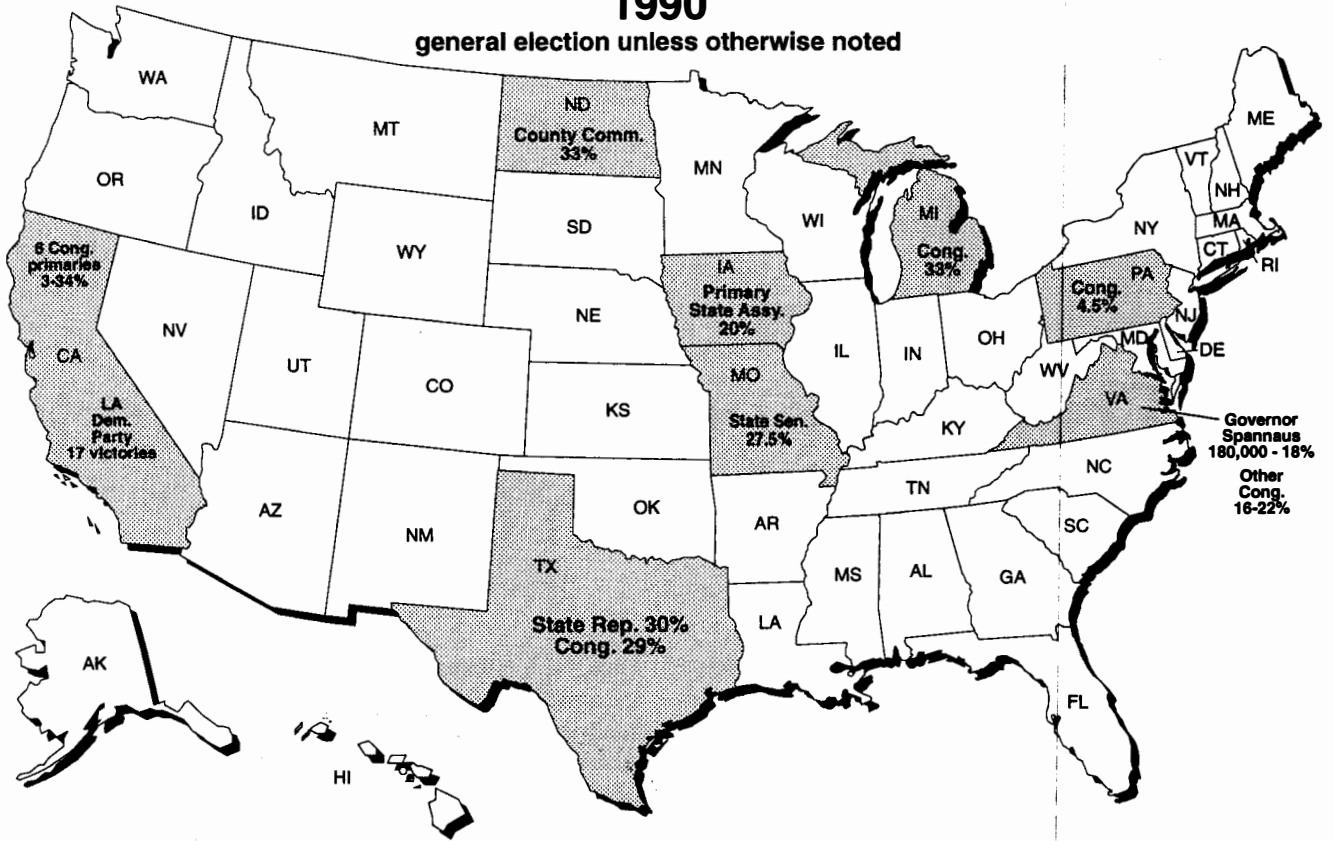
1988 primary elections

10 victories for Congress, state legislature



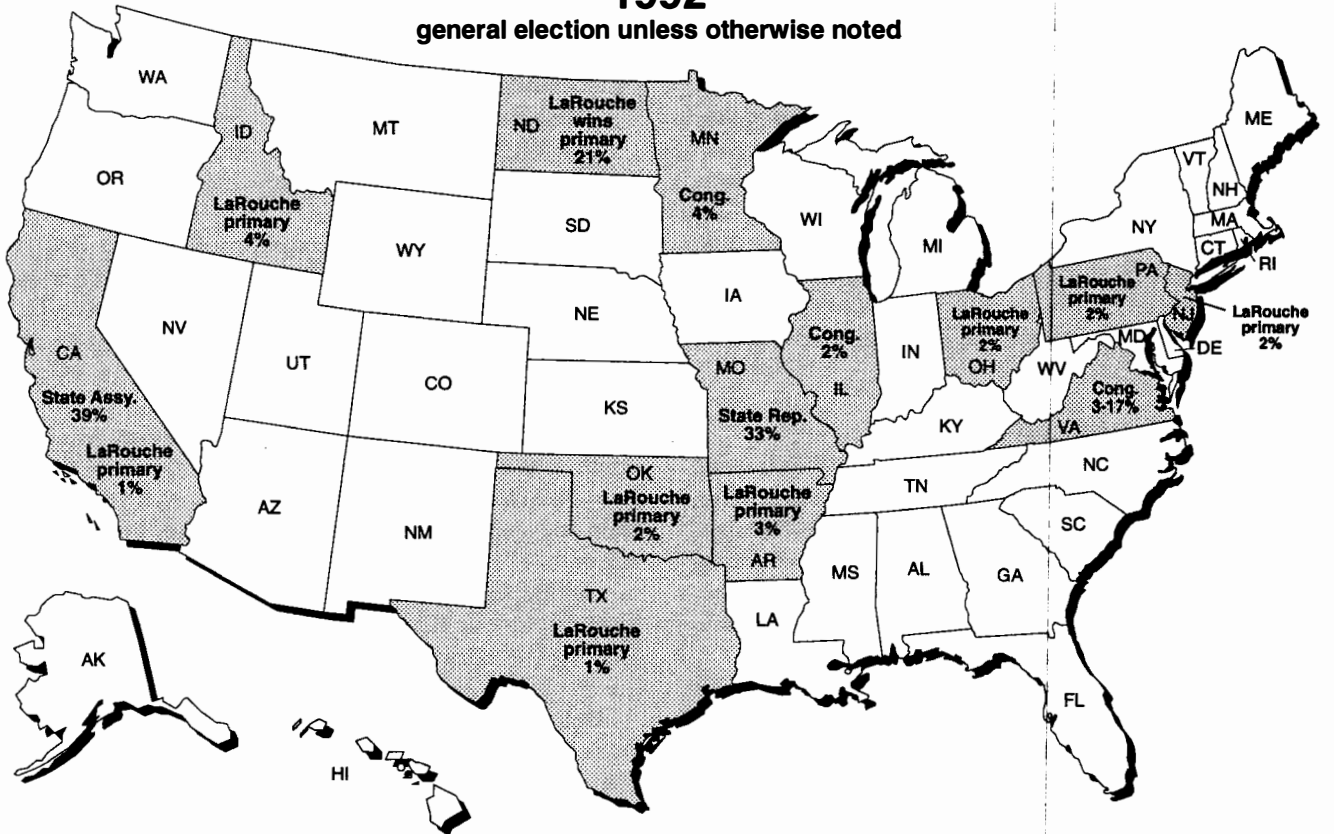
1990

general election unless otherwise noted



1992

general election unless otherwise noted



Thatcher confesses: 'I tried to save the Iron Curtain'

On Oct. 10, the German weekly *Der Spiegel* published sections of the forthcoming memoirs of former British Prime Minister Margaret Thatcher. Under the title "Stop the German Moloch!" Thatcher admits that she made every effort—including close consultations with Soviet communist leader Mikhail Gorbachov—to halt the reunification of Germany, in order to maintain the geopolitical "balance of power" which would enable Anglo-American financial circles to halt the emergence of a powerful Eurasian alliance for economic development.

Since Thatcher's admissions, some of which appear below (see Documentation), are a resounding confirmation of the repeated warnings issued by Lyndon LaRouche, a committee which is exploring his 1996 candidacy for President reacted instantly by issuing 1 million copies of a leaflet entitled "LaRouche Was Right All Along! Maggie Thatcher Confesses: 'I Did All I Could to Save the Iron Curtain.'" "

The LaRouche Exploratory Committee has kindly given EIR permission to reprint the leaflet's text, which appears below.

LaRouche was right all along!

In 1989, as millions of eastern Europeans were throwing off the yoke of decades of communist tyranny, the British prime minister, the Conservative Party's Margaret Thatcher, was scurrying around Europe and Moscow, doing everything in her power to keep communism alive! That's the story Thatcher tells herself in her just-released memoirs, previewed in the Italian newspaper *Corriere della Sera* on Oct. 10.

Maggie's shameless boastings corroborate precisely the charges of American statesman Lyndon LaRouche in 1989 that Thatcher's bankrupt Britain, with George Bush in tow, were determined to derail the peaceful reunification of Germany—and the freedom of millions. Together, Thatcher and

Bush, with helpmates like Jeffrey Sachs of Harvard, have criminally bungled the greatest opportunity of this century to finally bring peace and development to Europe, and to reverse the world depression. Instead, thanks to their services on behalf of communism, Europe is in depression, the deliberate unleashing of the Balkan war has brought the horror of mass murder to our TV screens, and Russia is about to plunge into a possibly nuclear civil war, which could take humanity to World War III.

History would have been different if you had listened to Lyndon LaRouche in 1989.

Here is the record:

Oct. 12, 1988: LaRouche, in a press conference in Berlin, forecasts the near-term collapse of the Soviet empire and the reunification of Germany.

Oct. 20, 1988: LaRouche calls on Western nations to embark on policies to rebuild Eastern Europe's basic infrastructure for reunification with Europe. On nationwide TV, LaRouche also warns that continued International Monetary Fund (IMF) pressure on Yugoslavia will cause civil war and dismemberment of the country.

September 1989: Thatcher hits the panic button as East Germans flee, according to a preview of her memoirs in *Corriere della Sera*. Thatcher's fear was "that behind this chain of events lurked the perspective, or rather, the specter of a unified Germany." For Maggie, "jealous of the British role on the European continent," this was a threat to the "post-World War II order," in which policy in Europe was controlled by Britain, the U.S., France, and the Soviet Union.

Oct. 31, 1989: *Times* of London article, "Beware of Reich Resurgent," by Conor Cruise O'Brien, screeches that a reunified Germany will lead to a Fourth Reich modeled on Nazi Germany. "German reunification is now inevitable. We

are on the road to the Fourth Reich: a pan-German entity, commanding the full allegiance of German nationalists and constituting a focus for national pride.”

Nov. 9, 1989: The Berlin Wall falls, as millions jubilantly celebrate the downfall of communist totalitarianism, with Beethoven’s “Ode to Joy.”

Nov. 10, 1989: LaRouche, now in federal prison at the behest of the Soviets, welcomes the fall of the Berlin Wall, and issues a proposal for “rescuing Poland,” and also East Germany, starting with construction of high-speed rail and magnetic levitation railroad lines, “with emphasis on the artery of rail transport from the vicinity of Paris, France, through Germany and the eastern zone of Germany, presently the GDR, into Warsaw, Poland.”

Nov. 12, 1989: *Sunday Times* of London wails that the Berlin Wall collapse is “the first step towards the creation of a 70-million-strong Fourth German Reich. . . . The Fourth German Reich is set to boom, becoming Europe’s economic superpower in the process.”

Nov. 12, 1989: *Thatcher* is “deeply worried about the consequences of a reunited Germany,” reports the *Times* of London.

Nov. 13, 1989: LaRouche condemns the attacks on German reunification coming from such sources as O’Brien, as reflecting either “specific Soviet assets or . . . Anglo-American Trust-oriented forces.” LaRouche renews his call for Germany to “proceed with assistance to Poland by way of assistance to strengthening the development of the economy of East Germany, [to] create a rate of growth of about 10% a year in the short term in real physical economic terms.”

Nov. 14, 1989: Thatcher demands a go-slow approach to German reunification. “Strong emotions have been aroused on all sides by recent events,” she complains. “The need now is to take a measured view of the way ahead.” She says that Germany should not be reunified until East Germany is a democracy. This stall tactic is not supported by Germany, France, or the United States.

Nov. 16, 1989: Thatcher assures Soviet President Gorbachov that the “West will not try to poach East Germany,” reports *Times* of London.

Nov. 18, 1989: Thatcher writes to Gorbachov that she is on guard against “excessive euphoria” in Europe. The British paper the *Guardian* reports “close diplomatic contacts” between London and Moscow on Europe.

Nov. 30, 1989: Deutsche Bank chairman Alfred Herrhausen is assassinated, allegedly by terrorists from the non-existent Red Army Faction. Just before his murder, Herrhausen had prepared a speech to be delivered Dec. 4 in the United States, echoing LaRouche’s proposals for the development of eastern Europe. Herrhausen said: “It is advisable that the export guarantees which the German federal government wants to expand, be tied primarily to specific projects. . . . I proposed setting up a development bank on the spot—that is,

in Warsaw. Its task would be to channel the aid according to strict efficiency criteria. My vision is that such an institution could function somewhat like the German Reconstruction Bank, which traces its origins back to the Marshall Plan.” In December 1992, the book *Das RAF-Phantom* demolishes the myth that Herrhausen was killed by the RAF, quoting unnamed German security experts that the “RAF assassinations clearly show the handwriting of secret services.”

Jan. 7, 1990: LaRouche designs rebuilding of Europe’s transport and power infrastructure, focusing on Paris, Berlin, and Vienna as the “Productive Triangle” locomotive to pull the world out of depression.

Feb. 25, 1990: Thatcher pronounces her go-slow approach to German reunification correct, “because you cannot ignore the reality of what happened in this century.”

July 12, 1990: British Minister of Trade and Industry Nicholas Ridley tells the *Spectator*: “It has always been Britain’s role to keep these various powers balanced, and never has it been more necessary than now, with Germany so uppity.”

July 20, 1990: LaRouche releases a statement: “Britain ought to shut up, since before World War I and in the 1920s and early 1930s, Britain did more than any other nation, to ensure that we had two world wars, including the support of many powerful people in Britain for the foisting of Adolf Hitler upon Germany. And, also, the British refusal to support the patriots of Germany who tried to overthrow Hitler, such as those of July 20, 1944. We need an area of continental Europe, which includes an area of Paris to Vienna, through Prague, Czechoslovakia [as it then was—ed.], through Dresden in East Germany, through Berlin and back to Paris. We need that area’s rapid development, in order to deal with the economic problems of Eastern Europe, and the breaking Soviet situation. We also need development of that area, together with development of Japan, to rebuild the shattered, now actually depressed, economy of the United States.”

July 31, 1990: Thatcher says, “Apart from the way in which Mr. Ridley said it, what he said was in tune with people’s feelings.”

March 1, 1991: LaRouche warns in a speech to a development conference in Bonn with eastern and western European leaders: “Up to now, from at least 1986 on, it seems that the British liberals—the same fellows who caused the Thirty Years’ War of 1912 to 1945, are predominant: They’re winning. They’re winning . . . because the world is generally acquiescent to this power, to this liberalism, to IMF conditionalities. Unless that trend is reversed, it is certain that the new Thirty Years’ War period now in progress, will be the rule of this planet deep into the early decades of the next century.”

April 1, 1991: Detlev Karsten Rohwedder, head of the German Treuhand, the agency in charge of economic integration of eastern Germany, is assassinated. Kohl government

in Germany abandons LaRouche-Herrhausen perspective.

Now today—take a look at the bloodshed in the Balkans and Russia; take a look at the broken-down U.S. economy, and face it: *LaRouche was right all along!*

Isn't it time you turned off your boob-tube and started listening to LaRouche?

Documentation

The following passages from Margaret Thatcher's forthcoming memoirs have been retranslated into English from the German pre-release.

There has always been a tendency to consider the "German Question" as a matter too ticklish for well-groomed politicians to discuss. In my view, however, this is a mistake.

The problem has had many facets which could only be addressed when non-Germans discussed it openly and constructively. I do not believe in collective guilt. In my opinion, individuals are to be held morally responsible for their actions. Nevertheless, I do believe in a national character, which is conditioned by a series of complex factors. And the validity of this fact is not undermined by often absurd and exaggerated caricatures of the nature of a particular people.

Germany, ever since it was unified under Bismarck—and perhaps partly because of this, because national unity came so late—has always wavered unpredictably between aggression and self-doubt. Its immediate neighbors, such as the French and the Poles, have been more conscious of this than the British—not to speak of the Americans.

And yet, precisely this concern has held back Germany's immediate neighbors from taking a clear stand, since doing so might have damaging effects on them. The Russians, too, are acutely aware of this problem, but their need for German credit and investment causes them to keep silent.

Perhaps the first ones to recognize the "German" problem have been the open-minded Germans themselves, the great majority of whom are convinced that Germany must never again become a great power which asserts itself at the expense of others.

The true source of German *Angst* is the agony of this self-knowledge.

That is one of the reasons why so many Germans honestly—and I believe mistakenly—want to see Germany embedded within a federated Europe.

It is probable, however, that Germany would assume the leading role within such a configuration, since a reunified Germany is simply much too big and powerful to remain only one of many players on the European field.

Moreover, Germany has always been oriented not only toward the West, but also toward the East, although until now this has more been a question of economic expansion

than territorial conquest by warlike means.

By its very nature, therefore, Germany is a destabilizing force rather than a stabilizing one within the European configuration. Only the military and political involvement of the United States in Europe, and close relations between Europe's other two strong sovereign states—namely, Great Britain and France—can counterbalance the Germans' strength. And that would never be possible within a European super-state.

A unified Europe would in any case enhance, rather than limit, the influence of a united Germany.

These were the convictions which guided my political actions in the process of Germany's reunification. . . .

One obstacle in the way of achieving the balance of forces I had aimed to establish during my term in office, was the refusal of French President François Mitterrand to follow his French instincts and to declare battle against German interests. To Mitterrand, this would have meant giving up the French-German axis upon which he relied. As it turned out later, the pain of parting would have simply been too great for him.

In the beginning it seemed as if the Soviets would vehemently oppose the reestablishment of a powerful Germany—especially a Germany reunified under western conditions, thereby discrediting communism.

The Soviets were in any case counting on the Germans, in partial repayment for allowing reunification, to form a left-of-center government which would realize the Soviets' long-term goal of a neutral, nuclear weapons-free Germany. But only later did it turn out that the Soviets—who perhaps had a better idea of the G.D.R. citizens' real feelings than we did—were prepared to sell reunification to the Germans at the modest price of a financial injection for its moribund economy.

The German Question and the consequences of reunification were my chief preoccupation when in September 1989 I decided during my return trip from a conference in Tokyo, to pay a brief visit to Moscow in order to talk with Mikhail Gorbachov. I told him quite frankly that while we in Europe traditionally acknowledged the goal of German reunification, in reality this caused us great concern. This, I added, was not only my own opinion; I had also discussed this question with another top political figure—by which I meant President Mitterrand, although I didn't name him explicitly.

Gorbachov confirmed that the Soviet Union, too, did not want to see Germany reunified. This strengthened my own resolve to slow the already hectic tempo of developments. Of course I didn't want the East Germans to keep living under a communist system, any more than I wished that on any other people. But I was certain that the G.D.R. would soon develop a truly democratic system, and that the reunification question would have to be dealt with separately, according to the wishes and interests of Germany's neighbors and other powers. . . .

Autocratic rule returns to Russia

An eyewitness report on what really happened on Oct. 3-4 in Moscow, from St. Petersburg journalist Konstantin Chermnykh.

The day I arrived in Moscow, Oct. 2, was sunny and warm, and the streets were empty because it was a regular day off. It was hard to imagine, that a tragedy was about to start in a few hours. I am quite sure that the majority of Muscovites did not expect that the next two days would become another blood date in the gloomy history of Russia. Ordinary citizens believe in the reason of politicians. While knowing what had happened in Stepanakert, Baku, Sergana, Bender, Tbilisi, or Sukhumi, no one could imagine that such bloodshed could occur in the heart of the country.

The White House [parliament building] had been cut off from the rest of the city by the special military service. The people inside felt hope, but at the same time growing desperation. It seemed as if the federal power was waiting for the moment when this desperation would become unbearable, because anything can be expected from people who have nothing to lose. The mayor of Moscow, Yuri Luzhkov, had threatened that if the deputies did not leave the White House by Oct. 4, they would be driven out by force. Several times a false alarm went up, that such an attack would occur, the last time on the evening of Oct. 3. Some opposition leaders were already discussing possible conditions for a compromise, relying on the help of the regions. The deputies hoped that another meeting of the regional representatives would help to bring at least a partial solution.

Buildup to the explosion

But the bloody events had already been developing since the middle of the preceding week, Sept. 24-26. Every day there were small fights between groups of demonstrators and militia or special military servicemen in downtown Moscow. What was the reason? It relates to the old conflict between the Moscow mayor and the Moscow City Council, which has been ongoing for the last two years. The City Council was dissatisfied with the political style of Mayor Luzhkov; many deputies accused him of corruption and had collected a wealth of material to prove their charges. The Moscow City Council had even demanded Luzhkov's resignation, but he refused and was backed up by the federal administration and the city court. The deputies believed that the court had been

bought by Luzhkov.

The Moscow City Council allowed different opposition groups to hold public rallies in the streets, while the city administration forbade them. Several fights broke out near Smolenskaya Square and Barrikadnaya Metro Station, in which the demonstrators used sticks and stones, the so-called "weapons of the proletariat." But the city administration apparently did not seek to prevent those clashes, but seemed rather to encourage them. For example, a rally on Oct. 2 was only forbidden the night before, so the people who came to it didn't know it was forbidden. And afterwards the material used for building barricades was not taken away, but left nearby on the pavement, as if for use in the next battle. And so it happened.

Due to such behavior of the Moscow city administration, the repeated clashes, etc., a group of young people, demonstrators with some fighting experience, came into existence, ready to be used in further fights.

On Oct. 3 there was to be held the so-called *Narodny Vecher*, or People's Evening, a traditional rally, the date of which had been set three months before. Many regions of the country would send their representatives to Moscow on that day. It was only by chance, that it now coincided with Yeltsin's Decree No. 1400, by which he had dissolved the Supreme Soviet. Many people came to town. The Moscow city administration again forbade the event just on the evening before, when everybody was already on his way.

The people arrived, and formed large groups. Forces of the special military service first tried to divide them into four parts. But the mass of people coming from Lenin Prospect, which included people from Abkhazia, Ossetia, and other regions, was too big, and the militiamen did not prevent them from starting the rally. They marched down to the center of the town.

It is important, that the street leading from October Square down to the center was not blocked by militia. They marched freely and were only stopped by a chain of militiamen near the Crimean Bridge. There were about 15,000 demonstrators and three rows of soldiers. The demonstrators were singing a song from before the Revolution, with the

text, "We are not going to be defeated and we will never surrender"; they broke through the chain of soldiers using pieces of wood or rods. The militia did not show much resistance. After only a few minutes, the soldiers divided themselves in two parts and let the demonstrators pass. Some in the crowd even shouted, "Thank you, boys."

Still, some soldiers kept fighting with the demonstrators, and as a result, some lost their shields. The demonstrators took these shields and proceeded to the center of Moscow, across the bridge. After one kilometer, they were stopped again, this time by a larger number of militiamen, who this time used tear gas—the same gas that had been used in Tbilisi and other hot spots before. This stopped the demonstrators for half a minute, because they didn't expect it. This was no longer a romantic experience. They now broke through the chain, beat some of the soldiers who had used the gas, and captured a truck and more shields.

Tumultuous scene at the White House

At that point, the demonstrators decided to move in the direction of the White House. They broke through two chains of soldiers. Some soldiers shot into the air. From Garden Ring [Road] they went down to Kalinin Prospect, passed the Moscow administration building, and came to the White House. Here the soldiers forming the cordon around it seemed shocked and embarrassed in the face of the unexpected crowd. It was really a revolutionary situation. For a while, they didn't do anything.

When a certain part of the demonstrators moved up to the White House, which stands on a hill, somebody began shooting from the Moscow administration building—shots from automatic guns. The crowd had only rods and sticks. When they heard the shots, they became even more furious. But they didn't attack the Moscow administration building yet. They first wanted to speak to Aleksandr Rutskoy in the White House.

After about 20 minutes Rutskoy came out. Not many people know that shortly before, he had received a new version of a message that the White House was about to be attacked by administration forces and forces of the military service. Maybe this was the reason Rutskoy now gave the command for the crowd to attack first the Moscow administration building, then the Hotel Mir, where some government structures were located and from where also shots had been fired, and then to go to the Ostankino radio and TV broadcasting station. If Rutskoy had given another order, if he had ordered them to stop here and build barricades for defense, instead of attack, maybe the outcome would have been different. Certainly it would be much more difficult now to accuse the deputies of a "communist plot against the state." If they had remained on the defenders' side, maybe the ruling structures would not have dared to launch an attack against the White House, and maybe President Yeltsin would have finally come to a certain compromise.

But Rutskoy made another decision, and now the developments could no longer be stopped. Armed groups from the White House were thrown together with the demonstrators at the administration building. Instead of opening the gate, there were shots from inside the administration building. Then two guards were shot. The door was rammed open with the truck that had been captured earlier. The demonstrators went inside. Most officials escaped through the back door, but two were captured and held for some time. I didn't see under what conditions they were held, but they were very soon set free, and already the same evening one of them, Vasily Shchachnovksy, gave an interview.

Battle at the Ostankino station

At the same time, a group of soldiers from the White House started for Ostankino. The crowd marched on foot and arrived later also at Ostankino. They entered through the gate and were rather sure that there would be no battle there, but that they would take the broadcasting station without conflict. But several minutes after the crowd had entered the building, there came shots from different directions. Apparently the shooters inside the station were prepared for that moment. The people outside fell to the ground, and about 30 people were killed right away.

The others were furious. The ones who had weapons shot back. But inside the building they had military equipment and were able to kill many people. At the end of the day it was estimated that 150 people had been killed in this battle alone.

There was a fire on the first floor of the TV building, and also on the second floor some things were broken by the intruders. They were not able to use the station for broadcasting themselves. Still the same evening, the remaining people were driven out of the building. The attack had failed.

At the same time, a small number of people were going to attack the building of the general staff near Arbat Square, but they didn't succeed; maybe they were badly organized.

Coverup of the casualties

Later in the evening, an elite corps arrived from Tula in Moscow. The attack against the White House started early in the morning of Oct. 4. First, guns and machine guns were used; then tanks arrived, at 11 o'clock.

It seems that the officials are not interested in publishing the real number of victims. The victims of the attack on the White House were not taken out, before a special investigations group had finished its work. I don't know what this work was, but when I heard this evening (Oct. 7) that they had only found 49 dead bodies, it seemed incredible. There were about 3,000 people inside the White House, when the attack started, and only 1,800 came out and surrendered. Therefore, a large number of people just disappeared. At the same time, some volunteers counted the corpses that were brought that day into the Moscow morgue: This number was

720 on the evening of Oct. 4. But the storm of the White House continued until the morning of Oct. 5. This fact, however, was only published in one single newspaper. So, even after most of deputies, and Rutskoy and Khasbulatov surrendered, others continued to resist. And we don't know anything what happened to these people. Nothing has been published about it.

As is known, Yeltsin proclaimed a state of emergency over Moscow at 4 p.m. on Oct. 3. However, the same evening, a large rally of Yeltsin supporters—young guys, in part well-armed—gathered in front of the Moscow Soviet. This crowd first gathered near the city council building, then went in and drove all city councilmen out and proclaimed that the Moscow city Soviet doesn't exist anymore. This decision was made official later by President Yeltsin himself. The Moscow city soviet was not involved in the fight between Yeltsin and Rutskoy. Only a small number of deputies supported the Supreme Soviet. But this was no reason to attack that building and to arrest a number of deputies, who spent several days in prison.

Concerning the treatment of the 1,800 deputies and other people arrested at the White House—some deputies have reportedly been badly beaten or even killed—I first want to confirm the reports, before going into that matter.

A new absolutism

In conclusion, I want to say some words about the present legal structures in our country. On Sept. 23 or 24, all the property of the Supreme Soviet was transferred to the Social Production Board, which is part of the presidential apparatus. This means that the legislative branch had lost its financial independence. The same happened to the Constitutional Court. The chairman of the Constitutional Court, Zorkin, was forced to resign, under the threat that otherwise the court would be dissolved. He resigned, and was replaced by a person loyal to Yeltsin, but later the Constitutional Court was dissolved anyway. This means that after the legislative branch, also the third branch, the judiciary, has been removed. A new absolute monopoly of power and property has been established in Russia. The Russian tradition of autocratic rule has been reestablished, and the period of pre-democracy, of a democracy to become, is finished.

We see signs of it everywhere. Those newspapers that tried to oppose the President, have disappeared. The other editors are very much afraid to be closed down, too, and are therefore behaving in a very cowardly manner. They don't dare to publish dissenting opinions anymore. Similar things must be said about the regions, which are behaving exactly as they did in Old Russia. They waited to see who would come out on top, to become vassals of whoever would prove to be the strongest. Maybe it is true that every people gets the ruler it deserves.

This is only my point of view; others might use much harsher terms.

Greater Serbia gets renewed U.N. backing

by Paolo Raimondi

On Monday, Oct. 4, the United Nations Security Council, meeting in New York, made the decision to prolong the mandate of the Unprofor ("peacekeeping") troops in Croatia for six months. So much for respect for national sovereignty. The U.N. mandate was expiring at the end of September and the majority of the people, the Parliament, and the political parties of Croatia had decided they did not want to keep the U.N. troops.

Originally, Unprofor had come to Croatia early in 1992 to be stationed in the so-called pink zone, about one-fourth of Croatian territory, which was to have functioned as a buffer zone between the Croatian forces and the areas occupied by Serbian and Chetnik (Serbian irregular) forces. The original mandate spoke of the U.N. task of stopping the fighting and primarily creating the conditions for the return of refugees to their homes, and reestablishing Croatian authority (with full respect for other minorities) over the territories which had been lost to Serbian aggression.

In fact, Unprofor did not fulfill this mandate in any way, as numerous military experts and observers verified. Instead, it guaranteed with its presence the continuation of Serbian occupation and the consolidation of Serbian positions.

An example of the ineffectiveness of the U.N. troop presence, as reported by the press in Zagreb, the Croatian capital, was revealed by the vice president of the Parliament, Zarko Moljan. In the context of discussions on renewing the Unprofor mandate, Moljan charged that the U.N. troops were responsible for having allowed Russian-built missiles of the Luna 7 type to be transported into the Serb-occupied Croatian territory. Two of these missiles were fired in early September against the outskirts of Zagreb and wounded several people.

In U.N. Resolution No. 871 of Oct. 4, it is affirmed that the United Nations intends to work now to make possible some type of peace treaty between the Croatian government and the "local Serbian authorities." This is the first time that such language has been used, and indicates more clearly than before, the intention of the United Nations to favor the Greater Serbia plot of Serbian fascist dictator Slobodan Milosevic and his Bosnian-Serb sidekick Radovan Karadzic, to annex lands which were formerly part of other republics, through sheer violence.

In the middle of these discussions, Croatian President Franjo Tudjman is reiterating what he said at the U.N. General Assembly: that he welcomes the replacement of Unprofor troops with NATO troops. Croatian military and political analysts say that statements like this are possible only if such a proposal has been discussed at the highest levels in the West, and may also be pushed, at least verbally, by people like Lord David Owen, the European Community's death-dealing "mediator" in the Balkans.

While it is not believed that NATO troops, in particular U.S. forces, will be sent into the Balkans, especially after the recent harrowing experiences in Somalia (where U.S. troops have been subjected to killing, wounding, and capture), these analysts underline that the existence of such policy debates shows that the main line of thinking in London, Paris, and Washington is to accede to and indeed facilitate the Greater Serbian dream. A NATO military presence in Croatia is viewed as the final partition of Croatia, in the wake of the carving up of Bosnia.

Atomization proceeds

Lord Owen and the forces deployed by the psychological warfare departments of the U.N., London's Tavistock Institute, and their allies, are celebrating the undisturbed continuation of the geopolitical game of war and turmoil in the Balkans with a new phase of disruption and disintegration. The Vance-Owen plan which was responsible, together with Serbian aggression, for the ethnic cleansing in Bosnia and clashes between the two victim-groups of Bosnian Croats and Bosnian Muslims, is now producing an internal violent conflict in the Muslim communities and will soon provoke the same among Croats.

Following the decision of Fikret Abdic, the leader of the Muslim-dominated region of Bihac in the northwest of Bosnia, to declare a state of autonomy from Sarajevo, a full-scale military conflict has broken out between forces loyal to Abdic and part of the Fifth Corps of the Bosnia Army loyal to President Alija Izetbegovic. It is feared that similar conflicts may take place elsewhere in Bosnia and even in Sarajevo.

In the meantime, the approach of winter is giving alarm signals of an inevitable human conflagration, if the geopolitical gamemasters are not stopped. Recent reports say that in Sarajevo, epidemics of all types are spreading, helped by the war, by the physical exhaustion of the people, and by the uncontrolled invasion of rats and other sick animals in the already-devastated living areas. Already back in August, Dr. Enrico Mara, who had been sent to Sarajevo by the Italian Foreign Ministry, compared the health situation to that of Europe during World Wars I and II. Mara told Italian radio, Reuters reported at that time, that the Italians had expected to set up field hospitals to treat war wounds in Bosnia, but realized that the top priority was rather hospital wards to handle contagious diseases.

Catholics, Muslims angry over Owen plan

The first text below is translated from "The Owen-Stoltenberg Map Means the End of Catholicism in Bosnia," by Dr. Pero Pranjic, priest and vicar to the refugees of the Archdiocese of Vrhosbosna [Sarajevo]. It came to us in French from the Christian Information Service of Zagreb, and gives some measure of the wild irrationality of the "new world order" plan for partitioning Bosnia into a patchwork of cantons divided among the three ethnic groups, Croats, Muslims, and Serbs, promulgated by European Community "mediator" Lord David Owen and U.N. "mediator" Thorvald Stoltenberg.

Dr. Pranjic argues that in order to placate Bosnian Muslims for the crime of their ancestral homes being awarded to the Serbian aggressors, they are being handed territories which are historically Croatian, and are being egged on to carry out "ethnic cleansing." He compares this to the case of a victim of assault and robbery, whose attacker the police decide not to capture and punish. "It is wrong for the police to take the property of a third man in order to 'help' the one who has been robbed and has not recovered what he lost and remained defeated; then the other man gets angry and desperate because he has been deprived without being to blame for anything. This is how the international community is acting toward us."

Dr. Pranjic's views have nothing in common, as should be obvious, with the extreme chauvinist Croatian-Bosnian leader Mate Boban, who is leading his own terror campaigns. In fact, Boban has publicly insulted the Catholic Archbishop of Zagreb after the latter stated that no Christian, and no Croatian, could resort to the enemy's methods of "ethnic cleansing." Dr. Pranjic's arguments do reflect the deepening bitterness among the different ethnic and religious groups as a result of the Anglo-French geopolitical games played in the Balkans. Excerpts of his analysis follow.

Owen map writes off Catholicism

After long efforts and "negotiations," Messrs. Owen and Stoltenberg have delivered in Geneva their maps to the parties engaged in the negotiations. It should come as no surprise

that they do not satisfy the Serbs because they have not realized their dream of a Greater Serbia, just as they did not realize it through the conquest of Croatian territories. Nor should it come as a complete surprise that the Muslims are downright unhappy because, thanks to Greater Serbian aggression, they have lost a good part of their territories in eastern and western Bosnia, where they have lived for centuries. And they could not possibly be satisfied because they have not realized their civilian Republic of Bosnia-Herzegovina, which they desired from the outset. It is a fact that they have, through their recent aggression and by force, already ethnically "cleansed" most of central Bosnia of Catholics, and that they are desperately trying to monopolize their ancestral homes, in order to partially make amends for what the Serbian conquerors took away from them.

If any honest and impartial person observes the map of Bosnia (I intentionally stress this because I am not now speaking of Herzegovina), he will verify that the Anglo-American and French proposals are precisely a rope around the neck of the Bosnia Catholics. That is why for us in Bosnia and for all of those who have been chased out of there, this has a terrible effect, because even the Croatian negotiators, or at least this is how it appears in the media, are accepting this map, i.e., are capitulating to the idea that the most vital part of their own people in Bosnia will be simply strangled by this rope. In fact, the Anglo-American and French policies have taken, in the course of the consideration and partition of the newly recognized state of Bosnia-Herzegovina, the entire state as a single territory, and thus given 17% of the "terrain" to the Croats, thinking that they have thus acted correctly because, as a percentage, this really is the number of Croats on the territory of Bosnia-Herzegovina. But they blocked out or voluntarily distorted the following facts:

Facts have been distorted

1) In this 17% of territory, they are essentially giving us the rocky terrain of western Herzegovina which, even without their "discovery," were the Croatian people's lands. On this territory lived some 185,000 Croats, and 15,000 lived in eastern Herzegovina. Eastern Herzegovina is at present largely occupied by the Serbs and also, in the latest period, by the Muslims. With that in mind, even if one resolves the Mostar question, the Croats have at least lost one of "their parts" at present, the near totality of the diocese of Terinje-Mrkan.

2) It is an evil and an injustice that the gentlemen intercessors barter and so easily cede to others precisely the Catholic part of the Bosnian territory, where the majority of Croats lived in this new state of Bosnia-Herzegovina (at the moment, the territories of the archbishopric of Vrhobosna-Sarajevo and the bishopric of Banja Luka. I will use church statistics in this text, which were the most readily available to me, and hence I am using church names for the regions),

i.e., 77% (about 640,000 people). They never took the trouble to study how many Croats there were in Bosnia and what portion of territory had belonged to them for centuries.

3) They have, de facto, allowed the Serbs to keep most of the territories they conquered from the Croats, thus "paying off" the aggressor. Banja Luka and all the Croats on that territory simply do not exist for the international negotiators, because for them too, it is "Serbian land." As to the occupied and pillaged part of Posavina in Bosnia, the Serbs there "wholeheartedly" accepted giving it to the Croats, so that they can say that they surrendered something, and this "something" is humiliating. One finds indicated on the proposed maps, such little morsels around Orasje and Odzak that two caps would cover them, and even that little bit is burned, looted, and devastated.

4) The Catholic parishes around Breko, Derventa, Bosanski Brod, plus the Usora territory and the four parishes in the Travnik region, the negotiators simply abandoned to the Serbs. No territorial compensations are proposed for the Croats who live there.

5) As to other central Bosnia territories, the negotiators gave them to the Muslims so that the latter would not make demands and to calm them down at least a little. So why should we be astonished when the Muslim Army wants to so violently cleanse this part of the "pie" which has been ascribed to it, and does it more systematically and unfortunately more bloodily even than the Serbs? The images which we receive daily from the regions of Zepce, Travnik, Bugojno, Skoplja, Fojnica, Kiseljak, Zenica, and Vares are only the result of this map which is now available to the public and which seems to have been drawn up for a long time; probably some people had received an advance signal telling them what they could do to implement it.

6) This goes completely against a healthy spirit, and anyone who can be considered an honest man—he need not be Croatian or Catholic—cannot be satisfied by what has been left to the Croats in Central Bosnia. It is in fact so poor and miserable (what has been left in Posavina can be covered by two caps) that this can be covered by something no bigger than a hat. All these territories, around which terrible combat is raging now (unfortunately a number have already fallen and been "ethnically cleansed"), have been "painted green" on the maps, i.e., thanks to the paintbrush of the wise intercessors, have been delivered to the Muslims.

The more our poor Bosnian population (made up of three peoples and three religions) is exhausted and desires peace, the more those who desire to help it should respect fundamental ethical principles. . . .

How can the Croats be satisfied with what is being left to them in Bosnia? The number of inhabitants of Bosnia was never taken into consideration, much less the number of Croats, not even in the territories where they have been living for centuries. According to church statistics this is the situ-

ation:

The Banja Luka diocese has 120,000 Catholics. They are undergoing a particular tragedy of violent extinction, and I think that their priests and especially their bishop want to continue to strongly raise their voice and cry out to the world for justice. The Banja Luka archdiocese counts 528,492 Catholics. According to church law, they are divided into 13 deaneries. According to the bishop's exact figures (and additional figures) the facts are totally clear. Are these 13 deaneries and such a number of Catholics, according to the proposed map, not to remain Croat under the new apportionment? Thus the Croatian ethnium and Catholicism have been uprooted and erased in Bosnia in the most arrogant fashion. The loveliest churches and centuries-old monasteries which survived Turkish oppression and communist atheism, have been destroyed. And can someone sit down now and draw something and say that in Bosnia, the territory of the present archdiocese of Vrhobosna is no longer Catholic and never will be again, but is Serbian Orthodox and Muslim?! It is a horrible fact that at the end of the 20th century, before the world media's cameras, the most lively archdiocese in Europe is being snuffed out! On this territory there were 144 parishes, more than 200 Catholic churches, a dozen famous Franciscan monasteries with museums, archives and historical material, three Jesuit monasteries, some 20 convents, two theology faculties in Sarajevo (with 150 students and some 50 professors with scholarly titles and doctorates in the world's most reputable universities), and two seminaries in Visoko and Travnik (the latter had been confiscated by the communists, but was supposed to be given to the bishop under democracy). Add the cathedral, numerous shrines, and let us not forget the Caritas of the archdiocese which currently cares for the majority of poor in Bosnia without distinction of religion or ethnic origin. All this, by a stroke of the pen of Messrs. Owen and Stoltenberg, could be erased except for some little thing which could be covered by three caps. . . .

Mahathir: Ethnic cleansing targets Muslims

Malaysian Prime Minister Mahathir Mohamad included in his speech to the U.N. General Assembly on Oct. 1 some observations which may serve as an indicator of the rancor in the Muslim world over the genocide and partition of Bosnia and the do-nothing attitude of Europeans. Excerpts from the official text, provided by the Malaysian government, follow:

. . . Far from achieving universal peace, the world is treated to a spectacle of unparalleled brutality by the Serbs in Bosnia-Herzegovina. In many countries of Europe fascism has once again reared its ugly head. Houses are torched and people burned to death. And the voters actually approved.

During the Cold War days, the protagonists tried constantly to provoke uprisings against governments of the countries they were opposed to. They would provide financial and material help and the promise that they would protect these

rebels or provide them with asylum.

With the collapse of the communist bloc, the people there expected help when they overthrew their communist governments and established democratic free-market societies or they sought independence for their countries. In some instances they found their expectations justified. The Slovenes and the Croats enjoyed the full support of the Europeans and were able to mold new nations. But the Iraqi Kurds and the Bosnians learned that they thought wrong. It is only coincidental that both are Muslim communities.

The most tragic case is that of Bosnia-Herzegovina. The crime of the Muslims is that they wish for a non-Muslim religiously heterogeneous state. They were viciously attacked by the Serbs who openly declared that they were and are doing this to ensure that Europe remains Christian. They are not prevented by the Europeans.

Cruelties defy imagination

The cruelties committed by the Serbs defy imagination. In one case, which caused officials in one of the powerful countries of the West to resign in protest over the government's passivity, a six-year-old child was repeatedly raped in front of her mother, who not only had to watch, but was prevented from giving any help until the little child died after two days of exposure.

This is not an isolated incident. Muslim women, old and young, and little girls, were raped, brutalized, and killed by the tens of thousands at the hands of the Serbs and now the Croats.

Hundreds of thousands of Muslims have died and are dying and some 2 million have been forced to flee from their burning towns and villages.

Mr. President,

And what do the erstwhile champions of freedom and democracy do? They actually prevented the victims from defending themselves. Instead they try to force the victims to accept the partitioning and surrender of their territories which had been ethnically cleansed by the Serbs and the Croats. Thus are the rapists and murderers to be rewarded? Only the most gullible will still believe that the vociferous champions of freedom and democracy will risk their necks for other people's freedom and democracy. . . .

Malaysia would like to record its satisfaction over the acceptance of the Malaysian troops to serve in the U.N. forces in Bosnia-Herzegovina. We regret, however, the exclusion of certain Muslim countries from participating in the Unprofor. Apparently the distrust of Muslims is quite widespread.

Malaysians are prepared to serve under whoever is appointed by the U.N. in Bosnia-Herzegovina. We hope that our troops will be well supported. We will not protest if the U.N. decides to increase pressure on the Serbs, including mounting a military offensive, provided due preparations are made.

Argentine education gets New Age reform

by Diana Olaya Echeverry and C. Rush

Under the name "New School: More and Better Education for Everyone," the Argentine Ministry of Culture and Education has introduced a reform similar to the outcome-based education (OBE) programs in the United States. Designed by overt Satanists such as Robert Muller of the Lucis ("Lucifer") Trust, OBE is an assault on Christian civilization, the family, and the nation-state.

As part of the campaign to disseminate the new Federal Education Law, last August the Education Ministry began to distribute a series of 16 articles to inform all teachers of the new curriculum which will go into effect in 1994 for the teaching of chemistry, physics, mathematics, biology, history, and geography. Government officials explain that this is an attempt "to create a new school for a new society"—a school system coherent "with a democratic community based on solidarity." The Oct. 7 *El Cronista* reported that the new law will include a National Evaluations System which will allow teachers to "measure the outcomes of learning."

But the fundamental premise of these reforms, whether in the United States or in Ibero-America, is that man is an irrational being whose bestial tendencies must be gratified. The argument used is that man is defined by his "diversity"—his skin color, his race, sex, the geographical area in which he lives—everything except the "divine spark" of reason which in fact distinguishes him from beasts. In place of moral values and universal truths, children are offered "multicultural" programs whose purpose is to produce manipulable and docile human beings who will perform appropriately in the malthusian new world order demanded by usurious bankers. The reform lowers the age at which children must enter the school system by making pre-school obligatory beginning at age three.

Both the World Bank and the Inter-American Development Bank (IADB) are financing part of this educational reform.

A malthusian agenda

The *New School* pamphlet, inserted in the country's three largest national dailies on Oct. 3, asserts that "in Argentina, the productive sectors which were dominant in 1950 are not the same as today." Exactly. In the 1950s and early 1960s, Argentina enjoyed a level of development similar to some European nations, with an impressive display of basic industry and infrastructure. Ninety-nine percent of its population

was literate. But as shown in recent statistics reporting the collapse of the country's machine-tool and capital goods sectors, Argentina today is on the road to the "post-industrial" era, based on services, poverty, speculation, and other forms of economic looting which require only an untrained slave labor force.

The new reform is really geared toward creating a system coherent with the destruction of the productive economic apparatus. Many of these programs call for removing the student from the classroom and sending him out to work so that he may allegedly learn something about the world of "competition." The Federal Education Law emphasizes that Argentine education "will be articulated with the world of labor and production."

The *New School* replaces the method of scientific inquiry and the teaching of universal principles with the ability to achieve specific limited "outcomes" such as learning the computer keyboard. Absolute truths, characterized as "authoritarian," are banned from the program. The pamphlet warns: "If the student participates, criticizes, and examines his mistakes, he sees that sometimes he is correct and other times his friends are; he is learning to live in a democracy. But if he accepts formulas and uses them without understanding them just to get a good grade, he is *encouraging the corruption and authoritarianism within himself*" (emphasis added).

Malthusianism underlies the discussion of science, linking it to environmental concerns. The emphasis in biology is on the predominance of animals and plants over human beings; chemistry problems must be "related to the conservation of the environment;" in physics, "because of their depth and complexity, the study of principles must be left to the specialists." Students will "acquire the necessary familiarity with physical events" by studying "concrete cases" such as the functioning of household appliances. "Chemical poisons" will be examined from the standpoint of environmental protection.

The history curriculum is worse, as indicated by one professor who recommended that "less time be spent studying ancient civilizations." In fact, it emphasizes the importance of studying the 20th century, especially "the processes of democratization of political life," and states that "multicultural explanations" may be required to explain certain historical events. There can be no single or "dogmatic" understanding of history, i.e., universal history doesn't exist, but rather it must be interpreted from a "multiple perspective."

"Democratization" is the buzzword for the "anti-authoritarian" campaigns waged against Ibero-American nations in the 1980s, in which the key institutions of the nation-state, the armed forces in particular, were undermined to ensure that there would be no resistance to the rapacious economic looting carried out by foreign bankers. Now students will be taught that this is the most important aspect of their nation's history.

Book Review

'On Human Life' after 25 years: Paul VI's most ecumenical legacy?

by Nora Hamerman

Paul VI: The First Modern Pope

by Peter Hebblethwaite

Paulist Press, Mahwah, N.J., 1993

715 pages, hardbound, \$29.95

The years 1993-94 are bringing to a head, for our era, the debate around the foremost issue confronting any society: the growth of human population. This year marks the 25th anniversaries of two crucial moments in the debate, the promulgation of the encyclical *Humanae Vitae* in July 1968 by Pope Paul VI, the subject of this new biography, which defended the indissoluble link between marital relations and human life; and the founding of the oligarchist anti-natalist organization, the Club of Rome, whose diatribe, *Limits to Growth*, presented the perverse argument that human population growth is the greatest threat to humanity.

Next year will be the occasion of a major United Nations-sponsored conference on population. In anticipation of it, the Pontifical Congregation on the Family, whose prefect is Cardinal Alfonso López Trujillo, has issued strong statements opposing the view that population growth is the cause of misery, and criticizing powerful financial institutions for their oppressive intervention to force birth control on Third World countries. The latest encyclical of Pope John Paul II, *Veritatis Splendor*, anchors the church's teachings on sexual morality in principles of moral theology.

In contrast, the United Nations "nomenklatura" regards the scenario in which human population will *fall* during the course of the next century, as the desired objective. Indeed, the latest report of the U.N. Population Division asserts: "The perception that slower population growth, and even no growth, is associated with faster development, is not now seriously challenged." This is a lie. As Lyndon LaRouche, author of the most complete critique of the Club of Rome, the 1982 book *There Are No Limits to Growth*, and his associates

have repeatedly demonstrated, this perception *is* seriously challenged—by the entirety of human history. Today, the collapse of fertility in the industrial countries long preceded the current worldwide economic depression, and came from the spread of cultural pessimism ("New Age") and labor-force trends breaking up the family. We are now careening toward a situation in which death rates will exceed birth rates, and as *EIR* has reported, the worldwide collapse of population growth, if not checked, will doom our civilization.

This is why, when all the dust is settled and the rhetoric forgotten, and a century from now an objective appraisal can be made of the pontificate of Giovanni Battista Montini as Pope Paul VI from 1963 to 1978, it may turn out that his least-understood and most-maligned encyclical *Humanae Vitae* will be reckoned as the single act by him which had the most positive effect on mankind, including multitudes of non-Catholics, making it exactly what its critics vehemently insist it is not—a truly ecumenical document. This is especially true because *Humanae Vitae* came only one year after Paul VI's social encyclical *Populorum Progressio*, which had formulated that "the new name for peace is development."

Populorum Progressio relentlessly condemned the debt looting carried out by international financial institutions in poor countries in 1967. One year later, in 1968, Paul VI followed it up with a refutation of the duplicitous ideology used to justify the depopulation campaigns which, as he knew well, were being forcibly imposed by the same financial institutions and oligarchical elite families.

Violent reactions

As is well known, the encyclical *Humanae Vitae* (*On Human Life*), issued in the heyday of contraceptive pills which had opened the door for millions to "sex without babies," reiterated traditional Catholic teachings forbidding artificial contraception. In a subtle and compassionate way, the pope developed the argument that the "unitive" and "procre-

ative” aspects of conjugal love may not be divided without the greatest peril to the human race. Paul VI’s encyclical was (and is) widely defied within the church, especially in the United States and Europe. The epidemic of sexual promiscuity which resulted in part from that defiance did not merely lower the birth rate to dangerous levels, but had other, unforeseen consequences. It escalated the spread of painful new diseases like herpes, and the catastrophe of AIDS. Moreover, it could well be argued that the cancerous spread of the acceptance of the taking of innocent life, via the twin evils of abortion and euthanasia, has been a result of the dehumanizing splitting of the “unitive” and “procreative.”

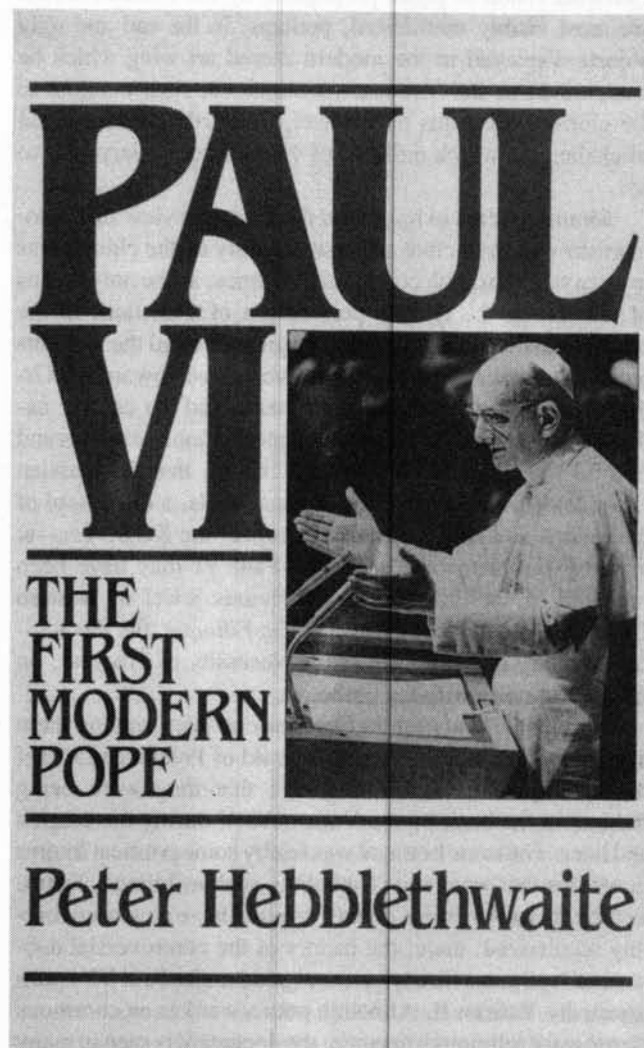
Humanae Vitae stunned many in the German and American Catholic churches, who had permitted years of infiltration with the alluring propaganda of the eugenics/birth control lobby of Margaret Sanger, the John D. Rockefellers, and the Draper family. As Peter Hebblethwaite reports with dismay, Paul VI ignored—as if he had never bothered to read them—the voluminous arguments of his own Papal Commission which had been set up to study the issue, and which were all designed to force a historic shift in the church’s attitude toward birth control.

The reactions were violent. In the same year of *Humanae Vitae*, the so-called Club of Rome was founded, reasserting the ancient, pagan Roman imperial practices of infanticide and abortion out of alleged concerns for the threat of a population explosion. The battlelines were thus drawn, as it were, between Pagan Rome and Christian Rome. Within the church, especially in the industrial countries, the programmed response to *Humanae Vitae* as “divisive,” was so intense that Paul VI was intimidated into never writing another encyclical in the remaining decade of his pontificate, and backed down from holding a Synod on the theme of marriage and the family proposed by Polish Bishop Karol Wojtyla, the future Pope John Paul II.

Did he break profile?

The British author of the book under review here holds a view opposite to the one I have just presented. His slant is visible at once in the book’s dedication to the memory of a man whom he styles as “a casualty of *Humanae Vitae*.” Hebblethwaite’s voluminous account suggests that in writing *Humanae Vitae*, Paul VI broke profile from many of the other actions he undertook or permitted, during and after the Vatican II Council.

Hebblethwaite, a journalist who writes for the *National Catholic Reporter*, makes no secret of his sympathy for the liberal agenda which Paul VI otherwise did much to further. Key influences on the pope, according to the book, were Belgian Cardinal Léon-Joseph Suenens (who failed to block *Humanae Vitae*), the Viennese Cardinal Franz Koenig, the German Jesuit theologian Karl Rahner (who later became one of the most determined saboteurs of the teachings of



Humanae Vitae) and a group of French Catholic intellectuals around Jacques Maritain. Although it was his predecessor Pope John XXIII who opened Vatican relations with the United Nations and had sent Cardinal Suenens there in 1962 to present his encyclical *Pacem in Terris*, it was Paul VI who personally went to the United Nations to speak in 1965, signaling a new era in Vatican diplomacy. (Yet even there, in a paragraph Hebblethwaite labels as a “contemptuous dismissal of the population problem,” Pope Montini courageously called for “respect for life, in regard to the great problem of natality,” and charged the U.N.: “Your task is so to improve food production that there will be enough for all the tables of mankind, and not press for an artificial control of births, which would be irrational, so as to cut down the number of guests at the banquet of life.”)

The reflections of Paul VI’s compromise with the anti-

Christian vision of peace propagated by the United Nations are most visibly manifested, perhaps, in the sad and ugly objects displayed in the modern sacred art wing which he inaugurated in the Vatican museums—in such contrast to the glorious creations of Raphael, Leonardo da Vinci, and Michelangelo which millions of visitors flock every year to see.

Montini seems to have held the mistaken view that communism was invincible and that the duty of the church was to open relations with communist regimes, as the only means of alleviating the terrible persecution of Christians in the communist dictatorships. This pessimism flawed the furthest-reaching of his ecumenical initiatives, those toward the Orthodox churches. In the case of Russia and the captive nations, it was notorious, especially among Catholic priests and faithful living under the Soviet jackboot, that the Russian Orthodox Church was, at the highest levels, a direct tool of the regime and its dreaded secret police, the KGB. Yet—at least by Hebblethwaite's report—Paul VI may have been prepared to sacrifice the most precious jewel of western Christian doctrinal contributions, the *Filioque*, the theological corollary of the notion of the Necessity of Progress, on the altar of unity with the Orthodox.

No wonder that eastern European prelates, among them the heroic Cardinals Stefan Wyszynski of Poland and Jozsef Mindszenty of Hungary, believed that they were being stabbed in the back by the Vatican itself during the council and later. The same betrayal was felt by some political figures in nations that were once Catholic—such as Ireland, Spain, and the Ibero-American countries—and have now been forcibly secularized, under the banner of the controversial doctrine of “religious liberty” promulgated under Paul VI's pontificate by Vatican II. Although put forward as an enormous step toward religious tolerance, the document is seen in many quarters as a license for outright error—an explicit acceptance of the relativistic outlook of the French Enlightenment and the French Revolution against the notion that absolute truth does exist, which had always been vigorously defended by the church.

The bitter harvest of this reversal is reflected in the fact that today it is a Spaniard, Ricardo Diez-Hochleitner, formerly state secretary for education in the de-Christianized government of Spain and editor of the influential Madrid daily *El País*, who is president of the satanic Club of Rome. Italy, also another formerly Catholic nation, has the lowest birth rate in Europe, and is heading toward a demographic profile which primes it for the siren song of the euthanasia lobby.

The historical context

Despite these costly mistakes, Paul VI issued *Humanae Vitae*. To grasp the importance of this encyclical requires some historical perspective. The encyclical upheld the position enunciated in 1930 by Pius XI in the encyclical *Casti Connubii*, which was issued partly in response to the first

crack in the united front of all mainstream Christian churches, both Catholic and Protestant, against artificial birth control: the statement issued by the Anglican Bishops of England in 1930, that birth control was permitted to married couples under certain circumstances.

In June 1931, the proto-Nazi eugenicist Margaret Sanger had penned her formal response to *Casti Connubii*. As the excerpts below show, it was remarkably similar to the arguments of the population-control lobby today, except in two respects. One, there is no overt endorsement of abortion, because Sanger's Birth Control League was still pretending that contraception was the preventive alternative to abortion, which they claimed to regard as bad. Two, few among today's “planned parenthood” (the postwar euphemism) advocates would dare to so overtly proclaim the eugenic goals of their program, since Nazis slaughtered millions of “unfit” on such grounds. Otherwise, the Sanger document, which began by sneering that Pius XI was a bachelor who based on himself on the arguments of another bachelor, St. Augustine, is a template for the tirades later issued against Paul VI and today, against Pope John Paul II. Sanger ranted:

“The pope made it perfectly plain that Catholics are expected to give up health, happiness, and life itself while making every other conceivable sacrifice rather than to have dominion over nature's processes of creation. His letter denies any claims of poverty, sickness, or other hindrances to proper rearing of children that are valid reasons for the scientific limitation of offspring. As for the breeding of criminal, diseased, feeble-minded, and insane classes, the pope opposes every method of control except that of suggesting to these unfortunate people to please not do it any more.

“One must deplore the fact that Pope Pius should have chosen this time of the world's distress from unemployment, poverty and economic maladjustment to advertise doctrines and advise conduct which can only tend to aggravate that distress.

“Assume for the sake of argument that God does want an increasing number of worshipers of the Catholic faith, does he want the throng to include an increasing number of feeble-minded, insane, criminal and diseased worshipers?” (These three paragraphs are by Margaret Sanger, “Birth Control Advances: A Reply to the Pope,” June 1931, as quoted by R. Marshall and C. Donovan, *Blessed Are the Barren*, Ignatius Press, San Francisco, 1991, p. 136.)

Observe that Sanger and company pretended in 1931, as their heirs still do today, that the pope and other foes of “birth control” are unconcerned about remedying the misery of poor women and their offspring. Contrary to this hysterical lie, Sanger's chief opponents in the 1930s were among the strongest advocates of child labor laws and other legislation to promote social and economic justice. In the 1960s, it was Paul VI's *Populorum Progressio* which enunciated the imperative of economic justice, a commitment reemphasized by John Paul II in such encyclicals as *Laborem Exercens* and

Sollicitudo Rei Socialis.

It may well be that Montini's memories of fighting Nazism and Fascism played a role in his resistance to the overwhelming pressures of the eugenics lobby in 1968. As a priest in the Roman Curia, Hebblethwaite recounts, the young Giovanni Battista Montini had locked horns with the Mussolini regime and with those forces inside the Vatican, who for opportunistic or other reasons, chose to accommodate to Fascism. In 1964, the newly elected Pope Paul VI, who had long been the top aide to Pius XII, vigorously defended his mentor against the charges of Rudolf Hochhuth that he had failed to defend the Jews from the Nazi persecutions.

Peter Hebblethwaite's book, while exhaustive, and exhausting, is not honest, because ideas play no role in it. Rather, as a classic British liberal, he portrays Giovanni Battista Montini's life as merely a tussle between "progressive" and "conservative" personalities. The conflict is like a soap opera; the former are always described positively as warm, sparkling, and brimming with intellectual verve, while the latter are painted as drab bureaucrats or caricatures of the Grand Inquisitor. Although the biographer frequently reports on Montini's retreat into study, prayer, and contemplation, drawing a portrait of a holy man, yet the fruits of his colloquies with God are hardly treated as if they had any impact on his actions (especially not on those of which Hebblethwaite disapproves, because they do not fit the "modernizers" agenda). Paul's special devotion to the writings of St. Augustine, the key figure in Christian Platonism, is mentioned but never probed, although it certainly would have been key for *Humanae Vitae*.

The progressives, in Hebblethwaite's gossipy account, were determined to bring the church into the modern world so it would not become irrelevant. The conservatives were merely the self-interested defenders of the church as an institution, nitpicking over minor details (but how minor were they, if he dismisses the *Filioque* upon which the Christian Renaissance ideal of progress was based, with an offhand phrase?), bitter, rigid, absorbed in their grandeur, and obsessed (*nota bene*) with their fear of the Freemasonry.

Everything Paul VI did to defend the teaching authority of the church is, in Hebblethwaite's mirror, the result of his "Hamlet-like" concessions to the old Roman Curia, especially the Italian cardinals like Siri and Ottaviani, and to the French Catholic right wing. Special vitriol is reserved for those who thwarted the union with the Anglican Church, to which Montini, first as archbishop of Milan and later as pope, had made sweeping overtures, and which was especially active in the campaign to undermine papal policy on sexuality and the family.

Paul VI is also presented as being subjected to heavy pressure from the secretive Opus Dei organization, alleged to be the main opposition to his overhaul of the liturgy (a reform so epochal that it led to, among other things, the

introduction of the ear-splitting "folk mass") and to "collegiality," the change in ecclesiastical structure which led to a series of runaway national bishops' conferences, which felt licensed to defy Vatican teachings when they did not coincide with their government's foreign policy (e.g., the Vietnam and Gulf wars) or popular trends in morality (sexual liberation). Opus Dei, although mistrusted by Montini, held clout because it was in a position to bail out the scandal-ridden Vatican finances, one of the greatest headaches of his pontificate. Yet, could it possibly have all been so simple, with all the nice guys on one side and all the nasties on the other? And are we to believe that the Opus Dei bankers (misrepresented by Hebblethwaite as the embodiment of the Franco regime in Spain, when in fact Opus Dei only infiltrated it late in Generalissimo Franco's life) and the militantly disobedient Archbishop Marcel Lefebvre were the only opponents of the excesses of Vatican II "renewal"?

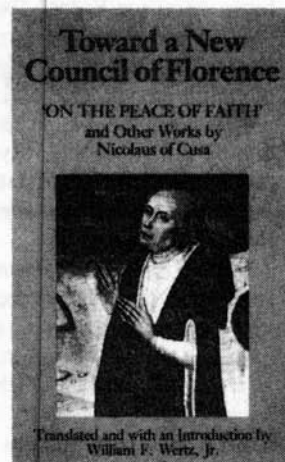
After 700-plus pages, one is left with the feeling that the true story of Giovanni Battista Montini and his pontificate has yet to be told. The problem is not, it seems, a lack of information, but the lack of the standpoint of universal history from which the right information would be selected and presented. Despite its enthusiastic defense of him, one suspects that even Pope Paul VI would not have liked this biography much.

Toward a New Council of Florence

'On the Peace of Faith' and Other Works by Nicolaus of Cusa

The Schiller Institute has just released this new book of translations of seminal writings of the 15th-century Roman Catholic Cardinal Nicolaus of Cusa, who, through his work and writings, contributed more than anyone else to the launching of the European Golden Renaissance. The title of the book, *Toward a New Council of Florence*, expresses our purpose in publishing it: to spark a new Renaissance today.

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Legalizing 'clean' dope

Colombian officialdom takes a step closer to drug legalization, as negotiations with the Cali Cartel proceed.

Colombia's Attorney General Gustavo de Greiff has just gone on record urging the legalization of drugs, with the proviso that such a strategy be carefully planned to guarantee only top-quality dope. Speaking to a forum sponsored by the University of the Andes in Bogotá Oct. 4, De Greiff insisted, "One thing should be absolutely clear, and that is that we are not talking about legalizing the traffickers, nor these low-class drugs, but rather something similar to what was done with alcohol: It wasn't rot-gut and moonshine that were legalized, but Chivas Regal and Johnny Walker. . . . Legalization should yield a clean product."

This stunning statement, from the man who has paraded himself in Colombia as the nemesis of the Medellín Cartel's fugitive chieftain Pablo Escobar, did not come out of the blue. Defense Minister Rafael Pardo Rueda, another speaker at the event, was only slightly more cautious in arguing that planning studies on how, when, and which drugs to legalize had to be conducted first. The majority of Colombia's presidential candidates, from all points on the political spectrum, also favor drug legalization.

Backing for such a stand is coming from the same "pro-democracy" and "free trade" shysters who now control much of the Clinton administration, and the seminar at which De Greiff spoke was addressed by two prominent American advocates of drug legalization: Nobel economist and free-trade guru Milton Friedman and former State Department official Ethan Nadelman, co-founder of the legalization lobby's Drug Policy Foundation.

That the "anti-drug" De Greiff was finally able to come out of the closet on the legalization issue was no doubt facilitated by the message Harvard professor Nadelman brought to Colombia. He assured his audience that "the people that the President has named to head the CIA, DEA [Drug Enforcement Administration], and Justice Department are much more liberal" than in previous administrations, and that fighting drugs is now at the bottom of the CIA's priority list, as with the Congress's. Nadelman admitted that, for now, Clinton "is not going to back legalization as such, but members of his government privately support legalization. They are moving from the extreme of repression toward the middle, without reaching total legalization."

Nadelman continued: "The key objective of the new philosophy is not to halt consumption, but to reduce the risks of consumption and its abuse. . . . If heroin is going to be used, one must guarantee needles free of AIDS or hepatitis contamination, and that consumers don't rob and kill to buy the substance. . . . Under this strategy, official publicity might end up saying: Addiction to drugs is bad, but doesn't kill. AIDS kills."

Friedman, who addressed the Bogotá seminar via satellite, argued, "There can be no intermediate path between prohibition and legalization." Declaring that it is "unethical" to legalize "drugs" like alcohol and tobacco but not cocaine, heroin, and marijuana, Friedman concluded that legalization would go smoothly when it is "the private companies and not

the governments which take charge of its production and merchandising."

Just *which* companies will take charge of the production and merchandising of dope in Colombia, should legalization ever be permitted, is suggested by an admission made by De Greiff that he is maintaining regular negotiations, through the Washington law firm Ristaud and Abbel, with the Cali cocaine cartel. According to a recently concluded Judicial Police investigation dubbed Operation Belalcázar III, the Cali Cartel has vastly extended its "legal" financial empire during the past year. In the city of Cali, the cartel's holdings include 40 shopping centers, 2 brokerage firms, several banks, 2 real estate firms, and 11 investment companies.

De Greiff told the media that cartel drug lords Gilberto and Miguel Rodríguez Orejuela were prepared to surrender to authorities if the government would modify the country's penal code to significantly reduce prison sentences. Precisely such a "reform" has already been submitted by De Greiff's office, and should go a long way toward "laundering" the Cali Cartel. If the legalization scenario proceeds according to plan, the Rodríguez brothers should be emerging from their jail stints just in time to receive the marketing franchise for "clean" dope.

In his speech to the Bogotá seminar, De Greiff expressed concern that Colombia could not unilaterally legalize drugs "because they would call us a narco-democracy." Nadelman's answer was to urge Colombia to "join forces with Bolivia, Peru, and Ecuador on the key aspects of legalization, and then to turn to forums such as the United Nations, the Organization of American States, the Vienna Commission, to make the [world] community aware of the failure of current policy."

Breakthrough on LaRouche case

Members of Parliament from all parties are shocked at the violation of human rights in the United States.

The Human Rights Subcommittee of the Australian Parliament is seeking explanations from the U.S. government as to the reasons why Lyndon LaRouche remains in jail. The move marks the latest escalation in an international campaign to gain freedom for LaRouche and the political prisoners associated with him.

The initiative of the subcommittee follows two weeks of lobbying among federal members of Parliament by Gail Billington and members of the Citizen Electoral Councils (CEC). Gail Billington, from the United States, is the wife of LaRouche associate Michael Billington, who is currently serving a 77-year jail sentence in the state of Virginia on trumped-up charges of securities violations. The CEC, a registered Australian political party, is composed of Lyndon LaRouche's cothinkers from "down under."

The Human Rights Subcommittee, through its chairman, Stephen Loosley, himself an influential MP and a member of the Labour Party right-wing faction to which Prime Minister Paul Keating belongs, contacted the U.S. Embassy in Canberra to request information on the "continuing incarceration of Lyndon LaRouche and associates."

No reply, as yet, has been received from the U.S. authorities. According to subcommittee sources, if no reply is received soon, then the subcommittee plans to pursue the issue further.

The human rights group is a subcommittee of the Parliament's Joint Parliamentary Standing Committee on Foreign Affairs and Trade, and has

a mandate to inquire into human rights abuses and Australia's legal obligations under international treaties. It consists of some 30 members of Parliament from all political parties. In the Australian Parliament, committees are under the control of the government, but they do have a capacity for some independent initiatives, can research issues, invite submissions from the public, and issue reports.

Individual subcommittee members, when briefed on the cases of LaRouche and the other political prisoners associated with him, indicated their concern at the miscarriage of justice. One subcommittee member, after being briefed on the facts of the Billington and LaRouche cases, commented that there was "something very strange about this" and that it clearly required further investigation. Another member stated that "this is the worst case I have heard of in many years." Still other subcommittee members indicated that they would discuss the LaRouche case with their colleagues, though it is very unusual for the subcommittee to pursue individual cases of alleged judicial abuse.

In the two weeks of intense lobbying conducted by Gail Billington and the CEC, representatives from all parties were briefed, including many backbenchers (rank-and-file parliamentarians), shadow ministers, party whips, and Senate party leaders, many of whom expressed great interest. Almost without exception, the MPs commented on the travesty of justice in the LaRouche case, the viciousness of sentencing, and the corruption of the judicial system.

For many parliamentarians it has

come as a shock to learn that the United States is capable of crimes against its own citizens who speak out politically, though many lawmakers are still reluctant to intrude into the internal processes of the United States.

The meetings with Mrs. Billington provided most Australian MPs their first opportunity to seriously examine both the facts of the frameup of LaRouche and his associates—but even more importantly, *why* they were framed up—in contrast to relying on the barrage of slanders propagated by the Australian wing of the U.S. organized crime-linked Anti-Defamation League (ADL). Discussions ranged over LaRouche's work for international monetary reform since the 1970s, his programs for economic development, his authorship of President Ronald Reagan's Strategic Defense Initiative (SDI), and his role in defining the economic development perspective which laid the basis for the recent Israeli-Palestinian accords.

Such intense discussions provoked a slander by a Labour MP, Graeme Campbell, from the Western Australia electorate of Kalgoorlie. Campbell, a British citizen who was forced a year ago to give up his cherished British citizenship or lose his parliamentary seat, is a fellow traveler of the Australian League of Rights, a malthusian spinoff from the British Israelite cult. Under attack by other MPs for his association with the racist League of Rights, and for his own racist demagoguery, Campbell told the *Canberra Times* of Sept. 30 that the influence of the League of Rights, whose major Melbourne meeting he was planning to address the following weekend, was "grossly overstated," and in any case, "the LaRoucheans are far more extreme." The *Times* added its own gratuitous characterization of LaRouche as a "far-right U.S. cult leader."

International Intelligence

Argentina's Peronists win in mid-term election

In mid-term congressional elections on Oct. 3, the Peronist Judicialist Party won over 40% of the vote, giving President Carlos Menem the victory he had anticipated. But even with 127 seats in the lower house of Congress, Menem still doesn't have the two-thirds majority required to pass a constitutional amendment which would allow him to run for reelection. However, he expressed confidence that he would be able to garner support from some members of the opposition Radical Party and a couple of smaller parties to obtain the necessary votes.

One significant change in the voting patterns was that the Radical Party lost control of the capital city of Buenos Aires for the first time, which political analysts attribute to support for Menem's free-market economic policies among the city's largely middle-class population. The fairly new Modin party, run by former military "nationalist" Aldo Rico, did well in the province of Buenos Aires, constituting itself as the third political force after the Peronists and the Radicals.

Menem announced that he would now study the possibility of calling a plebiscite on the constitutional reform issue, and indicated that he is very much interested in seeking reelection.

WJC denounces German presidential contender

Edgar Bronfman's World Jewish Congress announced on Oct. 8 that it is launching an international protest against the ruling Christian Democratic Party's nomination of Steffen Heitmann as the next President of Germany. Heitmann is now the justice minister of the eastern state of Saxony. The WJC has called on affiliates in 80 nations to mobilize against the nominee. The WJC claims that Heitmann is unacceptable because he "had not displayed the moral sensitivity for such an important post."

Heitmann said in a recent interview that after the end of the Cold War, the reunified

Germans must formulate a national identity not defined "into eternity" by simplistic interpretations of the Nazi period as allegedly a produce of the German national character.

Speaking to a conference of the Christian Social Union, the Bavarian sister party of his own Christian Democrats, Chancellor Helmut Kohl said that Heitmann was being victimized in a "malicious and sometimes base campaign." He said Heitmann was "a decent person" who should not be reproached for lacking a westerner's sophistication in handling the news media.

Kohl added angrily that "there are some among the critics of Steffen Heitmann who have kissed the ring of Erich Honecker," a reference to the fact that WJC president Edgar Bronfman went to East Berlin in October 1988 to receive the East German state's gold medal from the hands of communist dictator Honecker.

At a news conference, Heitmann said he had never advocated forgetting the Nazis' attempts to wipe out the Jews. He said it was a unique and terrible event, but one which belonged in an era which finished with the end of the Cold War.

The WJC attack even provoked Ignatz Bubis, mafioso chairman of the Council of Jews in Germany, to protest, saying it would have been better had the WJC not raised its voice, because the nomination of presidential candidates was entirely a domestic German affair. Bubis himself opposes the Heitmann nomination.

NATO assembly refuses admission to Poland

Loic Bouvard of France, president of the North Atlantic Assembly, the legislative arm of the North Atlantic Treaty Organization, announced on Oct. 8 that while NATO has a long-term goal of granting membership to eastern European countries such as Poland, it could not do so now, for fear of alienating Moscow.

"What is the point of creating security for Poland but adding insecurity further east?" asked Bouvard at a press conference opening a three-day meeting in Copenhagen of the assembly. "It would be disaster to

build a new Iron Curtain farther east. . . . Russia is still a very, very big European power and we must take its views into account. Our dialogue with Russia is uppermost in our mind. . . . We will work toward enlargement of NATO, but not in a way which endangers relations with our other eastern friends."

Bouvard praised Boris Yeltsin's actions on Oct. 3-4, the storming of the Russian Parliament building. "We are all shocked by the violence and the loss of human lives in Moscow, but we are very relieved at how the crisis ended. We cannot reproach Yeltsin. He waited as long as he could before using force. Now we must wholeheartedly support Yeltsin. NATO will do all it can to support democracy and economic reform in Russia."

German Defense Minister Volker Ruehe took a similar line during a trip to Prague, by stating that eastern European countries wishing to join NATO must first join the European Community.

Iraq appeals for lifting of sanctions

Iraqi Foreign Minister Mohammed Said Al-Sahhaf, in a speech to the United Nations General Assembly on Oct. 7, called on the international community to lift the economic sanctions which have remained in force against Iraq since the Gulf war. "We hereby call upon all countries of the world," he said, "to support our initiative for dialogue and understanding to prevail between the [Security] Council and Iraq, so that this may lead without delay to the lifting of the unjust and iniquitous blockade imposed on our country, instead of resorting to the methods of coercion, threats, and aggression.

"A single power, i.e., the United States of America, has sought to control the manner in which the U.N. addresses international issues and steers it in accordance with U.S. interests," he charged. The United States has "not found it enough to perpetrate the military aggression it launched against Iraq on Jan. 17, 1991."

Al-Sahhaf said that acts of aggression had been carried out under various false pre-

Briefly

texts, including unfounded allegations claiming there was a "conspiracy against the life of former President George Bush." He said that Iraq found itself in a situation not experienced by any other U.N. founding member, including sanctions which deprived its people of basic human needs, prevented the export of its natural resources, froze its assets, and prevented the use of its civil aircraft and ships.

Al-Sahhaf said that the sanctions were "geared toward destroying Iraqi society" and that importing even paint for school desks, pencils, notebooks, medical equipment, and hospital air-conditioning units had been barred. "The result has been a huge increase in mortality amongst children and the elderly, due to the grave shortage of medicines," he charged.

Hungarian papers libel signers of LaRouche ad

On Sept. 24, one day after an advertisement appeared in the *Washington Post* calling for freedom for U.S. political prisoner Lyndon LaRouche, articles appeared in two Hungarian dailies criticizing LaRouche and the Hungarian members of parliament who signed the ad, an appeal to President Clinton.

Nepszabadsag, formerly the daily of the Hungarian communist party, called LaRouche a "controversial figure" with a "simplified, populist" image of the world. In parenthesis, the article made the bizarre claim that "he simply called Kissinger an Arab agent." The case of LaRouche, said the article, would have remained his and America's private affair, had not a paid advertisement appeared in the *Washington Post*. Among the 300 signers from 26 countries, are Hungarian members of parliament.

Another article appeared in the newspaper *Magyar Nemzet*, another holdover from the communist era, which said that Hungarians have the right to criticize what they consider wrong in America, but LaRouche was sentenced for fraud, and his conspiracy theories say that the Queen of England is the head of the international drug mafia and Kis-

singer is a Soviet agent. "It is impossible to judge how the damage done by these signatures can be diminished," the paper concluded.

Russia said to have 'doomsday machine'

Russia has a "doomsday machine," developed by the Soviets in the 1970s, reported Bruce G. Blair, a senior fellow of the Brookings Institution in a commentary in the *New York Times* on Oct. 8. The device enables the Russian general staff to mount a nuclear attack without any orders from the civilian government, with only a small team to carry out certain mechanical procedures. "The rest of the doomsday apparatus is totally automated," wrote Blair.

Blair said his report is based on interviews with Russians who designed and operated the system, and was corroborated by U.S. officials. Electronic devices detect any break in communications with the general staff and any nuclear explosions in the vicinity, and then form an automatic order to launch, which is transmitted to special complexes located far away. There, emergency communications rockets automatically record the launching instructions and then fire themselves on trajectories across all the nuclear missile fields of the former Soviet Union.

"The doomsday machine provides for a massive salvo of these forces without any participation by local crews. Weapons commanders in the field may be completely bypassed," Blair wrote. He also reported that the United States has "its own version of the doomsday machine, with less technical gadgetry but more distribution of launching authority."

In related news, the *Washington Times* on Oct. 8 reported the disclosure by the current Russian minister of atomic energy that the Soviet nuclear arsenal in 1986 contained 45,000 warheads—15,000 more than had been estimated by U.S. intelligence. The paper quoted former Pentagon analyst Frank Gaffney that this confirms that the Soviets "perceived nuclear war as a winnable activity and amassed the forces consistent with that doctrine."

● **ITALIAN** Parliamentarian Luciano Violante, chairman of Italy's parliamentary committee investigating the Mafia, says that Russia has become "a kind of strategic capital of organized crime from which all the major operations are launched." There have been two summits since 1991 between the Russian Mafia and the Sicilian, Neapolitan, and Calabrian Mafias. They met "to discuss drug money laundering, the narcotics trade, and selling nuclear material."

● **FRANCE** rejects the concept of a NATO extension eastward, French Foreign Minister Alain Juppé declared on Oct. 7. Instead, a European collective security approach should be pursued involving also the United States, Canada, and Russia, he said.

● **IRANIAN** Foreign Minister Ali Akbar Velayati will be going to Saudi Arabia to arrange for a summit meeting between Iranian President Ali Akbar Hashemi Rafsanjani and Saudi Arabia's King Fahd, according to the *Teheran Times*. This would be the first summit since the 1979 Islamic Revolution in Iran.

● **ISLAM** is "not the new enemy," said Jordan's Crown Prince Hassan in a speech to the U.N. General Assembly on Oct. 5. "Extremism does exist within the Muslim world," he said, "much as it exists in the Christian world, the Jewish world, the Hindu world, the secular world. But to employ reductive stereotypes which demonize one-fifth of the world's population must ultimately be self-defeating."

● **YASSER ARAFAT** said on Oct. 4 that he was dismayed with the fact that the Israeli Army was hunting down members of the Palestinian groups Fatah and Hamas. "I am responsible for all Palestinian people," he said. "When we signed the accord, we did so in the name of all the Palestinian people." Since the signing of the accord, Israel has killed several members of Fatah and Hamas in the Occupied Territories.

House hearings put Fed's Greenspan on the spot

by John Hoefle

With the world's financial system on the verge of the biggest collapse in centuries, and growing political opposition to the austerity policies being rammed down the throats of people everywhere in order to keep the bubble inflated a little while longer, the House Banking Committee's hearings on the Federal Reserve System provide the United States a crucial opportunity to reassert its national sovereignty over the so-called "invisible hand" of the international bankers and financial markets.

The hearings were called by House Banking Committee Chairman Henry B. Gonzalez (D-Tex.) to discuss issues raised by his bill, the Federal Reserve System Accountability Act of 1993 (H.R. 28). The bill, which is co-sponsored by 19 Democrats and 2 Republican representatives, would authorize the General Accounting Office to audit all aspects of Fed operations, including those currently off limits to government inspection; would require that the presidents of the 12 regional Federal Reserve Banks be appointed by the President and confirmed by Congress; require prompt and complete disclosure of the meetings of the Fed's Federal Open Market Committee (FOMC); and require the Fed to comply with the Civil Rights Act of 1964.

Is the United States still sovereign?

Left unanswered is to what extent the United States remains a sovereign nation, bound by the Constitution, and to what extent the United States has abdicated sovereignty and become subject to the dictates of the Anglo-American financial empire.

The Federal Reserve System was created by the Federal Reserve Act of 1913, authored by Paul Warburg, J.P. Morgan, and other international bankers and their agents, and sold to the public as a reform measure to *reduce* the concentration of the Wall Street "money trust." What it actually did, was *increase* Wall Street's control over the banking system,

by taking control over credit policy and the money supply out of the hands of Congress, as mandated by the Constitution, and putting it into the hands of a private company owned by the banks and dominated by the Federal Reserve Bank of New York.

In 1935, during the Great Depression, the Fed was reorganized slightly, and the control over the money supply was delegated to the Federal Open Market Committee (FOMC), which consisted of the seven governors of the Federal Reserve Board in Washington and five of the 12 regional Federal Reserve Bank presidents. Unlike the governors, who are appointed by the President and confirmed by the Senate, the regional Fed presidents are selected by the banks in their regions; they are private citizens who answer to the banks, not the government. While four of these five positions rotate among the regional Fed banks, the president of the New York Fed is always a member and the vice chairman of the FOMC.

"It is incredible that FOMC members are allowed to make key decisions affecting the country's economic health without the public having the chance to scrutinize the members' opinions and suitability for the job beforehand," said Gonzalez in a Sept. 23 press release announcing the hearings. "That means the Fed is putting officials into high office without any public examination of their credentials, something few in a democracy would stand for."

In his opening statement in the first hearing Oct. 7, Gonzalez noted that "in 1962, the FOMC gave itself the authority to intervene in foreign exchange markets to manage the foreign value of the dollar," and cited the warning by then-Fed Vice Chairman J.L. Robertson that the action gave the Fed an "unlimited pocketbook." Gonzalez also noted that "in the Treasury-Federal Reserve accord of March 3, 1951, the U.S. Treasury relinquished its authority to manage the money supply. The Federal Reserve was given complete and sole authority to manage the nation's money supply." In 1976, he

added, the FOMC “decided to stop taking minutes of their meetings so the American public would not know what they are discussing.”

Speaking at the Oct. 7 hearing, Sen. Byron Dorgan (D-N.D.) remarked upon the “extraordinary power” the Fed “has given to private bankers in managing the economy of this country. These private bankers, who actually sit and vote on Board decisions regarding the nation’s money supply and interest rates, are not appointed by the President or confirmed by Congress. They are not accountable to anyone but their own shareholders. This is not how a democracy is supposed to work.” Dorgan called the “role of private bankers in the policy decisions” of the Fed “a financial coup that we should not tolerate.”

Dorgan is a co-sponsor of a bill, submitted in the Senate by Sen. Paul Sarbanes (D-Md.), the next chairman of the Senate Banking Committee, which would do away with the FOMC and replace it with a Federal Open Market Advisory Committee, on which regional Fed presidents could sit, but would not be able to vote. “They could advise until they are exhausted. But they would no longer *vote* on policy,” Dorgan said. “The only people who would vote on policy would be the members of the Board of Governors, whom the President nominates and the Congress confirms.”

The weakness of these statements by Gonzalez, Dorgan, and other witnesses and members of the committee, however, is that they focus on relatively minor matters, while ignoring the crucial issues of constitutionality and sovereignty. Article I, Section 8 of the U.S. Constitution assigns to Congress the task of regulating monetary policy, and makes no provision for Congress to delegate that power to any other body. No nation will remain sovereign which does not control its own credit and monetary policy.

Greenspan defends his ilk

The second hearing, on Oct. 13, featured Federal Reserve Board Chairman Alan Greenspan, an opponent of any attempt to reduce the bankers’ control over the Fed. Gonzalez’s bill, Greenspan argued, “would remove some of that insulation. I would view the enactment of legislation of this type as a major mistake. Provisions that, in effect, increase political leverage on Federal Reserve decision-making amount to assaults on the defenses that Congress has put in place to ensure the appropriate degree of central bank independence. Weaken those defenses, and I firmly believe the economy is at risk. The Federal Reserve must be free to focus on advancing the nation’s ultimate economic goals.”

But what the Fed sees as the nation’s ultimate economic goals is protecting the banks and the financial markets, rather than protecting the economic well-being of the nation. That means bailing out the banks and the markets with taxpayer money, directly and indirectly.

“Part of our task,” Greenspan explained, “is to minimize the risk of systemic crises while endeavoring to implement

good macro-economic policy. When, for example, threats to the nation’s financial system loomed large in the wake of the 1987 stock market crash, the Federal Reserve effectively contained the secondary consequences of the crash with prompt, but prudent injections of liquidity and with constant consultations with depository institutions during the crisis.”

In other words, when the banks and brokerages were in danger of being wiped out, the Fed rushed in with all the money they needed. Contrast this with statements by various regional Fed officials who oppose spending the money to rebuild the levees destroyed in the Midwest floods this year, and one gets a clear picture of the Fed’s priorities.

Greenspan stated that “those who label the Reserve Bank presidents as representatives of the banking interests as opposed to the public interests misunderstand the position of the presidents and the Reserve Banks in the Federal Reserve System. . . . These are essentially public officials dedicated to the policy of this country. Their ties to the banking community are nebulous at best.”

Even more outrageous, Greenspan insisted that the Reserve Banks “are, in a tangible sense, owned by the federal government.” In fact, the regional Federal Reserve Banks are owned, as the Fed admits, by the banks in each region.

On the question of accountability to the citizenry on monetary policy, Greenspan said that there are often “contradictory indications” between what the people want and what they say they want, making public opinion a poor guide. “There are no contradictory indications, however, on what people do in the marketplace,” he continued. “In other words, you either spend your money or you save it. There’s no hedging in that respect. It’s the balance sheet that must balance, and what you infer from that is, in a sense, what the time preference of the populace is from that.”

Pressed on the level of consultation with government officials, Greenspan said that he meets periodically “with individuals in the White House—Bob Rubin, who I’ve known for many years, and others.” Rubin is the former vice chairman and head of arbitrage at Goldman Sachs, one of the more powerful investment houses in the world, while Greenspan is a former director of J.P. Morgan.

Ultimately, Greenspan’s defense against changes in the Fed lay in the curious reasoning that since Congress established the Federal Reserve after great deliberation, it should not make changes. “The wisdom of Congress in setting up the structure of the System has stood the test of time,” he argued. “There is always the risk that changing a complex organization . . . may have unforeseen and unfortunate consequences.”

The consequences of failing to rein in the Fed, however, are easily seen in the collapse of our physical economy and standard of living, the reemergence of virulent diseases once under control, growing poverty and homelessness, and countless other indicators of the destructive nature of the Federal Reserve.

Clinton has no policy, just 'globaloney'

In an interview on Oct. 14 on the weekly "EIR Talks" radio show hosted by Mel Klenetsky, Lyndon LaRouche was asked to comment on the troubles the Clinton administration is encountering in Somalia and Haiti. Excerpts from his response follow.

The Clinton administration has surrendered, essentially, to [Secretary General Boutros] Boutros-Ghali's U.N. Security Council. And in both the cases of Somalia and Haiti, the United States is following a policy which is a one-world dogma centered in certain circles around the U.N., the people who believe in one world, who believe in what is better called globaloney. . . .

That is the continuation of the Project Democracy or Bush "neo-conservative" policy, which says that the only issues of foreign policy and strategic doctrine for the United States, now that the Soviet empire has collapsed and we are the only superpower, are to impose radical democracy, as we define it from moment to moment, and radical free trade upon the entire world, and that we will use military force to adjust the process of bringing what we call democracy and free trade to every country, to crush the opposition to these policies within those countries. So it's really globaloney again.

We now have "imposed democracy" on Russia. Yeltsin has suppressed democratically elected institutions, virtually. . . . We now call that "democracy." Democracy, we find, is whatever submits to the pleasure of such as Citibank and the Federal Reserve District of Manhattan.

If you believe that Project Democracy or the neo-con utopians, with their ideas of democracy and free trade, are reality, then you are going to tend to deny the existence of any reality which says that your policy is a bunch of meaningless tomfoolery. That's what we have in Somalia. We're upholding a Boutros-Ghali globaloney policy. We end up attacking someone because Boutros-Ghali doesn't like him: General Aideed, whom we helped to bring to power.

We succeeded in overthrowing Siad Barre, the former President of Somalia, by pitting against him a bunch of political parties—each of which was based in some tribalist or similar regionalist association, not national parties—just as Henry Kissinger, back in the 1970s, succeeded in starting a war between Somalia and Ethiopia as part of this project.

So now we decide we don't like General Aideed. So we cook up a pretext; we say we're going to hunt him down and

get rid of him. Now we start killing a lot of Somalis under Boutros-Ghali's ingenious direction. U.S. troops, under U.N. command, go in to shoot people; people get tired of being shot, so they set up a trap. The attack continues, and the U.N. forces fall into an elementary military trap. That is, you start shooting knowing somebody's coming. They send more; you're ready for them, you ambush them. They send in air support; you ambush that. And you have, in addition to hundreds of Somali dead, a few score of U.S. dead and prisoners.

We have people in the Congress who are aware that this has somehow gone way awry, who say, let's get out of there. Not because they have any policy for the area as such; they don't. But they say we have no policy, and we should not be using military force in an area where it seems the U.N. command has gone crazy.

In the case of Haiti, the same thing. There is a commitment to support a very unpopular former President of Haiti, Jean-Bertrand Aristide, who killed a lot of people and was thrown out of the country because of his own terroristic, brutal crimes against humanity. But we were determined, because he was our puppet, to stick him back in there, against the will of the Haitian people. . . .

People don't understand the issues, they don't know what the policy ought to be toward Haiti, but they see another massive bloodbath. And they're sick of it, because the United States has no credible policy for Haiti. . . .

The problem is, we don't have a *global* policy. Because we are still supporting the Sachs shock therapy and IMF conditionalities upon Russia, which have turned Russia, which was open to us, into a military-imperial dictatorship, a thermonuclear power which is beginning, as Georgi Arbatov warned, to hate us bitterly because of what we've done in this connection. We are collapsing the United States; we are about to turn the U.S. dollar into an international rag over which the United States has no control. We're destroying the economies of Europe and North America and other parts of the world. *We have no policy in Washington.*

It's not a matter of the Clinton administration fixing up a few things. The only possibility for the administration to get out of this mess is to take my 1992 election campaign book [*The LaRouche-Bevel Program to Save the Nation*], and some of the other policies which my friends and I have been working on for some years, and say, "Okay, we don't have a policy; here is a policy." The policies left over from the Bush administration and the neo-cons of Project Democracy are a disaster; globaloney is a disaster. Let's go back to the good old American ways of basing a nation on investment in education for scientific and technological progress. Let's open the doors for employment and participation of other kinds, by all persons, of whatever skin color and background, in scientific and technological progress, and the benefits it brings. If we do that domestically, which means big-credit policies for expansion, and if we project the same policy on our foreign policy, we can come out of this mess.

ADL crowd rallies to subvert Mideast peace

by Jeffrey Steinberg

Where the Anti-Defamation League of B'nai B'rith (ADL) really stands on the issue of Middle East peace was answered on Oct. 10 at the Gateway Marriott Hotel in Crystal City, Virginia. Under the auspices of the American Leadership Conference, a collection of ADL operatives and hangers-on gathered to rail against the Rabin-Arafat accords and to launch a drive to reinstall the Likud party in power under the direction of Benjamin Netanyahu, a staunch opponent of the land-for-peace plan. Among the speakers were several with longstanding ADL ties:

- **Dr. Uri Ra'an**, the patron of convicted Israeli-Soviet spy Jonathan Jay Pollard and the one-time Israeli intelligence liaison to B'nai B'rith. Ra'an, who was recruited and trained by British intelligence in the 1950s before migrating to Israel, headed the national security studies program at the Fletcher School of Diplomacy at Tufts University in the late 1970s and shepherded both Pollard and ADL operative Mira Lansky Boland into jobs with Naval Intelligence and the CIA, respectively. In the early 1960s, Ra'an, then with the Israeli embassy in Washington, was caught setting up a Mossad spy ring at B'nai B'rith headquarters. Ra'an has been a frequent lecturer at ADL-sponsored seminars on Arab terrorism.

- **Rael Jean Isaac**, a founder of Americans for a Safe Israel, an author frequently published by the ADL, and a speaker at ADL forums on terrorism. For years Isaac and her husband worked closely with John Rees, a British-born spook who acknowledges that his front group, the Maldon Institute, is heavily bankrolled by the ADL.

- **Yossef Bodansky**, a one-time analyst for Israeli Air Force Intelligence and currently the director of the House Republican Task Force on Terrorism and Unconventional Warfare. Bodansky is also the director of Middle East analysis at Rees's Maldon Institute and penned a March 1993 propaganda tome called *Target America: Terrorism in the U.S. Today*, based on information fed to him by hardliners inside the Israeli Defense Force who are seeking to foment a holy war against Islam. The same IDF intelligence channels authored a December 1992 report that was published by the ADL claiming that the United States was harboring Islamic fundamentalist terrorist networks.

Other speakers at the rally for war included: Midge Decter, Eugene Rostow, Douglas Feith, and Harvey Friedman. Friedman was a vice president of the America-Israel Public Affairs Committee (AIPAC) until last summer, when he was forced to resign over a foul-mouthed public attack against

Israel's Deputy Foreign Minister Yossi Beilin, a leading go-between in the secret talks with the PLO.

Familiar role for ADL

The presence of so many ADL fellow-travelers at the neo-conservative anti-peace rally is hardly a surprise. As early as 1975, the ADL was engaged in a vicious propaganda war against political economist Lyndon LaRouche because of his proposal for a durable peace in the Middle East based on economic development. LaRouche traveled to Baghdad in the spring of 1975 and later held a series of meetings in New York City with senior Israeli government officials, including Foreign Minister and U.N. Ambassador Abba Eban, to discuss details of his economic development plan. ADL considered this treachery and spent millions of dollars to smear LaRouche as an anti-Semite and seek his elimination.

Since January 1993, evidence has surfaced as a result of a San Francisco police probe that the ADL carried out the same kind of dirty tricks against hundreds of political and civil rights groups and tens of thousands of activists. Many targets of the ADL are Jewish peace activists, including Yigal Arens, son of former Israeli Defense Minister Moshe Arens, and leaders of American Friends of Peace Now and New Jewish Agenda. All these groups advocated some variant on the land-for-peace solution to the Israel-Palestine crisis that is now being pursued by the Rabin government and Yasser Arafat.

Any thoughts of peace were absent at the Crystal City symposium. Speaker after speaker rose to denounce the Rabin-Arafat accords and at least five members of the Jewish Defense League were allowed to speak from the floor in support of the policy of "mass transfers," i.e., the forced violent expulsion of all Palestinians from the West Bank, Gaza Strip, and Israel.

Isaac screamed that even the Camp David Accords were too much, arguing that Egypt was the most anti-Semitic country in the world and that President Hosni Mubarak had broken every clause of Camp David.

Midge Decter called any talk of peace "sinful." Only a massive Israeli military deterrent, she argued, can keep peace with a permanently hostile Arab world. "Animosity" is the only path to security, she said.

Despite the rhetoric, the general mood among the 500 or so Zionist hardliners who attended the event was demoralization over the dramatic progress toward peace and the apparent widespread support the Rabin-Arafat agreements have won among Israelis and Palestinians alike.

The ADL meeting is, however, a warning for those who are toying with the idea of bringing in the World Bank or other wrecker-institutions to direct the economic features of the accord. If the peace process falters, there are plenty of zealots, like the ADLers who gathered at the Marriott, who are prepared to take any steps, including terrorism and provoking regional war, to prevent the realization of peace in the Middle East.

Reports on Waco tragedy stop short of telling whole rotten truth

by Harley Schlanger

The release of reports by the Treasury Department and the Department of Justice (DOJ) on the actions of the Bureau of Alcohol, Tobacco, and Firearms (ATF) and the FBI in the Branch Davidian tragedy near Waco, Texas on April 19 provides some answers, but still evades the most important question: Why did the assault and siege, which left almost 100 dead, occur at all?

It comes as no surprise that the Treasury report blasted the ATF's decision to proceed with the raid, even though it was clear, despite repeated denials by top ATF officials after the raid, in which four ATF agents were killed, that the element of surprise had been lost. Nor was it a surprise that ATF Director Stephen Higgins was ousted and five ATF officials who planned the raid and then misled the public were suspended.

The Treasury report, prepared under the direction of the Assistant Secretary for Enforcement Ron Noble, offers the following rationale for the botched raid: "In the end, this is less a story of wrong choices made than one of choices not made at all as the momentum of the massive operation—left unchecked by the raid commanders and ATF management—carried it inexorably forward, with speed substituted for reflection and inquiry. . . . Decisions that now appear flawed may well not have been decisions at all but simply steps taken along what seemed at the time to be a preordained road."

In bureaucratized, this means that Treasury officials now admit that the decision to proceed with the raid was an error. However, the report does not indicate that investigators ever questioned why a raid was necessary, or even if there was ample, legitimate cause for targeting Koresh and his followers in the first place.

As *EIR* has reported previously, ATF was influenced in its decision to target Koresh by the Cult Awareness Network (CAN), a private organization of kidnapers and brainwashers.

This charge by *EIR* was confirmed in the recommendation prepared by Nancy Ammerman for the Justice and Treasury departments, which was released on Sept. 3. Both agencies appear to have ignored her findings.

DOJ attempts coverup

The initial press coverage of the DOJ report, which was released on Oct. 8, was that it exonerated the FBI of all blame

for the 51-day standoff and the final assault, in which 85 people, including 17 children, were killed. This slant came from the summary provided by Edward Dennis, Jr., a former deputy attorney general who coordinated the DOJ review. Dennis wrote, "I find that there is no place in the evaluation for blame, and I find no fault in the performance of law enforcement during the standoff and tear gas assault."

That Dennis reached this conclusion is not shocking. He admits in the introduction to the report that he did not even attempt an independent inquiry: "I have primarily relied upon the record gathered by the department as the basis for the conclusions in this report."

His reliance on FBI-DOJ reports led him to reach the same conclusion that the FBI-DOJ had reached; that "the events of April 19 [the day of the final assault with CS gas and possibly fire-spewing tanks] were the result of David Koresh's determined efforts to choreograph his own death and the deaths of his followers in a confrontation with federal authorities to fulfill Koresh's apocalyptic prophesy. The deaths of Koresh, his followers and their children on April 19 were not the result of a flaw in the gas plan or the negotiation strategy."

But even within the body of Dennis's report, backed by the findings of Ammerman, there is evidence of flaws in the plans, flaws which resulted in an avoidable carnage.

Religious intolerance

There is, for example, the issue of religion. Ammerman, an associate professor at the Candler School of Theology at Emory University, points out that the FBI did not consult experts on what she calls "high-commitment religious" groups, or "marginal religious movements." An internal FBI memo on Koresh acknowledged that it "has been speculated that Koresh's religious beliefs are nothing more than a con, in order to get power, money, women, etc." Thus, Koresh's request for time to write a treatise on the "Seven Seals" was viewed by the FBI as a stalling tactic. In fact, agents denied that he was even writing such a document.

However, a computer disk which was saved by one of the survivors proves that not only was he writing it, but that it is a reasoned, organized, serious interpretation of the Bible, according to Phillip Arnold, a religious scholar at the Reunion Institute in Houston.

In her report, Ammerman identified a “tendency to discount the influence of religious beliefs” by the FBI. By doing so in the case of Koresh, she said, the FBI failed to exhibit an understanding of “the pervasiveness of religious experimentation in American history and the fundamental right of groups like the Davidians to practice their religion.” She added that such “new or dissident religious groups are often ‘millennialist’ or ‘apocalyptic’ ” and, as such, “are usually more threatening to cherished notions about how we all ought to order our lives than to our physical well-being.”

Ammerman’s insightful analysis bears witness to the fact that FBI officials have more than once shown contempt for religious belief. Kenneth Lanning, the Bureau’s purported expert on satanic child abuse, once said that more children have been abused in the name of Christianity than Satanism. It also vindicates the warnings of protesters who arrived in Waco with signs which asked ominously, “Is Your Church ATF-FBI Approved?”

Psychiatric murderers

The most egregious failure was that of the so-called psychological experts consulted by the FBI. Though the report confirms that the conclusions reached by the experts about Koresh’s intentions were “contradictory,” (i.e., could he be trusted to come out? was he suicidal?), it concludes that it was nevertheless correct to launch the final assault. In his report, Dennis says that, before the decision was made to send tanks to puncture the walls and pour in CS gas, “all reasonable alternatives were considered and the decision to insert CS gas was a reasonable one. I conclude that an indefinite siege was not a realistic option.”

How did the FBI reach this conclusion?

The FBI consulted three “experts” who are on retainer with the Bureau. They concluded that Koresh is a “delusional person willing to die and see his followers die according to his teachings,” and that further negotiations would be fruitless. Two of the three, psycho-linguist Murray Miron and psychiatrist Joseph Krofcheck, arrived at this conclusion on April 10 after reading just two letters written by Koresh. From this, Miron said that there is “no hope for an early end to the standoff,” while Krofcheck said that Koresh will not come out voluntarily and “the government is the hostage. . . . We have no clear ability to influence the exit of him and his followers from their compound short of tactical intervention.”

The third expert, Dr. Park Elliot Dietz, had reached the same conclusion on March 2. At the time, he said he thought it “unlikely” that Koresh would leave voluntarily. In an April 17 memo, he reiterated this belief. According to the DOJ report, “Dietz opined that negotiating in good faith would not resolve the situation as it now stands.”

The conclusions of these three were included in the briefing that influenced Attorney General Janet Reno’s final decision to launch the deadly assault on April 19.

The briefing given to Reno was the source of another controversy. In her press conference on April 19, she stated that she had ordered the assault after receiving reports that children in the compound were being abused, and she stuck with that explanation. Yet, the DOJ report contradicts Reno, stating, “There was no evidence indicating Koresh engaged in any physical or sexual abuse of children during the standoff.”

When asked to comment, Reno said on Oct. 8, “It was my understanding from what was told to me that child abuse was ongoing. I now understand that nobody in the Bureau told me it was ongoing. We were briefed and I misunderstood.” This costly “misunderstanding” resulted in the deaths of the 17 children on whose behalf she believed she was acting. There is no indication that anyone, not Reno, or her briefers, or those who carried out the assault, will be held legally responsible for the deaths.

CAN brainwashers exposed

The two reports provide ample evidence that federal law enforcement agencies are out of control, although that conclusion somehow escaped those who prepared them. The Waco tragedy followed the pattern set by DOJ injustices in the LaRouche railroad and the assault against Randy Weaver, among many such atrocities.

In each of these cases, the agencies involved have been tainted by their collaboration with the Anti-Defamation League (ADL) and CAN. These organizations, which work closely together, target groups or individuals which fit their profile of “authoritarian,” i.e., either religious or patriotic organizations which oppose the destruction of the United States and its transformation into a secular strike force on behalf of a globalist new world order.

The ADL and CAN not only select the targets, but then shape the environment, both through repeated attacks and slanders against their victims, which are sucked up by their accomplices in the media, and by whipping up law enforcement officials with their fraudulent characterizations of such groups as “dangerous cults.”

Ammerman’s report criticizes Rick Ross, a CAN “deprogrammer” currently awaiting trial for kidnapping in Washington State, whose “deprogramming” of a former member provided the basis for the ATF’s warrant against Koresh. (The DOJ report confirms this, and admits that Ross contacted them; it says defensively, “The FBI did not ‘rely’ on Ross for advice whatsoever during the standoff.”)

On Ross’s relationship with ATF, she writes, “It is unclear how information gained from him was evaluated. The Network and Mr. Ross have a direct ideological (and financial) interest in arousing antagonism against what they call ‘cults.’ These same persons seem to have been major sources for the series of stories run by the Waco newspaper, beginning Feb. 27. It seems clear that people within the ‘anti-cult’ community had targeted the Branch Davidians.”

Michel retires; scramble is on for minority post

House Minority Leader Robert Michel (R-Ill.) announced on Oct. 4 that he would not seek reelection to a 20th term next year, thus triggering a fight for the leadership position.

Minority Whip Newt Gingrich (R-Ga.), leader of the "Young Turk" Republicans seeking a more confrontational strategy toward the Clinton administration, has been grooming himself for the post, often criticizing Michel for being too "soft" on the Democrats, and leading the pack against Democrats in the House Bank and Post Office scandals.

Some GOPers are concerned that the "in-your-face" style of the Gingrich wing may create a negative image for Republican candidates. For this reason, Rep. Gerald Solomon (R-N.Y.) has also announced his candidacy. Solomon hopes to be able to win over some of the Gingrich supporters for a less radical approach. The odds now favor a Gingrich victory. The new leaders will be elected in December 1994.

Fear grows over U.S. military role in Haiti

The Clinton administration's decision to send 700 lightly armed U.S. soldiers to Haiti to implement a U.N.-brokered agreement has come under heavy fire in Congress. The plan calls for Haiti's military rulers to resign by Oct. 15 and to restore deposed President Jean-Bertrand Aristide.

In response to a question posed on the ABC News program "Meet the Press" on Oct. 10, Senate Minority Leader Bob Dole (R-Kan.) said, "I wouldn't be sending anybody to Haiti. My view is that this probably precludes any participation in Bosnia. . . . We ought to bring what few peo-

ple we have in Haiti back home, and not send any more."

Sen. Sam Nunn (D-Ga.), chairman of the Senate Armed Services Committee, warned, "It could be a very dangerous situation for our military."

In remarks on the House floor on Oct. 8, Peter J. Goss (R-Fla.) compared the much-criticized Somalia operation with the situation in Haiti which has its own "warlord," Lt. Col. Joseph Michel François, the head of the national police. "He is the guy who commands the people who have the guns and he does not want our forces there," he said. Goss pointed out that most of the 600-man U.N. force to be deployed to Haiti are Americans.

Aristide's scheduled return was a "great hope for Haiti," said Rep. John Porter (R-Ill.). But, he noted, there are few "who are confident that is going to be peaceful."

Hate crimes legislation introduced by Feinstein

Sen. Dianne Feinstein (D-Calif.) introduced the "Hate Crimes Sentencing Enhancement Act of 1993" (S. 1522) on Oct. 6, which provides for sentencing enhancements of "not less than three levels for offenses that the finder of fact at trial determines beyond reasonable doubt are hate crimes." Feinstein said that the bill would result in "hate crime offenders" remaining behind bars one-third longer.

Hate crimes legislation has come under criticism as the kind of "thought policing" that is characteristic of totalitarian states.

Feinstein listed a series of incidents and statistics prepared by the Anti-Defamation League (an organization which itself engages in so-called hate crimes), the National Gay and Lesbian Task Force, and the

Southern Poverty Law Center to "prove" the need for this act. "I believe the federal government needs to help deter these violent assaults by severely punishing their perpetrators," she said.

Failure to save Bosnia scored

Sen. Dennis DeConcini (D-Ariz.), in remarks on the Senate floor Oct. 4, applauded the decision of the Bosnian Parliament not to accept the U.N.-proposed "peace plan" the week before. The plan would obliterate the nation of Bosnia-Herzegovina, partitioning it into ethnic enclaves. DeConcini said that he feared that despite this rejection, "undoubtedly a new, amended plan will be sought as the international community remains wrongly committed to diplomatic negotiations, and pressures the Bosnians to come to terms."

DeConcini said that U.S. involvement is necessary to ensure that any negotiated settlement is implemented. "Given the way the world has abandoned them," he said, "I think we owe it to the Bosnians to protect what they have left, and to help them rebuild."

DeConcini said that "the ones responsible for the dangerous peacekeeping operation we now confront are those who, from the beginning, opposed more decisive action to thwart Serbian aggression." He said that such action became possible in August 1992 after the exposure of the Serbian-run concentration camps, and that a "credible show of force would likely have had sufficient credibility to have caused their retreat." He accused opponents of this option of trotting out "highly skewed or irrelevant historical analyses of centuries-old tribal warfare in the Balkans, Yugoslav resistance to Nazi German occupation, and our own Vietnam experience, ignor-

ing, of course, that violent Balkan disputes have not been resolved by negotiation and good will, and that they, in fact, usually spread."

Sen. Larry Pressler (R-S.D.), in comments on the Senate floor on Oct. 8, warned that Serbian aggression could expand into Kosova, and expressed concern about the deployment of U.S. troops into Macedonia. The United Nations and the United States "have drawn an imaginary line, sort of giving approval to Serbian control of Kosova. . . . By virtue of that, there is a signal that that is the line beyond which the Serbs cannot go. There is a signal that perhaps there is an acceptance in the West that Kosova will belong to Serbia. That is not my interpretation and it should not be our policy." A disturbance in Kosova "could very well bring several other countries into that war, including Greece, Turkey, and others," he warned.

'Peacekeeping' role will hurt Army, says Skelton

The U.S. involvement and deaths of American soldiers in Somalia have led legislators to question the feasibility of U.S. involvement in such "peacekeeping" missions. "Peacekeeping commitments may so degrade the Armed Forces' war-fighting capability that it will be impossible to carry out the national military strategy" (where the military is sized to win two regional wars simultaneously, the so-called "win/win" scenario), Ike Skelton (D-Mo.) said on the House floor on Oct. 4.

Skelton criticized the recent "Bottom-Up" review by the Department of Defense because the resources devoted to the Army will be inadequate "to win the first regional contingency called for in the national strategy, much less the second." Skelton's wor-

ry is that peacekeeping commitments not only draw away combat troops that should be available for regional crises, but also that troops have to be retrained for peacekeeping duty, which differs markedly from combat operations.

He also suggested that the size of the Army needed to handle two regional contingencies is closer to 600,000, rather than the level of less than 500,000 recommended in the Clinton defense plan. "The conclusion that I believe must be drawn is that the Army is being sized to fight one war, not two," he said.

Boxer would put National Guard on Mexican border

Legislation sponsored by Sen. Barbara Boxer (D-Calif.) which would allow the deployment of National Guardsmen on the border with Mexico was included in the \$260 billion Defense Authorization bill. The Boxer proposal could place hundreds of armed troops along the California, New Mexico, Arizona, and Texas borders to back up the Border Patrol in stemming the flow of illegal immigrants. It would provide at least \$2 billion (and possibly more) to train the guardsmen.

"Under my proposal," said Boxer, "the National Guard will work, under civilian supervision, to provide cost-effective support to our drastically understaffed Border Patrol." Under its guidelines, governors in the border states would be required to submit a detailed plan to outline that state's immigration strategy, goals, and objectives to the Department of Defense for approval.

In the atmosphere of hysteria which is building in the border states against illegal immigrants, even more drastic measures are being proposed.

California Gov. Pete Wilson (R) is calling for a constitutional amendment which would deny citizenship to children born in the U.S. to illegal immigrants.

Space collaboration with Russia meets skepticism

In hearings on Oct. 6, members of the House Committee on Science, Space, and Technology were highly critical of the idea of making Space Station Freedom subsidiary to Russian hardware, and called for a hearing to examine the issue more thoroughly. On Sept. 2, Vice President Al Gore and Russian Prime Minister Viktor Chernomyrdin signed an agreement to recommend specific projects for collaboration between the Russian and American space programs. One of the proposals is to substitute the Russian Mir 2 space station, now under construction, for the U.S.-built module that had been the centerpiece of the Space Station.

Subcommittee Chairman Ralph Hall (D-Tex.) asked whether the White House proposal to pay Russia \$400 million over the next four years for space hardware was not "a way of enforcing Russia's adherence to the Missile Control Technology Regime" (MCTR) trade restrictions, and if the Space Station had now become "a foreign policy tool," White House Science Adviser John Gibbons insisted that nothing had yet been decided.

Marcia Smith from the Congressional Research Service stated that linkage between the MCTR and space collaboration was "not a good idea," considering the non-adherence to treaties by the former Soviet Union. She said that if the goal is to build a Space Station, the current design should be carried out. If it is to be an instrument of foreign policy, then different criteria should be applied.

National News

NEA, CAN thought police raise 'extremist' bogey

The NSEA, the Nebraska affiliate of the National Education Association (NEA) launched a witchhunt against opponents of "outcome-based education"-style brainwashing in its October newsletter, under the cover of profiling so-called extremists, according to the *Nebraska City News*.

"These extremists believe that creationism should be included in discussions about the origins of the universe. They claim that the public schools are encouraging young people to be sexually active, and they object to the advocacy of eastern religions, cults and humanism in the classroom. . . . The radical right agenda is designed to hinder, confuse, attack and malign our public schools in order to weaken and ultimately destroy them," NSEA president said. The *Nebraska City News* calls this "paranoia" run wild.

The article refers to the fact that Lincoln Public Schools Superintendent Phil Schoo became enraged at a board meeting in July when a parent asked him why the school district paid for representatives to attend a Colorado seminar on how to handle alleged right-wing involvement in school issues.

In a related development in Chicago, the Cult Awareness Network (CAN) has moved into DePaul University to "step up efforts to curb cults on campus." The campaign began after associates of Lyndon LaRouche protested the appearance of Federal Reserve Chairman Alan Greenspan (a well-known disciple of Ayn Rand).

Space pioneer calls for new commitment

In early October, space research pioneer Dr. William Pickering released a statement calling for a renewed commitment to America's space program, to include a permanent base on the Moon and manned flights to the planets. In 1958 Dr. Pickering was the head of

the Jet Propulsion Laboratory (JPL) when its Explorer 1 satellite was launched by the Redstone rocket built by Wernher von Braun's team in Huntsville, Alabama, which put the United States into space. Pickering was in Washington on Oct. 6 to meet with White House science adviser John Gibbons, who has contributed to undercutting the space program since he has been Clinton's science adviser.

Pickering called the space program a "bargain" that has given the world communications, weather, and Earth observation satellites, the exploration of the Solar System, and the development of reliable micro-electronic devices and circuitry. "America must never abandon its commitment to space exploration," he said. "That would be a tragic mistake that would diminish our greatness as a people. . . . Automated robotic devices are getting more and more clever, but manned flights to the Moon and beyond are essential. The ability to explore space is another step in the evolution of mankind, upward from the cave."

Pickering's statements stand in stark contrast to the utterings of JPL directors since the end of his tenure in 1976. Pickering's successors have tried to make the case that scientific satellites, such as those designed at JPL, are all that the space program needs. At every opportunity, they have foolishly lobbied for the end of the manned space program.

Army Corps will not repair flood levees

The Army Corps of Engineers decided on Oct. 5 that it would not repair damaged flood levees in the Mississippi flood plain, according to an article in the Oct. 6 *St. Louis Post-Dispatch*.

About 350 flood-damaged farm levees along the lower Missouri River and dozens in other locations will be ignored, in the estimation of the newspaper, which reported: "Larry Crump, a spokesman for the Corps' district office in Kansas City, said that 355 of the 465 damaged levees between St. Louis and St. Joseph are not eligible for

help from the corps." The *Post-Dispatch* further reported that so far the Corps has allowed only 24 contracts to repair levees in the Midwest, and 53 requests from levee districts have been turned down. A Corps official was quoted, "We're getting a horrendous number of requests" to repair other, ineligible levees.

James Baker III praises Clinton's foreign policy

Former Secretary of State James Baker III gave his strong endorsement to President Clinton's major foreign policy decisions to date. In comments made after a speech he gave in early October to inaugurate the Baker Institute for Public Policy at Rice University in Houston, Texas, he told the *Houston Chronicle*, "On its approach to Russia and the former Soviet Union and the Middle East, I think the Clinton administration has been just right. And I support what Clinton said to the U.N. Monday completely."

Baker did differ with Clinton's stated preference for sending U.S. troops to Bosnia to enforce a peace agreement. As George Bush's secretary of state, in 1991, Baker encouraged Serbian aggression against its neighbors, and he is universally blamed for the ensuing bloodbaths in Croatia and Bosnia.

'U.S.A. Today' blasts DARE program

U.S.A. Today, a national daily newspaper, detailed on Oct. 11 the studies showing how the Drug Abuse Resistance Education (DARE) program has failed to abate drug use among children. Studies included the Canadian government, the Research Triangle Institute (RTI) of North Carolina, and U.S. law enforcement agencies. All reached the same grim conclusion.

DARE receives \$700 million per year from "police, taxpayers and business," reaching 5 million fifth-graders in 60%. The RTI final report, contracted by the Depart-

ment of Justice, is due out in November. *U.S.A. Today* reports that "DARE America has launched a behind-the-scenes lobbying campaign against the final RTI report." University of Michigan researcher Lloyd Johnston warns, "DARE has a following and sales force that is extremely powerful in fighting for scarce resources. But its growth is totally out of scale to its effectiveness."

The article also notes that one "famous volunteer" in the program is convicted racketeer and "junk-bond king Michael Milken, performing his community service for securities fraud at DARE+PLUS, a new program to keep kids in school and out of gangs." On Oct. 8 the Family Foundation of The Milken Families, which has been handing out \$25,000 awards to its "pet" teachers in 20 states, added Maryland, Iowa, and Indiana to its list.

U.S. Marshals' Hudson seeks media job

Henry Hudson, who left his job as head of the U.S. Marshals Service, is trying to land a job as a talk show host dealing with crime issues, according to the *Richmond Times-Dispatch* of Oct. 6. As head of the Marshals Service, Hudson oversaw the assault against Randall Weaver and Kevin Harris in Idaho that killed one marshal and Weaver's teenage son and wife.

In 1986, as U.S. Attorney for the Eastern District of Virginia, Hudson was largely responsible for a similar assault, involving 400 federal, state, and local law enforcement figures against the house where Lyndon LaRouche was staying, which was intended to end in a bloodbath, that would kill LaRouche and his wife. When that failed, Hudson prosecuted LaRouche through the infamous Alexandria federal "rocket docket" in 1989, sending LaRouche to prison for 15 years.

Hudson told the *Times-Dispatch* that he is working on a "couple of books." On Nov. 1, Hudson will start work at the Alexandria office of Mays and Valentine, a Richmond-based law firm. Over the past years, Hudson has put up repeated trial balloons for elected

office. In each case, it was found he lacked the support to enter the race.

President Clinton has nominated Tampa, Florida Police Chief Eduardo Gonzalez to replace Hudson at the U.S. Marshals Service.

Minnesotan challenges 'Challenge 2000' deception

Former Rockford, Minnesota District 883 school board member Richard Van Bergen denounced the state Department of Education's cosponsoring of an Oct. 5-7 conference on "Challenge 2000," with the National Center for Outcome-Based Education in St. Cloud. OBE, he said, is "nothing but a satanic brainwashing system, designed to turn teachers into quack psychotherapists."

Van Bergen, who has run for both state and federal office as a LaRouche Democrat, pointed to the curriculum vitae of William Glasser, the conference's featured speaker: "Dr. Glasser was kicked out of the Orange Unified School District by outraged parents in California 22 years ago, when he was caught brainwashing children. Glasser's so-called 'Schools Without Failure' system even specified that teachers should be called 'therapists' and their pupils 'patients.' [*Anaheim Bulletin* 2-19-71]

"Parents caught on to Glasser's deceptive twisting of words, a common trick of OBE 'facilitators' today. Glasser claimed to 'eliminate failure' just by abolishing grades, the same way 'success for every learner' works by replacing high academic standards with state-approved 'feelings' and 'attitudes.' . . .

"Glasser continues his dirty work in schools across the country, like the Daniel Boone district in Berks County, Pennsylvania. There, his program is called 'Academic/Behavior Modification,' which uses his system called 'Reality Therapy/Control Theory.' Under 'Reality Therapy,' the school replaces the family to supposedly meet all the needs of the child, which Glasser says are 'Love, Power, Fun, Freedom and Safety.' 'By changing behavior, we will change thinking and attitudes,' says a promo for the Daniel Boone district."

● **CONVICTED SPY** Jonathan Jay Pollard, now in his seventh year in prison for spying for Israel, may soon receive a presidential pardon, according to *U.S. News and World Report*. The magazine, which was formerly edited by Clinton adviser David Gergen, said that Clinton is inclined to rule favorably on behalf of a petition presented by Pollard's attorney Theodore Olson.

● **PLAYBOY** Enterprises, Inc., citing the need to reduce costs, announced on Sept. 27 it will cut 60 jobs, or about 10% of its work force, through early retirement, attrition and layoffs. Apparently the depression has hurt Playboy's newsstand sales, home video sales, and advertising revenues; it is posting a first-quarter operating loss of \$4.5 million, according to UPI.

● **PLANNED PARENTHOOD** presented its Kenneth Edelin Award to Sen. Ted Kennedy recently. Kennedy praised Edelin, who was convicted in 1975 for asphyxiating a six-month-old fetus while performing a hysterotomy, as "one of the great heroes of our cause."

● **A SEX EDUCATION** curriculum that stresses abstinence was forced out of the schools in Modesto, California because Planned Parenthood denounced it as biased and based on shame and fear. School trustees voted recently to get rid of the booklet and video called "Sex Respect," even though most of the parents backed the program and the administration recommended using it another year.

● **LIVESTOCK GRAZING** fees will be allowed to nearly double over the next three years, according to an agreement between the Clinton White House and the congressional Democrats. The livestock industry plans to fight, because it would virtually eliminate the industry. The deal is part of a rangeland reform thrust by Interior Secretary Bruce Babbitt that puts environmental interests above sound economics.

Nobel Committee defends slavery

In a world in which the leading financial institutions such as the World Bank and the International Monetary Fund are bending their efforts to enslave most of the world's population, through the imposition of the most brutal usury, perhaps we should have expected that the Nobel Prize for economics would be awarded to a defender of that institution. Prizewinner Robert Fogel supports the notion that slavery was an economically efficient institution in the antebellum South.

As a professor first at the University of Chicago and then at Harvard, he posed as an expert on railroads, which he believes are not important to the health of an economy. Not surprisingly, he has been a supporter of the "shock therapy" method of destruction of the economies of the former Warsaw Pact countries.

Fogel is the author of a book published in 1974, *Time on the Cross, the Economics of American Slavery*, which purports to show, based on statistical analysis, that the institution of slavery, while "inhuman," was "economically efficient" and did not collapse because of economic weaknesses, but rather because of political decisions. He rejected the idea that slavery was incompatible with an urban, industrialized economy, or that the Confederate economy suffered because of it. Fogel claimed, incredibly, that most slaves kept 90% of the "income" they produced in their lifetimes, and that slavery was good for the cohesion of the black family.

Fogel shares the prize with Douglass North of Washington University in St. Louis, who claims that technical innovation is less important in economic growth than earlier theorists have believed. North puts his stress on legal and social institutions, such as property rights, which, according to him, allow the market economy to flourish. North was an adviser to the Czech Republic on the privatization of its state-run industry, and has also advised Russia, Peru, and Argentina.

The arrogance of these ideologues and the central bank of Sweden, which established the Nobel Prize for economics, is extraordinary, but it goes along with a stupidity which is awesome in its dimensions. Not only do they conspire to enslave most of the world's popula-

tion, but they advertise this fact by pointing to the supposed benefits of slavery! Whom do they think they are fooling?

It is noteworthy that in the same week that this prize was announced, Georgi Arbatov, who has been a senior Russian back-channel diplomatic figure for decades, warned of the extreme dangers to world peace of attempts by western economists to enslave the Russian population. Speaking before a German audience on Oct. 12, he described shock therapy as a policy devised by high-level American policy circles in order to "bring Russia to its knees." But this is playing with fire: After all, he pointed out, Russia is still a nuclear power.

Hopefully Arbatov's remarks will be another sort of much needed "shock therapy," to jar the complacency of fools in the West who believe that they can impose imperial rule on the world at no cost. Arbatov is by no means an opponent of such imperialism; he is merely stating the fact that the same Russian nation which itself has held captive nations enslaved through most of its history, will not willingly allow itself to be sold into slavery to the West.

If we are to avoid the disaster of a thermonuclear world war, or the equally ruinous proliferation of a never-ending series of wars around the globe, then the vicious stupidity represented by this Nobel Prize award must be thrown into the trash.

In any sane world, it is Lyndon LaRouche who would have been awarded the Nobel Prize for economics, for his unique contribution in pinpointing the crucial role of science and technology in freeing man not only from economic slavery, but from the enslavement of his creative powers. LaRouche's Oasis Plan for Middle-east development, and his Productive Triangle program for infrastructure development, connecting Russia and the other nations of the former East bloc to a flourishing European economy, represents the only hope for humanity. That hope can only be realized today, if internationally, men and women of good will join forces to defeat the slavocracy, just as they did 130 years ago in the U.S. Civil War.

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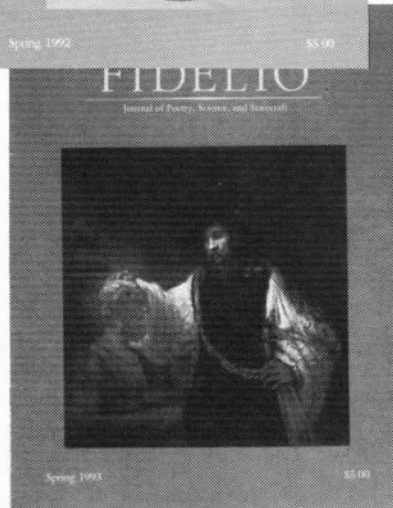
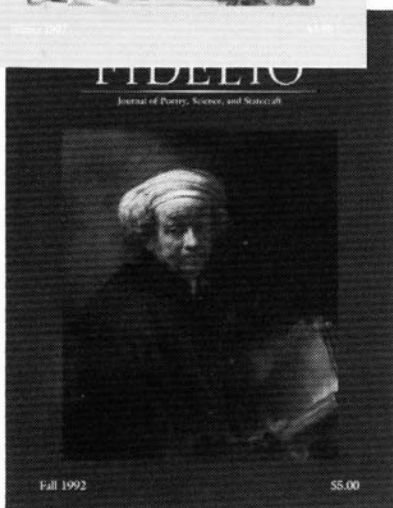
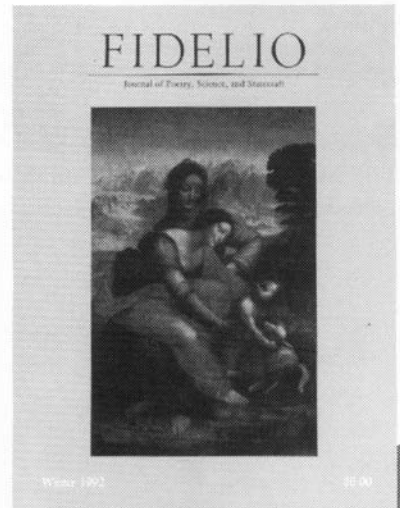
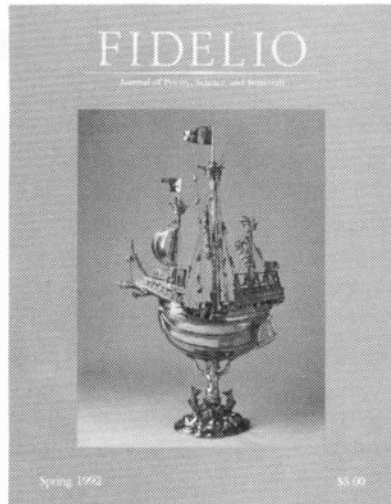
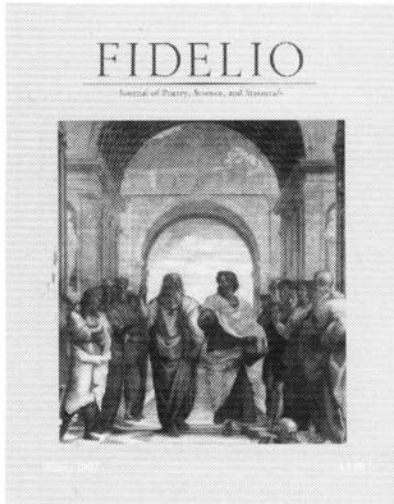
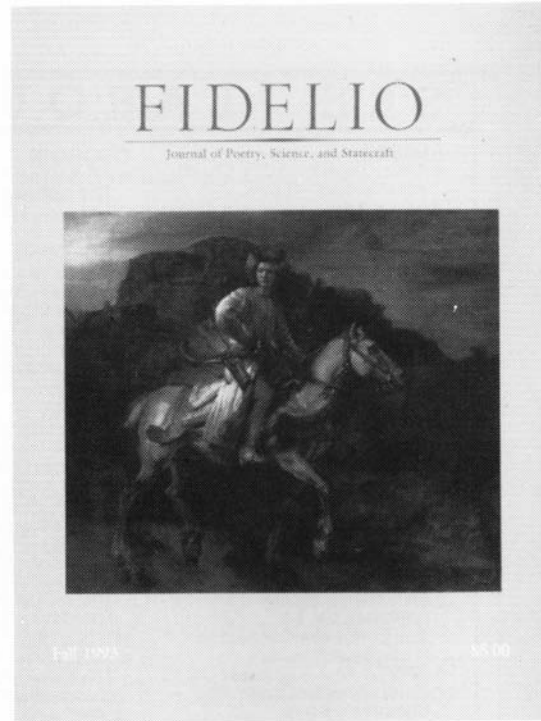
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