

EIR

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Helga Zepp-LaRouche opens fire on Cairo '94
Picking up where the Apollo mission left off
A sea-change in Japan and Korea

**Dope, Inc. elects a
President in Colombia**



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From the Editor

On July 20, the human race will mark a quarter-century since one of the most glorious moments of this century, the Apollo manned landing on the Moon. The same day is a more somber anniversary—one-half century since the attempted German generals' coup against Adolf Hitler, which was crushed due to lack of support by the Allies.

The connecting thread is one of self-abnegating heroism on behalf of humanity. The two anniversaries underline the fact that Nazism is not, as British propagandists have constructed their hoax, an intrinsically "German" phenomenon. Quite the contrary, we owe to Germany's contributions to world civilization—which the Nazi aberration tried to destroy—the crucial role of German scientists in the American space program.

Today we see, in the buildup to the Cairo '94 International Conference on Population and Development, a resurgence of Nazi policies. The pedigree of today's plans for one-world government, to be promoted at Cairo under the pretext of global "sexual rights," is proven by Helga Zepp-LaRouche in her address, printed in this issue, to a recent conference in Rome. More evidence is presented in several articles reporting on the buildup to Cairo which are grouped in the *Economics* and *National* reports.

The *Feature* on Colombia and the coverage of Venezuela in *Economics* show that a unique, but necessarily brief opportunity has arisen in those two South American neighbors, to mount a counter-attack against the drug lords and their banker allies who want to strip the southern countries of their sovereignty and impose the one-world dictatorship. President Rafael Caldera of Venezuela and a faction opposed to Colombian President-elect Samper, a tool of the drug lords, are resisting, and you will want to read all the juicy details which are in *EIR* and nowhere else.

The first article you will read in this issue, the *Economics* lead story, sets the stage for everything else. Chris White explains just how close we are to the worldwide financial blowout LaRouche recently forecast in these pages, and why. When that occurs, LaRouche, his political movement, and *EIR* are determined to be present as a strong, free force to help lead humanity out of the morass of oligarchical rule. The colonization of space will be both the metaphor, and the practical science-driver, for that exhilarating journey.

Nora Hamerman

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Correction: In our last issue (p. 60), Oliver North was incorrectly identified as a candidate for governor of Virginia. He is a candidate for the U.S. Senate.

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It's an open secret (LaRouche was right)

by Chris White

With books on the second financial quarter closed, and results in for the first half of the year, the biggest open secret going the rounds internationally is that Lyndon LaRouche's ninth financial and economic forecast is right on the mark.

LaRouche's forecast was published in *EIR* Vol. 21 No. 26 (June 24, 1994): "The presently existing global financial and monetary system will disintegrate during the near term. The collapse might occur this spring, or summer, or next autumn; it could come next year; it will almost certainly occur during President William Clinton's first term in office; it will occur soon. That collapse into disintegration is inevitable, because it could not be stopped now by anything but the politically improbable decision by leading governments to put the relevant financial and monetary organizations into bankruptcy reorganization."

Outside of top-level European banking and related officials, like Roland Leuschel of Banque Bruxelles Lambert, and senior officials from S.G. Warburg, along with certain, especially leading French newspapers, it is not being discussed publicly. However, the pattern of unfolding events corroborates what LaRouche has forecast.

Since Federal Reserve Chairman Alan Greenspan acted to increase U.S. short-term interest rates on Feb. 4, there has developed a most unusual pattern on international stock and bond markets. The pundits talk of "corrections," and ask, "When will the correction be over?" They are idiots.

Markets are tumbling

Internationally, bond markets have been tumbling since October of last year. Most severely affected has been the market for long-term British government debt, the so-called "gilts" market. This has fallen by about 20% from its peak in January. So, too, has the U.S. government's 30-year bond,

from its recent peak last October. In Germany, bonds have fallen by about 10% since the beginning of the year.

Less dramatic than what has happened in the United States and Britain, that 10% decline is nonetheless the steepest in Germany's post-World War II history. This is being pointed to by bankers like Hamburg's Udo Bandow, who ask, "How can it be that bonds have suffered from their steepest fall, and no one is saying anything? What is going on?"

The world's stock markets are not doing much better. Tokyo, the exception, is up about 20% (still around 50% of its all-time "bubble era" high), but from there the slide begins: United States down about 7%, Germany down 11%, France and Britain down 15%, Argentina and Mexico down 15 and 19%, Hong Kong, Malaysia, and Thailand down between 25 and 30%. Turkey and Poland down 50 and 40%, respectively.

All this would seem to betoken a collapse in pricing valuations of so-called financial assets, the kind of phenomenon which is most easily recognized in 1987- or 1929-style stock market crashes. That's the kind of behavior people usually associate with crashes. They go on to demand, when is it going to happen? Tell us what the date will be?

They ought to know better. That is not what is going on around the world. It is not what LaRouche is forecasting. And it is not what the "open secret" is all about. With the exception of Japan, which is in the sights of the mega-currency speculators for a killing, everything is going down, more or less everywhere at the same time. The conventional wisdom is, with the exception of huge crashes like October 1987, that different markets in different parts of the world behave in different ways, at different times. But they don't. They are all doing the same thing at once.

Phase II of the Bretton Woods system, the monetary system based on floating exchange rates, futures-related speculation tied to expected behavior of currency and interest rates, offshore dollars and International Monetary Fund conditionalities, which was put into place between Nixon's decision to take the dollar off the gold standard back in August 1971, and the Rambouillet monetary conference of 1975, is disintegrating. And, it will not be put back together again.

'Shortage of capital'

The "open secret" is reflected among those who are beginning to talk about the specter of what they call a developing "shortage of capital." In the good old days they would have used the term "liquidity crisis." The idea of a "shortage of capital" describes a phenomenon which is quite closely related to LaRouche's argument in support of his disintegration forecasts.

Valuations of financial assets are not determined by the replacement costs of the physical assets which underlie the paper—or these days, electronic—property claims. Such valuations are based on estimated price-earnings multiples. LaRouche cited, in his forecast, the case of New York City slum dwellings, fully depreciated as housing assets, i.e., worth nothing, or less, on a replacement basis, but maintaining a high nominal capitalization on the basis of a multiple of the annual rent stream that can be extracted from the tenants of such properties.

The landlord doesn't buy the property per se. He buys the rental income derived from the property and pays a price based on the hoked-up fictitious capital value to do that.

Then, reinvest the income typified by the cited rental stream. Demand then a proportional increase in the income derived from such accumulated fictitious values. Soon, you have a financial bubble. Cash in, for reinvestment, the fictitious gains on the fictitious capital, and you have an out-of-control bubble. Why fictitious? Because relative to the replacement costs of the assets thus bubbled, the nominal property title form of the assets doesn't represent real wealth, but a claim to loot present income on behalf of historical, actually fully depreciated, assets.

The bubbled fictitious values must keep growing. But the only way the bubble can grow is as a cancer does, by consuming the healthy tissue from which it extracts its nutrients. The better the bubble grows, like the cancer, the more surely it will collapse, because the more inevitably is it destroying that which feeds it. And, in that collapse, the leverage by which nonexistent assets were turned into further claims against current income, and pyramided, turns against the bubble itself.

Drive to get out of fictitious assets

That's the context for the beginning discussion of "capital shortages." The drive is on to get out of bubbled fictitious financial assets and into something more real, like real mon-

ey, or money equivalents.

That is what is going on behind the worldwide collapse in financial markets. It is how the quarter ended. Sweden's largest insurance company Skandia announced that it would no longer be buying Swedish government bonds, because Sweden's debt is growing out of control, an asset not considered worth anything any more.

Germany's largest banks have stopped their own account trading in derivatives while they try to work out what their losses have been over the last six months. That is the period in which calculations about the direction of interest rates, currency rates, and who knows what else turned out to be wrong, and when a succession of firms, like the derivatives-trading sports goods manufacturer Balsam, the DM 300 million company with DM 6 billion derivatives exposure, went belly-up.

In the United States, the market in CMOs, collateralized mortgage obligations, was used as an interest rate hedge, and nearly \$1 trillion has disappeared as interest rates have gone up. The second quarter results will see losses turned in by most of the securities houses which trade such things, beginning with Salomon Brothers—which is already reporting \$200 million down the tubes—and going through Lehman Brothers, Kidder Peabody, and Goldman Sachs. The same shows up in the so-called "super safe" money market funds (of which it is said, they are not government-insured, but no investor has ever lost anything in a money market fund), which bought the interest-only strips of CMOs in order "to enhance their yields," and lost out instead.

These are all another form of the derivatives that the German banks stopped trading for their own accounts. But, all the markets which have been collapsing around the world are presently driven by derivatives, since it is speculation in options, futures, and futures-options which largely determines spot pricing in any of such markets.

Nearly three-quarters of all derivatives traded worldwide are denominated in dollars. To flee from derivatives, as a kind of second-order form of fictitious asset, and into real money, or money equivalents, is thus also, in many cases, to flee from the dollar. No wonder that central banks are expressing such reluctance to intervene to defend the dollar. They do not have the resources to do it. Currency markets are about \$1 trillion per day, of which half are spot transactions and half are futures-related; interest-rate markets (yes, you can trade interest rates) are about the same magnitude again. There is no combination of central banks anywhere in the world which disposes of the liquidity to go up against that wall of speculative activity.

Thus it may not be too long after July 9-10 meeting of the Group of Seven heads of state in Naples, Italy that a new round of collapse begins. But don't wait for it. If it is going to happen anyway, better to assume that it has already happened, and act accordingly to support the kind of banking reorganization that LaRouche has proposed.

Venezuela's Caldera vows: 'In my hands, the republic shall not be lost'

by David Ramonet

Venezuelan President Rafael Caldera on June 27 declared a national emergency and announced a series of extraordinary measures, including exchange controls, price controls, and the suspension of constitutional guarantees. In one sweeping action, taken in defense of national sovereignty, he restored to the nation-state control over its financial system, credit generation, and national currency. Caldera has brought Venezuela's banking system under state control in order to permit him to run the country's economy on behalf of its citizens, rather than a group of usurers and their foreign backers.

With these measures, Venezuela has become the only western nation prepared to face the imminent collapse of the international financial system forecast by American economist and statesman Lyndon H. LaRouche. Under the corrupt government of the deposed and jailed former President Carlos Andrés Pérez, almost the entirety of the Venezuelan financial system, and with it the ability to generate credit, had, in the name of "modernization" and "globalization" of the economy, been handed to a group of corrupt and unscrupulous bankers, characterized euphemistically by their groveling apologists as "emerging businessmen."

On June 24, during ceremonies held to commemorate the Battle of Carabobo in 1821, which crowned the victory of Simón Bolívar during Venezuela's Independence War, and which is also celebrated as Army Day, President Caldera broke with traditional protocol and indicated his willingness to "prevent the continuation of the unhealthy and criminal tendency to ruin our currency." He added that "the national government is prepared to take whatever steps are deemed necessary." Amidst thunderous applause, Caldera concluded that "the national government, with the absolute and decisive support of the Armed Forces, is willing to repress violence with all possible moderation, but also with all necessary energy. I wish to reaffirm before all sectors of Venezuelan society my solemn commitment: In my hands, the republic shall not be lost."

Then on June 27, accompanied by a representative of each of the four branches of the Armed Forces, Caldera announced the measures in a nationally televised address: exchange controls, price controls for the most important goods and services (rents, gas, phone, electricity, medical services, basic foods). He also announced the creation of a

food and transportation subsidy to compensate for the drop in real wages.

The President explained that "exchange controls allow us to think of a process of lowering interest rates and the possibility of eliminating the zero coupon bonds," the latter a mechanism used by the Central Bank to subsidize corrupt banks.

At the same time, Guillermo Alvarez Bajares, head of the Central Information Office, reported on the nationwide suspension of those constitutional guarantees which protect the privacy of the home, personal freedom, freedom of movement, economic freedom, private property, and expropriation of goods with compensation. Alvarez Bajares emphasized that the suspension of guarantees was not intended to respond to threats of public disorder, as leftists had charged, but rather to deal efficiently with the financial crisis and those corrupt bankers who had unleashed it.

By themselves, exchange controls won't solve Venezuela's crisis. But they will stop the bleeding of reserves which had been occurring as a result of agreements signed under the General Agreement on Tariffs and Trade (GATT) and other free-trade accords signed by the Pérez government. The free-trade agreement just signed with Mexico and Colombia suffered a still-birth.

Warfare against Caldera

Predictably, Venezuela's foreign creditors, as well as the U.S. State Department, are enraged at what Caldera has done, fearing especially that other Ibero-American nations might follow suit. The World Bank and the Inter-American Development Bank (IADB) retaliated by suspending \$1.3 billion in agreed-upon credit lines, using the excuse that exchange controls violate these agreements. Representatives of Chase Manhattan Bank and Chemical Bank made known at the recent annual convention of the Venezuelan-American Chamber of Commerce in Caracas that they were also prepared to cut credit lines. The International Monetary Fund, which had a delegation in Venezuela when Caldera announced his measures, issued a statement, obviously prepared before June 27, demanding that the government raise the gasoline price, and refrain from price controls and wage increases—precisely the opposite of what Caldera did.

The U.S. State Department demanded "clarification" of

the suspension of constitutional guarantees. President Caldera feistily responded to this by telling U.S. Ambassador Jeffrey Davidow, during an address to the Venezuelan-American Chamber of Commerce, that "you should do what I did if you really want to win the war on drugs." Taken aback by the President's remarks, Davidow then snubbed Caldera by failing to show up for the traditional Venezuelan Independence Day ceremonies on July 5. Representatives of the local banking and business associations did likewise.

Prior to June 27, President Caldera had done everything possible to reach a "Solidarity Pact" with the banking community in order to deal with the collapse of the financial system. The bankers, led by José Alvarez Stelling and his lieutenants José Bouza Izquierdo and Orlando Castro—members of the corrupt banking entourage linked to Carlos Andrés Pérez—not only rejected the agreement, but launched intense financial and political warfare against the government.

In the week prior to June 24, speculation against the national currency, the bolivar, had escalated, causing it to plunge to a rate of 210 to the dollar—a 100% drop from last January's rate. The dirty war against the government by these "emerging bankers" also intensified, with a rumor campaign that resulted in a run on the banks. Among this grouping were the owners of the nine banks which recently collapsed due to fraudulent practices which cost the state close to \$6 billion and the loss of \$4 billion in foreign reserves.

Defense Minister Gen. Rafael Montero Revette announced that he was investigating "personalities from the left and the right, as well as some financiers" who could be linked to the rumor campaign. President Caldera himself later said that these rumors originated with "people who still think they can regain their lost power."

A few days prior to the announcement of the emergency measures, the Radical Cause (Causa R) party, a member of Fidel Castro's narco-terrorist São Paulo Forum, had called for a no-confidence vote against and removal of Finance Minister Julio Sosa Rodríguez, Caldera's right-hand man. Banker Carmelo Lauría, president of the Chamber of Deputies and leader of the Democratic Action (AD) party, who is very close to former President Pérez, lamented that he couldn't request a no-confidence vote against the President himself. As a destabilizing tactic, the terrorist Red Flag (Bandera Roja) group had called for a national "pots-and-pans" demonstration for June 28, but this became a dead letter after Caldera's June 27 announcement.

On June 23, the daily *Diario de Caracas* reported that "the Venezuelan Labor Party (PLV) called on the national Armed Forces and the citizenry in general to reject the destabilization operation which, in its view, is led by the Venezuelan banking lobby on behalf of foreign financial interests against President Rafael Caldera." The daily noted that for the PLV (Venezuelan friends of Lyndon LaRouche), the interrogation of the finance minister in the Congress "is a ploy,

a trap, whose final goal is to overthrow President Rafael Caldera."

Both civilian and military security forces confirmed this to be the case with a series of raids and arrests carried out on the evening of June 30 and the morning of July 1, against militants of the Red Flag as well as bankers and intellectuals linked to the former president of the failed Banco Latino, Gustavo Gómez López—a fugitive from justice—and former Defense Minister Radamás Muñoz León. Upon taking power, Caldera had removed Muñoz León from his post. Among those questioned was mafioso banker Orlando Castro, closely linked to the Radical Cause party. On July 2, the defense minister announced that his forces had successfully thwarted the destabilization efforts.

Control of the banking system

On June 30, following a lengthy cabinet meeting, Information Director Alvarez Bajares issued Public Decree 248, outlining the means by which the banking system will be controlled. By creating a Financial Emergency Board, which will manage the banking system under the supervision of the finance minister, the decree makes existing banking laws obsolete. The board will also include the president of the Venezuelan Central Bank (BCV), the banking superintendent, the director of the federal deposit insurance agency Fogade, and three other members to be named by the President. It will take on the responsibilities of the old Superior Council of the Banking Superintendency and the Central Bank, effectively eliminating the law which made the BCV an autonomous institution.

The board will exercise total control over deposits, beyond the authority of bank directors, such that if any bank suffers a run on its deposits, the board can authorize use of another bank's deposits to cover the affected bank's liquidity. It is this aspect of the reform which some critics have used to charge that Caldera has "practically" nationalized bank deposits. But according to Gustavo Tarre Briceño, a member of the social-Christian Copei party who heads the Finance Commission of the lower house, with this measure "no one should have to take his money out of the bank for fear that it will be intervened on."

Moreover, the board will strictly supervise the banks to ensure that they rigorously comply with all the regulations regarding solvency so as to protect deposits. This significantly reduces the powers of the Banking Superintendency, thus correcting one of the most serious flaws of the old system, by which the fraud which brought down one-fifth of the system occurred. Among the board's powers is the authority to remove any bank director involved in illicit or fraudulent activity. Deputy Tarre Briceño reported that there will be an immediate effort to completely reform banking laws to make them coherent with the functions of the Emergency Financial Board, after which the government can restore constitutional guarantees.

Caldera announces exchange controls

The following excerpts are translated from President Rafael Caldera's speech on June 27, 1994:

The cabinet, after meeting this morning and this afternoon, made a definitive pronouncement in favor of establishing exchange controls. Long and laborious discussions were held on this with the directors of the Central Bank of Venezuela. The Central Bank, for very respectable reasons, had been maintaining—throughout many meetings—the need to try other routes, other formulas which unfortunately did not achieve the hoped-for results.

I said in my inaugural address on Feb. 2 that exchange controls would not be established, and I said it in all sincerity. That was my aim and I maintained it down to the present day. But the truth is, that the gravity of the financial system, the persistent wave of rumors, the speculative movements which have tried to bring the bolivar to the ground, have forced us to take this measure, of which we know the inconveniences, we know the problems and risks, but which has been inevitable. We cannot allow our international reserves to be dried up, we cannot allow a devaluation of our currency to continue which has no justification. And when I say it has no justification, it is because Venezuela produces the currency necessary for its legitimate commercial interchange.

The pressure on the exchange market is due to speculative movements or to the distrust sown by a series of rumors which have been bewildering the Venezuelans over the decisions which had to be taken to intervene into eight financial institutions, in which all possible ways had been tried to save them, and at last the conclusion was reached that it was practically impossible to recover them.

To establish exchange controls, of course in agreement with the Venezuelan Central Bank directors, another series of indispensable steps was taken. One of these was the suspension of constitutional guarantees. We have to appeal to this extreme recourse so that the government had the means, the appropriate instruments to be able to achieve the objectives which are being pursued.

We take full responsibility for this measure; we will carry it out with prudence, as we have done throughout our five months in government, but at the same time we will enforce it with all necessary energy to save the country, to get it out of this crisis in which it finds itself. A crisis which we did not create, a crisis which is the product of the long phase of corruption, a long phase of serious errors committed in the

life of the country and which we have tried by all ordinary means to deal with, and which has led us to a point in which we feel the unpostponable need to take the extraordinary means which the Constitution and the laws prescribe for us. . . .

Hence the fight against speculation is in the government's hands. We feel the deep pain of our people, and especially of the masses and the middle classes, over this savage scarcity which has been set up and we are going to fight at the people's side so that in some way this frightful error can be corrected. . . .

Moreover, at the same time as the exchange controls and price controls, measures will be adopted to control the financial institutions. We are ready to rigorously enforce all the laws which are indispensable to make the banking institutions proceed as they ought to, so that these crises don't get repeated. . . .

I must say in this regard that the exchange controls open a hopeful way to be able to think about a process of lowering interest rates, which have reached levels absolutely incompatible with the possibilities of the productive sectors; at the same time they are going to open the possibility of eliminating the zero coupon, which is a mechanism we have come out against many times, and which, beyond any doubt, in trying to relieve the situation of the country has instead produced grave consequences. . . .

Within a general economic policy context, Venezuela is a good country for investment; every day, investors show up, and we are ready to offer them all the guarantees. Some may say—because they criticize everything—that the policy we are adopting could somehow hobble investment.

Just the opposite. Investors need a stable currency, investors need the security that the country's international reserves not be drained; investors need a regime which they can trust in, and it is precisely trust that we want to give them, as well as to all the inhabitants of this country. . . .

Dear Venezuelans, dear countrymen, dear friends; we are going to fight together to get past the crisis. You know that this crisis was not invented by the government. If any criticism can be made of this government, it is as I said in my inauguration speech: We would exhaust all the ordinary recourses to deal with the situation. We have reached a time in which we have to resort to the extraordinary recourses, but those recourses are within the Constitution, within the democratic institutions. To maintain such democratic institutions, we must adopt measures which can be harsh, rigorous, but which are oriented in a healthy, honest, fervid way toward the good of the country, for the good of Venezuela. For the good of Venezuela I repeat my confidence, my absolute certainty that we will have the understanding and the backing of the Venezuelans, who are undergoing this moment so full of anxieties and contradictions, but that we are going to get over it to attain the destiny that belongs to this beloved Venezuelan homeland.

Reactions to Caldera's emergency measures

The emergency measures adopted by Venezuela's President Rafael Caldera have drawn praise as well as brickbats, at home and abroad. The governments of Brazil and Peru signalled their support, as did Arturo Frondizi, the former President of Argentina, while popular Dominican Republic television commentator Consuelo Despradel enthusiastically exclaimed during her June 30 program, "I am now a Calderista!" That opinion was not shared by Rockefeller's Chase Manhattan Bank, one of whose spokesmen complained that the measures were "improvised," a stance shared by such odd bedfellows as the terrorist group Red Flag and leftist rebel Col. Hugo Chávez, who has joined with the pro-Castroite and State Department-supported Radical Cause party against Caldera.

The ayes . . .

"Total support for Caldera" from the people of Venezuela, reported Spain's *El País* on June 30, based on man-in-the-street interviews by its Caracas correspondent, who also probed the views of the CTV, Venezuela's national labor federation. "We know that these measures affect powerful national and international interests who will intensify their attacks against your government," wrote Alejandro Peña, the secretary general of the Venezuelan Labor Party, in a June 28 letter to Caldera. "Be informed, Mr. President, that we will unconditionally stand at your side to defend the country from those corrupt interests."

* * *

"I have no fear that you will ever yield," wrote former Argentine President Arturo Frondizi to President Caldera, an old friend, in a letter dated June 28, which has been covered by the Ibero-American media. Frondizi, who was a personal friend and collaborator of John F. Kennedy, told Caldera:

"Esteemed President and friend,

"I am prompted to send you this expression of solidarity, which springs from the heart of a former President of a Latin American country, because of your actions in the face of the sufferings of the Ibero-American people and out of admiration for the courage you have recently shown in announcing emergency measures to confront the financial crisis your nation is undergoing.

"The terrible socio-economic legacy you received upon

assuming the presidency, the result of the strict and unconditional application of International Monetary Fund directives and international usury, has given you the imperative mission of recovering the dignity of your homeland and the peace and well-being of your people.

"I have no fear that you will ever yield, or that the powerful enemies you must face will ever intimidate you, because you hold in your hand the banner of Bolívar and San Martín. You expressed it well in your last letter to me on May 5: 'I will try to do my part alongside the Venezuelan people, who are selfless, noble, and kind precisely because they feel a part of our continental nation.'

"On June 3, I emphasized in a message I had prepared to be read at an event in the brother country of Ecuador, that you have contributed a share of optimism and hope to Ibero-America, by deciding to confront the neo-liberalism that is subjecting the continent to slavery and destroying its national identities.

"Your recent decision follows the road indicated by His Holiness John Paul II, when he told the world that the foreign debt of a country must never be paid at the expense of the hunger and poverty of the people.

"I have reason to hope that the changes you are instituting for the benefit of human beings will be correctly interpreted by your people and by the Armed and Security Forces, as well as by economic sectors which still strive for prosperity with social justice through development and moral public administration.

"Please accept my affection, and may God assist you in this crusade for freedom."

* * *

"Brazil stands in solidarity with Venezuela," said Cloal-do Hugueney, the Brazilian ambassador, after a briefing for the diplomatic corps given by the Venezuelan government in Caracas on July 1. The envoy announced that Brazil's foreign minister will soon visit Venezuela. Not long ago, Brazilian President Itamar Franco paid an unannounced visit to President Caldera in Caracas, and on June 29 the Ibero-American Solidarity Movement (MSIA) in Brazil had called on Franco to support Venezuela, which now "faces the risk of reprisals on the part of the international financial community." The MSIA warned the Brazilian leader that "Venezuela's current financial situation cannot be isolated from the global crisis of the world's financial system," and urged an alliance with the neighboring country around the joint development of railways and other larger infrastructural projects.

* * *

Peru is ready to help Venezuela any way it can, said Peruvian Ambassador Eduardo Reigada, after being briefed on the measures on July 1. The Peruvian envoy welcomed the emergency measures, saying they would "allow Vene-



Venezuelan President Rafael Caldera: His emergency measures to save the nation have evoked enthusiastic support from some quarters, and expressions of outrage from the international bankers.

zuela to recover the stability, development, and economic bonanza" that it has traditionally had.

. . . and the nays

"He really doesn't have a well-defined economic plan," moaned a spokesman for Rockefeller's Chase Manhattan Bank, who described Caldera's measures as "improvised." The spokesman was quoted in a generally unfavorable article in the June 29 issue of London's *Financial Times*, which complained that the emergency measures were the "strongest set of interventionist policies in Venezuela since the late 1980s," when then now-jailed former President Carlos Andrés Pérez imposed the International Monetary Fund's free-market reforms.

The June 29 *Wall Street Journal* also expressed dismay at Caldera's measures, complaining that they were not "the more profound structural changes that the country really needs." Instead, said the *Journal*, Venezuela needs higher gasoline prices, a quick sell-off of all state companies, and across-the-board government spending cuts.

This view was echoed by the editorials of Venezuela's *Diario de Caracas*, which subscribes to the ultra-liberal

economic views of the Austrian monetarist Friedrich von Hayek. It warned that Caldera is turning his back on the free-market policies that have been "so successful elsewhere" in Ibero-America, and returning to the "interventionism and paternalism of the past," which will undermine the "confidence" of foreign investors.

* * *

The measures are "insufficient and incoherent," and they will not generate enough "confidence" to stem the crisis, said Gabriel Puerta, a leader of Venezuela's Red Flag, a pro-terrorist Marxist grouping, parroting the views of the *Wall Street Journal* and *Financial Times*. He added that the moves will generate more inflation.

"These measures are not going anywhere," said rebel Col. Hugo Chávez, the jacobin leader of the MBR-200, who complained that the suspension of constitutional guarantees was aimed against the lower classes, "who continue to be buffeted by the blows of critical poverty."

* * *

Caldera "deserves to be censured," said Carmelo Lauría, president of the Chamber of Deputies of the Congress of Venezuela and leader of the AD party of impeached President Carlos Andrés Pérez, who is now in jail on charges of corruption. Himself a banker, Lauría complained on the eve of a congressional session on June 27, where it was mooted that a vote of no-confidence would be taken against Treasury Minister Julio Sosa Rodríguez, that it was a pity that the Constitution didn't allow for a similar vote to be taken against the President. In the end, Congress did not take the no-confidence vote against Sosa, who was accused by Lauría of not knowing what he was talking about and who reminded him of Carlos Andrés Pérez's former minister Miguel Rodríguez, only "fatter, balder, and older."

* * *

"Private property must be respected," said Venezuela's bankers in a communiqué made public on July 2 by the National Banking Council and the Venezuelan Banking Association. The bankers, whose looting of billions of dollars in supports from the public trough precipitated the emergency measures, expressed their "consternation in the face of the threat of statization contained in the decree that suspends the constitutional guarantees with the purpose, among other restrictions, of denying and cutting of the right to property consecrated in the National Constitution." The bankers threatened that "without private property, there will be no confidence nor privatizations, no exchange stability, nor monetary equilibrium. A persecuted private sector can never be capable of generating the necessary wealth to pay the taxes needed by the National Treasury." A similar statement demanding that the government respect private property was issued by the business association, Fedecamaras.

Bridge project triggers government crisis in Sweden

by Tore Fredin

One week before the European Union summit meeting in Corfu, Greece on June 23-25, Swedish Prime Minister Carl Bildt attempted to break a two-and-a-half-year political logjam and gave the go-ahead for construction of a bridge to Denmark that would make Sweden part of Europe for the first time. Opponents of the project reacted with fury: Environmental Minister Olof Johansson, the chairman of the Center Party, resigned, destabilizing the four-party ruling coalition and leaving the country with a caretaker government until the national elections on Sept. 18. The financial community proclaimed its lack of confidence in the government, and refused to buy government bonds.

The idea of building a bridge between the southern Swedish region of Skåne and the Danish island of Sjælland, on which Copenhagen is located, goes back 100 years. (See "Denmark Is Bridging the Baltic," *EIR*, April 12, 1991.) The plan to build the bridge was adopted by the last Social Democratic government, together with the conservative government of Poul Schlüter in Denmark, three years ago. But then the non-socialist parties won the Swedish elections in the fall of 1991, and the Center Party, as one of its conditions for taking part in a coalition government, demanded that all sorts of environmental aspects of the project be examined by the Court for Water Conservation.

That charade went on for over two and a half years. It went so far that the present Danish government, led by Social Democratic Prime Minister Paul Nyrup Rasmussen, was just about ready to declare war on the Swedes. Denmark made sure that the bridge would be named as one of the important European infrastructure projects at the European Union's Corfu summit. Prime Minister Bildt, a Conservative, finally put his foot down and agreed to the project, in order to please his European pals, like Germany's Chancellor Helmut Kohl.

Sweden, which is not a member of the European Union, was taking part in the EU meeting together with three other countries that have applied for membership: Norway, Finland, and Austria. At Corfu, these four governments signed the final document applying for membership at the government level. The last step in the process to be accepted as full members of the EU is that the accord has to be ratified by each country's parliament in the fall. Before the parliaments

can ratify the accord, referendums are going to be held in Finland, Norway, and Sweden. Austria has already held a referendum, with a majority voting to join the EU.

The Sweden-Denmark bridge is one of the 11 European infrastructure projects included in the compromise program reached at Corfu. The bridge will be a boon to both countries, and to Europe as a whole. The plan specifies the construction of one long (7.4 kilometer) bridge, plus several shorter bridges connecting various small islands, a total of 4.2 km in length. In addition, a tunnel of 3.7 km must be built. The estimated cost is \$1.9 billion.

Reactions from 'the market'

The fact that Sweden now has a lame duck government has already had an effect on the catastrophic state of public finances, with state budget deficit financing running at 14% of the Gross National Product (see *EIR*, May 6, 1994). Now, things are even worse than they were last spring. The same week that the government crisis became public, the Swedish state found itself able to sell only 70% of the bonds it put on the market.

Keep in mind that 40% of the Swedish state debt (now amounting to over \$200 billion, or 80% of Gross National Product) is in the hands of short-term investors, which explains why Sweden now has 3-5% higher interest rates on state bonds than in Germany, while the inflation rates are the same for the Swedish and German economies. The difference in interest rates was 1.5% in February, when the U.S. Federal Reserve began to raise its interest rates.

But the real shock came one week later. On July 1, the head of Skandia, the biggest insurance company in Scandinavia, Björn Wolrath, declared that Skandia had sold out all its holdings in state bonds because it had no confidence in the political establishment in general and the present government in particular. Wolrath's proposed solution was more of the old medicine, that is, more vicious austerity; this time, he was backed up by the Social Democratic opposition.

All this drove interest rates even higher. On July 4, the state finally managed to sell all its bonds, but at an interest rate 1.5% above the level previously offered. Clearly this is only a temporary solution, because it means an increase of

over 10% in the state debt, which is already more than 100 billion Swedish crowns per year. Almost 25% of the state budget is spent on paying interest on old debts.

The solution for the political establishment is to get the media to drum up an ideological barrage whose message is that the ordinary Swede has to become "debt-conscious"—*skuldmedveten* in Swedish, which also means to be conscious of one's guilt. To muster popular support for this "debt-conscious austerity policy," the Swedish counterpart of Texas populist Ross Perot, Ian Wachtmeister, is mobilizing to form a new movement with the explicit aim of solving the crisis in public finance. Wachtmeister and his collaborators are taking out big ads in the papers, selling fake "state bonds" for 100 Swedish crowns each, to raise funds for his operations, as well as to get the point across in a populist way.

Is an explosion coming?

The fact that Skandia's Wolrath is declaring "no confidence" in the state indicates that heavy infighting is going on among the Swedish elite, under strong international pressure. International investors know that Sweden financially is a banana monarchy, with a budget deficit running out of control, a crumbling real economy, and a paralyzed government.

This makes the Swedish economy one of the possible triggers for an international financial blowout. Remember that 1) the Swedish economy was one of the first to undergo a deep banking and financial crisis, in which the banking sector was barely saved by the state bailing it out; 2) Swedish corporations are deeply into speculation in financial derivatives; and 3) Sweden now has an interest level above 10%, with virtually no inflation; that kills any idea of industrial investment. These factors, along with the paralysis of government, point to the possibility of a run on the Swedish currency.

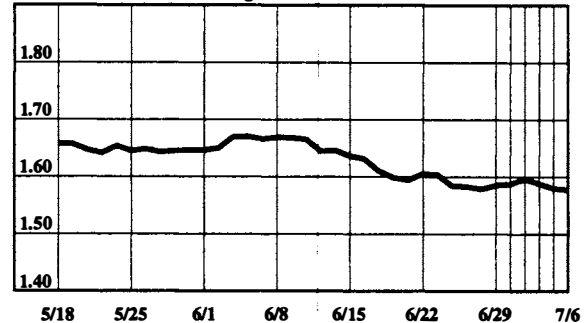
It will be a race against time to see whether the Bildt government will be able to keep the lid on up until election day. Right now, Bildt and his coalition partners are playing the same trick as the Kohl government in Germany: If nothing else works, keep up the "virtual reality" propaganda about an economic upswing and financial stability until the election.

Meanwhile, the coalition government politically is up against the wall. The Social Democratic opposition is getting over 50% in the opinion polls, talking about the need for a "strong government." That means a strong-man solution, but no one would ever dare to say that in public. The strategy of the Social Democrats is to pursue a policy which will attract the Liberal Party and the Center Party, and thereby split the coalition government. A new Social Democratic-led coalition government, with more than 60% of the votes behind it, could emerge out of the coming election. Sweden would then get its "strong" solution, with a Mussolini-style austerity policy—that is, if the caretaker government is able to keep the lid on until Sept. 18.

Currency Rates

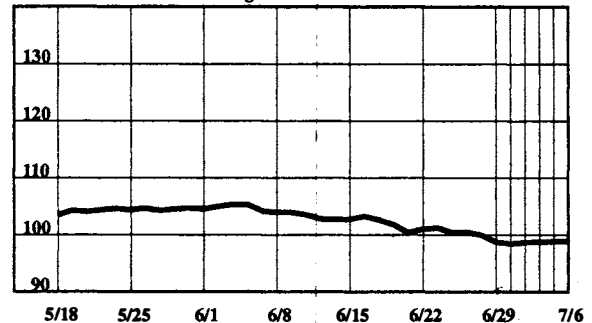
The dollar in deutschemarks

New York late afternoon fixing



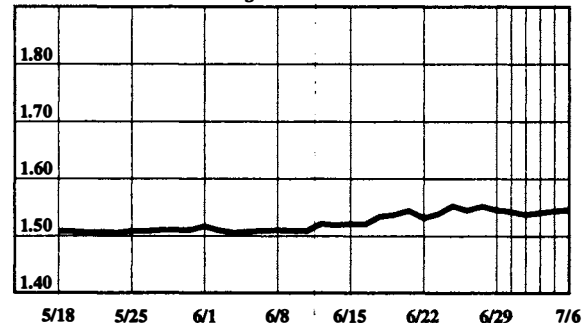
The dollar in yen

New York late afternoon fixing



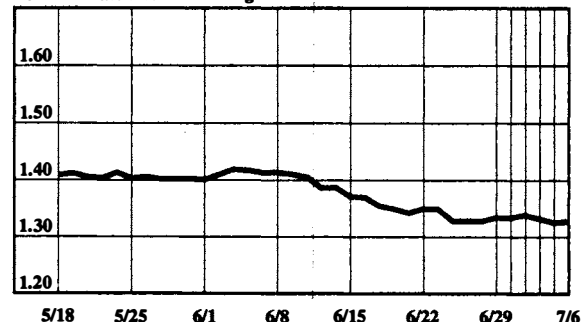
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



Russian, British pseudo-scientists regurgitate malthusian numerology

by Mark Burdman

In 18th-century Venice, ex-monk Giammaria Ortes, from whom Britain's Parson Thomas Malthus later plagiarized his arguments for why population had to be drastically limited, performed a series of arithmetic calculations, and concluded that the earth could sustain no more than 3 billion people. Despite, or more likely because of the fact that Ortes was a notorious incompetent, a group of pseudo-scientists today is disinterring his corpse, and insisting that the planet, indeed, can sustain no more than 3 billion persons, and perhaps as low as 1 billion. Ortes, of course, had the excuse that population, then, was much lower, so his calculations were futuristic. But his disciples today are advocating genocidal depopulation on a level far worse than the combined deprivations of Hitler, Stalin, and Mao Zedong.

Ortes's disciples are stepping forward to make their case in the runup up to the Sept. 5-13 U.N.-sponsored International Conference on Population and Development in Cairo. Among other criminal insanities, they are openly debating whether the American population should be reduced to between 40 and 150 million over the coming decades. It would be an illusion for northern populations to believe that only the developing sector nonwhite groups are being singled out for slaughter by the Cairo population crowd.

'Humanity has gone beyond the limit'

Early this year, as the Cairo preparations begin to go into full gear, the 2-3 billion "optimal world population" figure was being promoted by U.S. "population bomb" lunatic Paul Ehrlich of Stanford University; Cornell University agricultural economist David Pimentel, in a speech at the annual meeting of the American Association for the Advancement of Science; and by Russian Secretary for the Ecology, Viktor Danilov-Danilyan, on March 17 for the Moscow release of a book written under his guidance, *Ecology Between Past and Future: The World and Russia*.

These views are being endorsed by Arkady Fedotov, a Russian scientist writing in the Russian Foreign Ministry's *International Affairs*, and by the very well-connected British ecologist Norman Myers. In the July 1994 issue of *International Affairs*, Fedotov claimed to be presenting "scientific" proof that the earth can only sustain between 1-3 billion people. Fedotov, a physicist, with 44 years of experience, heads a section at the Russian Academy of Sciences Moscow

Radiotechnical Institute.

Fedotov began: "What is the state of the biosphere, humanity's cradle and habitat? Is humanity immortal, or is an eternal night closing in on it?" Early on, Fedotov criticized environmentalists for not paying enough attention to "biospheric stability and the limit of the biosphere's potentialities." Meanwhile, "capitalist private enterprise . . . is destroying the biosphere. . . . The Earth's quantitative potentialities have already been exhausted, and humanity is heading for catastrophe. Nevertheless, research ignores the pre-catastrophic character of the present period, thereby leading people astray.

"The biosphere as a living self-regulating system has lost stability under the impact of man's economic activities, and is undergoing intensive destruction," he continued. "The stability threshold of its continental part has been exceeded five to seven times over. . . . The Earth's capacity to bear the burden put on it by man's activities has a quantitative limit comparable to that of the load which an airliner can carry or an apple-tree support. *Far from everybody is psychologically aware of the fact that there is a limit to anthropogenic activities and that this burden can be computed.*"

According to Fedotov, "To estimate the limit of the Earth's potentialities, such as that of population growth, science offers two models, which may tentatively be called a resource model and a biospheric one." The former is the latest Meadows/Randers study commissioned by the Club of Rome, which, claimed Fedotov, is flawed because it allows for too many people, i.e., a limit of some 8 billion. The "biosphere model" is based on "the theory of stability evolved by Russian physicist Victor Gorshkov." Based on Gorshkov's studies on "the stability threshold or ecological limit" of human activity, it can be substantiated that "only 1 to 3 billions" can be sustained. Fedotov says Gorshkov's model is preferable, since it is "based on the properties of the living system." He added: "*The very determination of the admissible size of the world population is an outstanding scientific achievement of the last quarter of the outgoing century.*"

"The biosphere lost stability early in this century. To restore its stability, it is indispensable not only to restrict the world population but to give the surviving virgin natural entities of the Earth the status of a sanctuary. The biosphere

cannot be stabilized by merely rationalizing economic activities through, say, resource-saving technologies or wasteless cycles. *Humanity has gone beyond the limit of the Earth's potentialities*. The world system has entered a period of global crisis. This fundamental definition of the present period should underlie strategic programs for the development of all nations" (all emphasis is original).

Russia must take the lead in bringing humanity to "sustainable development," he asserted, propounding such concepts as "anthropogenic load" and "bioconsumption," to show which countries are supposedly most destructive of the biosphere. The worst two are Japan and Germany; but Russia, because it is so vast, is among the least destructive. From this, he concluded that Japan should pay \$100 billion and Germany \$57 billion into a "Global Ecological Fund," a kind of biospheric-damage compensation tax.

"Russia," he went on, "may be more prepared than any other major country to fit into the model of a sustainable world system. . . . We have a larger ecological reserve than other major countries. . . . In this pre-catastrophic period, it could not only devote a model for its own optimum development but work out a concept of harmonizing interaction between the biosphere and humanity and offer it to the world community."

Not one contention of Fedotov is backed up by the slightest shred of proof. Rather, his article is a mixture of numerol-

ogy, cabbalism, and Mother Earth-Gaia worship. It represents a slap in the face to that rigorous and positive tradition in Russian science represented by Mendeleev, Vernadsky, and many others.

It is frightening that such lunatic drivel would be published in the magazine that is officially sponsored by the Russian Foreign Ministry. On its editorial board are Foreign Minister Andrei Kozyrev, as well as U.N. Undersecretary General Vladimir Petrovsky, scientists Roald Sagdeev and Yevgeni Velikhov, and others of the "condominium" ilk. A deputy editor, Mikhail Kaloshin, wrote a stridently malthusian piece for the magazine in 1990, likening man to a "virus" and endorsing radical policies of "global ecology" (see *EIR Feature*, June 24, 1990). *International Affairs*, by the way, is now published in Minneapolis, Minnesota, by East View Publications.

'Thinking the unthinkable'

From the British side, the rallying cry to genocide is coming from Dr. Norman Myers, currently at Green College, Oxford, where he works under Sir Crispin Tickell, former British ambassador to the United States. Tickell has likened the growth of human beings to the growth of vermin (see *EIR*, April 29, 1994). Myers is a chief adviser to the British government for the Cairo conference, and also advises the White House, State Department, and Pentagon in the United

Philip: 'Keep darkies from having babies'

A British insider who has discussed "population issues" intimately with Prince Philip for many years showed his irritation at the prince's openly racist views on population control. This individual, usually quite deferential about the Royal Consort, told a journalist: "Population is a major issue, but it involves many parameters. It involves a higher rate of literacy for women, and some security for the lives of children. You just can't approach it the way that he does. Prince Philip frankly believes that if we would stop all the 'darkies' from having babies, we would be better off; that's what he really thinks. His views are very naive and primitive. Do you know, he recently told a conference at St. George's House, Windsor Castle, that women should be sterilized after having a third child? He was then reminded that he was the *fifth* child of his mother, and that he and the Queen have had *four* children. But what can you expect? He represents a very strong feeling in the North, that the white middle- and upper-class can have children, but not the people in the South."

Asked if he knew anything further about Philip's statement that he would like to be reincarnated as a deadly virus, he laughed. "I never heard that one, but it certainly doesn't surprise me!"

This individual represents a growing number of malthusians and ecologists who are nervous that too openly advocating genocide will cause a backlash against Cairo '94. He said he was opposed to the approach of Paul Ehrlich and Dr. Norman Myers, who insist that the "carrying capacity" of the planet is around 2-3 billion, as well as to those "conservationists" who are "waiting for the next virus to kill people, as Gaia's solution to the population problem."

Similarly, he warned the malthusian lobby against "making a caricature" of the Vatican's opposition to population control. Instead, they should try to orchestrate a dialogue around a misrepresentation of the church's view. "There is merit in the Vatican's idea that the issue is not *controlling* life but improving the *quality* of life. The problem is the either/or view: that either we control population or we value life." If a useful dialogue with the Vatican could occur at Cairo, he stressed, the September 1994 population conference could "serve a useful purpose."—*Mark Burdman*

States. In a recent interview with an Italian journalist, Myers asserted that he agreed with Pimentel and Ehrlich on the "carrying capacity" of the earth.

In an article entitled "The Big Squeeze" published in the November-December 1993 issue of *Earthwatch*, Myers mused about the possibilities of drastically reducing the American population. Myers cited the works of Cornell University's Pimentel, that "each American consumes 47 times more environmentally based goods and services than does a Chinese. . . . The average American family comprises two children, but when we factor in how many natural resources these children consume and compare the American lifestyle with the global average, then the average American family, in 'real world' terms, contains something like thirty to forty children."

Myers went on: "Like all other developed countries, however, the United States does not have even the basic makings of a population policy. Though it often criticizes developing countries that fail to implement their population policies with sufficient vigor, the United States shows no signs of asking itself what its carrying capacity might be. Lindsey Grant, a noted population expert, estimates that in order to sustainably support the economy at today's levels, without depleting natural resources, the U.S. population should number between 125 and 150 million, or about the size it was in the 1940s. A leading ecologist, Robert Constanza, puts the figure at 85-170 million, depending on per-capita consumption. Pimentel calculates 40-100 million for a self-sustaining society with a quality environment. The Ehrlichs (of 'Population Bomb' notoriety) estimate around 75 million, about the size of 1900."

Myers insisted that "the United States would have to clamp down completely on immigration—a tough measure for a nation that owes its existence to immigrants." He asserted that, "to get down to 150 million would need no more than a century-long birth rate of 1.5 children per woman (down from today's 2.0), a rate that has already been adopted by Germany, Italy, Austria, Greece, Spain, Portugal, and Japan. A solid start could be achieved by eliminating teenage pregnancies . . . that costs the United States \$25 billion a year on support services."

Myers continued: "Who knows? Americans might soon find they're turning a profound problem into a glorious opportunity. The first step would involve the most adventurous, the most creative and the most incisive environmental measures that humans have ever taken. Let us get on with thinking the unthinkable, rather than letting forces of environmental circumstances do our thinking for us."

Myers is such a savage, that he wouldn't even spare his own fellow Britons. An accompanying box, with the title "Brave New Worlds," lists the various options worked out by "population theorist" David Richardson for reducing Britain's current population of 57 billion, to anywhere from 50 million to a level of 7 million, depending on what environmental "benefits" would accrue from such reduction!

France signs on to Cairo genocide

by Frédérique Vereycken

France has announced its plans to take part in the United Nations International Conference on Population and Development in September in Cairo, and released its official position in a document that fully endorses the malthusian premises of the conference's organizers. Prepared by the National Institute for Demographic Studies (INED), the document was edited by the ministries of cooperation, social affairs, foreign affairs, and education. Titled "France's Contribution to the International Conference on Population and Development (1994)," it has been sent to the U.N. Population Fund (UNFPA) to be integrated into the conclusions of the Cairo conference.

"The neo-malthusian idea of a negative effect of demographic growth on economic development is still a reality," the report proclaims. "It continues to provide the principal justifications for policies that regulate births, even if it is not the only one."

The report asserts that, in the past, when there was a sustained rate of growth and international finance, major rates of sustained growth were "absorbed" (p. 3). In today's "economic conjuncture," however, this "absorption" is no longer possible, hence the necessity to decrease the rate of demographic growth. The very term betrays the malthusians' disdain for mankind: Human beings are presented as fundamentally passive, tolerable burdens only during a period of major financial flows; the hypothesis that there is a connection between population and a sustained rate of growth is not even considered.

The INED's recommendations specify: "France elaborates its demographic and cooperation policy in this domain, in conformity with the recommendations adopted by the U.N. in its global plan of action on population at the Bucharest Conference in 1974, followed by that in Mexico in 1984, and in the Agenda 21 of the Rio Conference in 1992" (p. 22). The report emphasizes France's agreement with malthusian policies for the Third World: "The understanding of the necessity for France to take a clear policy position on the population of the Third World was highlighted at the Mexico conference in 1984" (p. 22).

France's response to the U.N. conferences was to create the French Center for Population and Development in 1988 and to increase its hitherto timid financial support for the UNFPA. And, since 1987, the minister of cooperation has intervened into the domain of birth control by providing fi-

financial support to several African institutions and international non-governmental organizations that work along these lines.

Subtle, but no less deadly

In the section on "France's Contribution," there are no wild declarations such as those from some Anglo-Saxons on the necessity for a "new demographic world order." With the French, everything is subtle, *nuancé*, and malthusianism is encased in declarations of good intentions on "the emancipation of women" and the "free choice of couples" (p. 15). Insisting on the complexity of the problem, the editors of the report announce the deployment of anthropologists and sociologists to Africa to adapt the "informative message" about family planning to the cultural realities of the different African tribes. Recent developments in France's Africa policy—devaluation of the CFA franc against the French franc, support for International Monetary Fund policies, etc.—uncover the monstrous hypocrisy behind such professions on the liberty and dignity of the human person. What is actually motivating French leaders to accent their demographic policy with respect to the Third World shows up as a leitmotif throughout the report: immigration.

For example on page 7, INED writes: "The migratory phenomenon leaves the impression of having been suppressed rather than overcome; but the expected increase of

'demographic pressures' demands elaboration of a coordinated strategy among the countries of the North, South, and East Europe. The aggravation of demographic and economic disparities between Europe and Africa and within Europe cannot, in the end, be without consequences for the stability and security of the prosperous nations of the North."

In conclusion, the report calls for "regulation of migratory flows" that takes into account the "economic constraints" of receiving countries (p. 26). The image put forward is that of an aging, prosperous North confronting an impoverished, threatening South that is growing numerically and threatens to invade the North. In an interview with the May 16 issue of *Le Quotidien de Paris*, Simone Veil, who will chair the French delegation at Cairo, explains this geopolitical conception: "In the current state of our demography, and if things continue, we Europeans risk being less numerous and therefore less influential compared to peoples of other continents, who, themselves, have not stopped growing. Traditionally, we know, France has taken recourse to immigration to compensate for its low birth rate, but we are learning the limits of this policy."

France, if it is going to be true to the positive traditions of its history, should take the lead in the resistance to the Cairo conference and erect the bases of a new international financial system that can provide work and food for the billions now and in the future.



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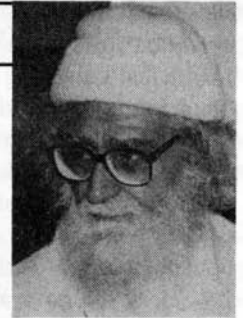
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We need peace in the world, not population control

Maulana Wahiduddin Khan is an internationally known Islamic scholar and president of The Islamic Center in New Delhi. He is also editor of the monthly magazine Al-Risala, and author of a number of books. The Maulana was interviewed in New Delhi by Susan Maitra.

EIR: With many others around the world *EIR* welcomed and strongly supports the peace agreement negotiated between the government of Israel and the Palestine Liberation Organization (PLO) late last year. It is *EIR*'s view that the economic development protocols of the agreement must be set into motion at the earliest to cement the accord, and ensure real peace.

For this and other reasons, we believe that India could play a very important role in helping implement the peace plan. India is a longtime defender of the PLO, but has cordial relations with all other parties in the region as well, and India has the engineering expertise and experience to contribute usefully to getting the development plans going.

What is your thinking on this? How do you view the Middle East peace process at this point? Do you think India could play a role?

Khan: The peace agreement arrived at between Israel and the PLO in 1993 was, as I see it, less than ideal, yet I welcomed it, because, to my way of thinking, life boils down to a willingness to accept less than the ideal. This is to adopt the possible as compared to the impossible. When the choice lies between the possible and the impossible, wisdom lies in opting for the former, as the latter is unattainable. Non-acceptance at that stage would have left the Palestinians with no gain whatsoever and no stepping-stone to a better future. As such, the best formula of realistic politics is to concede that politics is the art of the possible.

An important lesson should be learnt from the partial nature of the PLO's success. The freedom movement in Palestine was launched after the Second World War, at which time another freedom movement was launched in South Africa. Today, the latter movement has succeeded to the extent that a black leader has become the President of the country, whereas in Palestine, Palestinian leaders are still very far from their original goal. This historic experience proves that

nonviolence, both as a policy and in practice, is far more powerful than violence. What Palestinians failed to achieve by violence was achieved in South Africa by nonviolence.

As regards India's role in this case, I have no great hopes of its intervention, for although India is a great country with an intelligentsia which is in favor of maintaining peace not only in Palestine, but on a global level, its political leadership is not competent to perform this task.

India is a great country, but for want of a competent leadership, it has played no important role in the past, nor perhaps will it be able to do so in the future. However, if my appraisal is proved wrong, I shall be the happiest of men, as I hold the establishment of peace to be the most important task facing us today.

I agree, on the other hand, that India can make a substantial contribution to the development plans of West Asia. Thanks to the promotion of technical education, a class of professionally well-qualified technologists has come into existence in the country, along with a strong business class which has been on the rise for the last hundred years. This is an ongoing process, which has been given a great boost by the present liberalization policy of the government of India, and as a result of which we may rightly feel optimistic about India's future role at home and abroad. With this professional elite to draw upon, India is certainly in a position to contribute to the developmental works of this region.

EIR: In September, the United Nations is holding the International Conference on Population and Development in Cairo, Egypt. At a preparatory meeting recently in New York, Prof. Amartya Sen, the Indian economist now teaching at Harvard University, said that two approaches to the population issue—the apocalyptic malthusian approach and the developmental approach—were heading for a clash in Cairo.

The malthusian lobby says rapid population growth is the cause of poverty and underdevelopment, and is pushing hard for a strict population reduction policy to be enforced by the United Nations. Developmentalists, like Professor Sen, argue that the malthusian scare about population growth is uncalled for, since food production has kept up with popula-

tion growth in both China and South Asia, the two major population areas of the world. Professor Sen also argues that the idea that something drastic must be done about the world population is "tremendously dangerous" because it diverts attention from long-term solutions through social and economic planning and education.

The government of India has been silent on the issue in recent years and an aggressive non-governmental (NGO) population control lobby is active in the country. In your view, does the government of India need to take a more decisive stance against the "apocalyptic malthusian" approach?

As a large developing nation, India will have a significant voice at the Cairo meeting. What do you think India's position should be at the Cairo conference?

Khan: On the question of population control, I fully agree with the developmentalists, whose theories have been borne out by the events of modern history. Since the publication in 1789 of the malthusian theory that the increase in population would always outstrip the food supply, resulting inevitably in poverty, the population of the world—there being little to check its growth—has increased tenfold. According to Malthus, most of the people living in the world today should already have starved to death. As I have pointed out in my book *God Arises*, no such thing has happened. The reason for Malthus's faulty prognosis was that, although he had correctly gauged the increase in population, he failed to arrive at a correct estimate of the world's potential to grow foodstuff. His error resulted from his being acquainted only with traditional agriculture. He had no knowledge of modern, scientific methods. This shortcoming on his part rendered his entire calculation inaccurate.

In this instance, I fully agree with Professor Amartya Sen. This is the scientific viewpoint and all the facts corroborate this theory.

In the Indian context, to attach importance to population control is to turn a non-issue into an issue. There is one real issue in India and that is education. I am of the firm view that in the present situation, education must take a position of preeminence, for it is the lack of it which is the root cause of the majority of our problems.

As Mrs. Indira Gandhi once said, "Development is the best contraceptive." And education is fundamental to all development. This is the stand which India should take at the Cairo conference.

EIR: The Vatican has already spoken out strongly about the "lack of ethics" in the preparatory document for the conference, and will take an active role in the proceedings in Cairo. It is well known that Islam, like Christianity, Judaism, Hinduism, and Buddhism, does not consider human beings to be "problems" on this Earth. What is the Islamic Ummah doing to counter the campaign of the malthusian NGOs and U.N.

population control lobby?

Khan: The Muslim community is not at present engaged in any planned activity. Just as it is the Islamic viewpoint that men should live on Earth in such a way that they benefit others, at least do not create problems for others, it is also held that no artificial checks should be applied to nature. Nature's processes should continue unhindered, and it should be our principal aim to see, not that they are checked, but that they are rendered more fruitful. Our efforts should be channeled not into population control but into establishing peace in the world, and into practical matters such as ensuring that there is no disruption in the distribution of foodstuffs, etc.

EIR: Do you think this is an issue on which a "grand alliance" of leaders representing the major religions could be formed? What would be necessary to form such an alliance?

Khan: A grand alliance of religious leaders would undoubtedly be a very positive step in the right direction. This would certainly help to give a constructive orientation to the prevailing situation. Making efforts to bring about such an alliance would be a social service of the first order. In this, the Vatican and Al-Azhar should jointly take the initiative. [Al-Azhar is a very prominent Islamic university in Cairo and one of the oldest learning institutions of the Islamic faith—ed.]

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Asia is going ahead with nuclear power

by Rainer Apel

The Asians are totally unimpressed by ecologism, and will go ahead with nuclear power development, Friedrich Kienle of the Association of German Power Engineering Industry (VDEW) said during a seminar on nuclear technology at the Loccum Evangelical Academy held on June 25-26. He added that Japan, South Korea, and Taiwan are fully committed to almost doubling their nuclear power base by the year 2010, and that they are pushing for fast breeder technology (Japan, especially) and the high-temperature reactor (HTR)—technologies that are banned in the West.

“The Asians are laughing about us, especially us Germans, because of our problems, telling us to leave them alone and not tell them what to do. They don’t take us seriously any more. And indeed, we cannot even tell them much any more, because we are losing the technological edge in some of the most advanced fields of the technology. . . . In Taiwan, they’re already trying to develop their own HTR technology. If things don’t change here, we will have to knock at Asia’s doors to ask them for assistance in our nuclear problems, because we will not have enough engineers to manage our own nuclear power stations early next century.”

Many of Asia’s industrial nations have programs for power development which envision almost doubling of nuclear power supplies: Japan will have 72 reactors by the year 2010, as compared to the 47 it has now, and many of the new ones will be fast breeder reactors of the Monju type that began operating in April of this year. Taiwan will have ten reactors instead of the six it has now; South Korea will have 18-20 reactors.

Will Europe be left behind?

Should the West stick to its current policy of no new nuclear construction, which policy has even been joined by the French (who have no new plant on their agenda for years to come), the center of nuclear power development, development of new technologies and of know-how in this field will be Asia’s industrial nations. By the early part of the next century, western nations will have to come to Asia to buy the technologies they need, in the same way that Asians had to knock at western doors in the 1950s and 1960s, Kienle warned. Germany still has a worldwide technological edge with its HTR, but the Asians are working on their own models already, and

the Taiwanese may have one by the turn of the century.

The one question mark in Asia, according to Kienle, is the People’s Republic of China. In view of China’s huge population, he said, even the smallest increases in individual energy consumption already imply such giant increases of power supply, that power development is required at a scale not even envisioned by most in Europe and Germany. How the P.R.C. will solve that problem, is not known yet, but it cannot be solved without nuclear technology, that is certain.

Kienle said that the Asians are training a significant number of nuclear engineers and researchers, while in Germany, only the University of Aachen still dares to train such specialists. Under the impact of anti-nuclear sentiments, other universities no longer offer such training. In fact, by the beginning of the next century, Germany will not even have the required number of nuclear experts to close down nuclear power plants in an orderly and safe way.

‘Save the ecology: Go nuclear!’

One result of the Asian drive to modernize its energy sources may well be to step up its construction of high-temperature reactors, reported Prof. Kurt Kugeler of the German nuclear research center at Jülich, who spoke about options for leaving behind “dirty” energy sources like coal, oil, and gas.

Kugeler claimed that thermonuclear fusion (as opposed to the current fission process) is still 50 years away in terms of feasibility, and pointed to two options in the fission field for “clean” energy sources. One of these is the vastly modernized, automatically cooled European Project Reactor (EPR), a light water-based reactor type already developed by Siemens and Framatome (a joint Franco-German project). The other is the German HTR, of which Siemens is developing the smaller “module” type of 100-200 megawatts that can be built in the immediate neighborhood of population centers in densely populated parts of the world.

The HTR is the best of the available options, Kugeler said, because it meets most of the safety and non-pollution standards that are requested of modern reactors; and there’s still a lot of potential for improvement of the HTR.

Like most advocates of nuclear energy in Germany, however, who are still in the trenches after 20 years of unsuccessfully battling the Greens, Kugeler indicated that he is still trying to maneuver within the conceptual framework created by radical environmentalism. He said that a third option would be solar cell technologies, which should be massively funded, so that a viable production capacity could be built up in Germany. Already with current standards, he claimed, this technology is attractive even for northern industrial regions with relatively restricted sunshine intensity like Germany.

Kugeler called for a national consensus based on reason, “a triad of safety: nuclear fission, thermonuclear fusion, and solar cell technologies as the core of non-fossil energies that will be used in the future.”

Money mandarins lay siege to Africa's bank

by Lawrence Eyang-Echaw

Former World Bank Vice President David Knox has successfully browbeaten the board of governors of the African Development Bank (ADB) into accepting a 32-point economic austerity plan that will close down nine of the bank's regional offices and will cripple the pan-African financial institution's operations.

Knox secured this *tour de force* at the 30th anniversary Board of Governors meeting in Nairobi on May 11-13. The agents of Wall Street and London money mandarins had been secretly expressing alarm at the expanding success of the ADB, which had been running credit policies in support of national institutions, irrigation, and agriculture, hydroelectric dams, industry, and transport facilities in Africa for the past 30 years. Over the years, the ADB has been helping to form sub-regional development banks, finance institutions, and pan-African organizations such as the Sierra Leone Development Bank (SLDB), Banque Centrafricaine d'Investissement (BCI), the Development Bank of Zambia (ZDB), the African Project Development Facility (APDF), and real estate financing institutions such as Shelter Afrique.

At the bank's creation in 1964, African states were anxious to preserve its African character, by insisting that two-thirds of the share-capital must remain African. But beginning in 1972, money mandarins in New York succeeded in penetrating the bank. About 26 western, Ibero-American, and African countries were admitted. The veto powers of the Africans were scrapped, in favor of decisions by consensus, which ended up giving effective veto power to the agents of Wall Street. Since 1974, New York bankers had been casting a covetous eye on the ADB. The solid quality of its assets, capital structure, equity investments, assets and liability management, borrowing and lending rate match, liquidity management, and internal financial operations had improved the bank's ratings at Moody's and Fitch Investors Services. In June 1990, Standard and Poor's upgraded the rating of the ADB's senior debt to AAA. When, in 1991, *Euromoney* magazine named the ADB "Supranational Borrower of the Year," it became clear to the Anglo-American oligarchy that the time had come to prey on the pan-African institution, before it became strong enough to challenge the International Monetary Fund (IMF) and World Bank. They launched a double-pronged attack, through an inside plant, and took over the African Development Fund.

On March 30, 1994, the member countries of the Organization for Economic Cooperation and Development sitting on the ADB's board met separately in London, and agreed upon a common strategy to tighten the financial noose around the ADB's neck. They decided to freeze the replenishment of the African Development Fund—a concessionary loan affiliate of the bank—until the draconian austerity plan, which was intended to cripple the bank, was implemented.

David Knox's "audit report," which made the austerity measures a mandatory condition for the disbursement of further funds, said, "The bank is more and more torn between the conflicting stands and objectives of its shareholders. Its inability to realize quality projects, presenting durable advantages for the continent, has been compromised." The report went on to say that "the quality and profitability of the projects financed, is more and more doubtful, particularly because there is little project evaluation, which could enable the bank to ameliorate its project judgment from past experiences."

Black sheep

Babucar N'diaye, the Senegal-born general manager of the bank, had already switched loyalties long before. Taking orders from western money mandarins, the African Board of Governors has become a mere spectator of the unholy trinity of N'diaye, the agents of Wall Street, and the IMF. In order to secure his perpetual reelection as head of the bank, N'diaye has made respect for IMF conditionalities mandatory for all loan-seeking countries. He has adopted an autocratic style of management, making nepotistic recruitments and appointments, which have created an atmosphere of conflict within the bank. His wife, Marlyatou N'diaye, and her cousin, Ibrahim Mami Barry, control the bank's strategically critical department of human resources. In order to ensure his reelection for a second five-year term in 1990, Babucar N'diaye schemed with the New York banks to eliminate potential rivals such as Donatien Bihute of Burundi and Tekalign Gedema of Ethiopia. In March, the director of the Treasury Department, Ghana-born Koffi Bucknor, resigned in a huff. N'diaye has also dismissed two Senegalese senior officials, Cheikh Sarr, and N'Dao, directors of the department of management and of the Uhel has been installed in the Treasury Department, while a Canadian of Indian origin has been appointed to control the bank's computer department, where "creative accounting" operations are concocted.

At the Nairobi General Assembly meeting of May 9, the Libyan representative of the bank, Mr. Sherif, called for a probe into Babucar N'diaye's shady dealings with money launderers at the now-defunct Bank of Credit and Commerce International. N'diaye stormed out of the meeting, and immediately set about rallying support from the industrialized countries. So in effect, N'diaye has mortgaged the sovereignty of the bank to Wall Street, in exchange for a guarantee to win a third five-year term at its helm.

Operation Margarita is not complete

A nice blow was struck against the Colombian cocaine cartels in France, but it needs to be followed up.

Operation Margarita for the first time has allowed the dismantling of "an entire pyramid of the Colombian drug cartels in France," declared Commissar René Wack, chief of the Central Office for Repression of Major Financial Crime.

Sixty-one persons, including some 20 Colombians, are under interrogation in the wake of the wave of arrests carried out in Paris, Marseille, Montpellier, Limoges, and Lille.

The suspects will be arraigned before Paris Judge Jean-Pierre Zanotto, who is assigned to the case.

The whole affair actually began one year ago. The U.S. Customs Service noticed at that time that some Colombians were regularly crossing the Atlantic to travel to Europe and especially to France.

It was a tipoff from the U.S. Drug Enforcement Administration which led to the arrest of "El Turco," the supposed godfather of the Colombian cartels in Paris.

Meanwhile in the United States, in Atlanta, Georgia, and Miami, Florida, 34 men have been questioned, including three cartel "bankers." The DEA also seized \$15 million, 43 kilos of cocaine, and 112 kilos of marijuana, and froze 96 banking accounts.

At the same time, some 30 persons were picked up in Italy.

The French commented on their action in the course of a press conference in Nanterre at the offices of the Interior Ministry. René Wack underlined that there are two kinds of individuals in this affair: "Sleeper agents of the Colombian cartels, and agents infiltrated into society."

In the latter category, Wack re-

ferred to "men of nondescript complexion, with no past criminal record, and with no noise. The drug traffickers use methods worthy of the intelligence services, especially when it comes to compartmentalization, mailboxes, and transmissions.

"What could be more cunning, than to operate in Limoges! What ordinary policeman would go looking for money laundering in the land of porcelain? We have agents delegated by the Colombians, types whose only quality is a talent for being forgettable. Among our clients, there are numerous 'Schtroumpfs,' i.e., people who are entrusted with small quantities of money to recycle on the multitudes of the most important accounts. The small streams make up the big rivers," explains the boss of the anti-money-laundering office.

René Wack congratulates himself on having, this time, put his hands on "an entire structure of organized crime. . . . We have all the branches of the network, financial as well as material, and even of the distribution of drugs, including the passageways which interconnect them with one another."

Operation Margarita brings to light a new phenomenon: The Colombian traffickers want cocaine consumption to explode in France. They are no longer content with using the country merely as a transshipment area.

The pattern complements the growing criminalization of former communist eastern Europe and Russia in which western Europe, especially Germany, is the target for a growing black market of smuggled drugs, alcohol, and cigarettes and corresponding large-scale money laundering, as de-

scribed in the cover story of *EIR* of May 21, 1993.

René Wack thinks that Operation Margarita could have repercussions in other countries, perhaps in the Antilles and Guyana in the Caribbean, as well as elsewhere in Europe.

What are the real financial networks? What banking institutions are at the heart of the laundering operations for drug profits? Such are the questions which the next phase of Operation Margarita will have to pose and answer.

This operation against the Colombian cartels is very important. How can it be explained, however, that it is taking place after drug consumption has just been legalized in Colombia and the President-elect, Ernesto Samper Pizano, is a fierce partisan of drug legalization? If law enforcement agencies on a world scale really want to be effective, they must go on to phase two of Operation Margarita and create the conditions for cleaning up the political class and justice within Colombia itself.

The first objective of such a phase would be to nullify the election of Samper, who has been the main spokesman for the drug banks' legalization plans since 1976, a man whom the cartels have shamelessly "watered" since 1982 when he was campaign treasurer for former President Alfonso López Michelsen's failed reelection bid.

Colombia must also go back to penalizing drug consumption.

Failure to complete Operation Margarita by this phase two would bring grist to the mill of the skeptics who see in Operation Margarita nothing but an attempt to eliminate, after the Medellín Cartel, all the mafia cartels (the Cali Cartel, notably, which controls 70% of the Colombian cocaine market) in the context of "setting up a state monopoly" to market Colombian cocaine and marijuana.

Business Briefs

European Union

Delors backs investment in infrastructure

European Commission President Jacques Delors attacked several finance ministers for their resistance to public financing of large-scale rail and other infrastructure projects on June 21. The quality of life in European states depends on transport, health services, and education, Delors said, but a "hard and pure neo-liberal ideology" that ignores "the idea of public goods in the economy" is blocking such investments.

"Is it extremely dangerous, in the matter of public finances, to borrow to finance technologies that will serve future generations?" Delors asked, according to the June 24 French daily *Libération*. He said that trans-European transport networks are "investments for the next three or five generations ahead. . . . Would they have built railroads in the 19th century, if they had had to have the certainty, from the first year of their being used, that they would be fully profitable?"

Delors singled out the British, German, and French finance ministers. "They preach a doctrine that has failed everywhere, and yet they have the cheek to attack those who try to advance an alternative. . . . I must express my anguish at the spectacle of European society breaking up and leaving so many victims by the wayside," he said.

Africa

34 million threatened with starvation

Over 34 million people in Africa are threatened with starvation, Abdou Diouf, the director of the U.N. Food and Agriculture Organization, warned in a press conference in Rome on June 20. Eastern Africa is the worst, with 22 million threatened. The situation has "dramatically worsened" and a "very serious food crisis" exists, he warned.

"More and more people are dying of hunger and malnutrition," he said. "In the developing sector alone, 800 million people are chronically malnourished." The main task of the coming decades will be to upgrade food

production for an expected 9 billion people in the year 2030, he said. Diouf urged the industrial countries to donate more food aid; until now, countries belonging to the Organization for Economic Cooperation and Development have pledged only one-third of what is needed just for emergency food aid.

International Credit

Cancel Third World debt burden, says cardinal

Nigerian Cardinal Francis Arinze called on "rich nations" to "cancel, or at least drastically reduce . . . the foreign debt of Third World countries," at a press conference in Rome on June 17, the Rome daily *L'Informazione* reported. The press conference came at the end of a meeting of cardinals in Rome called by Pope John Paul II to discuss the "agenda for the third millennium."

On June 20, journalist Maurizio Blondet, in the daily *Avvenire*, a newspaper linked to the Italian Bishops Conference, wrote from Rwanda that the International Monetary Fund is the cause of Africa's misery and "underpopulation." "Africa is not overpopulated; just the opposite. Africa is dying for political reasons. It was the International Monetary Fund that forced African countries to replace subsistence cultures with export ones. In Sudan, the IMF has prevented the construction of dams and canals in the sub-Saharan southern region. Sudan had first to pay the foreign debt. And for three years its sub-Saharan, southern region has been plagued by drought."

Shipping

Seaborne U.S. trade with Africa is minuscule

Total U.S. seaborne container trade with Africa in 1993 was less than 50 shiploads, according to data from the Port Import and Export Reporting Service (PIERS) of Knight Ridder. PIERS, which tabulates imports and exports at U.S. ports as reported in ships' manifests, calculated that U.S. exports to all of Africa in 1993 totaled 76,385 TEUs (20-foot

trailer equivalent units), the June 15 *Journal of Commerce* reported. (The average deep sea container ship in 1990 had a capacity of 1,568 TEUs.) By contrast, U.S. container exports to Europe in 1993 were just over 2.5 million TEUs.

The largest U.S. export commodity shipped in containers to Africa was apparel (6,872 TEUs), followed by cotton and fabric (5,798 TEUs). An *EIR* analysis of data from the U.S. Maritime Commission in 1989 found that the fifth largest U.S. export to Africa in tonnage terms, after grain, waste paper, and different types of chemicals, was used clothing. This is likely what is being reported as the first and second largest U.S. exports to Africa in containers.

Medicine

American firm buys AIDS vaccine license

The U.S. firm Sheffield Medical Technologies has bought the license for a vaccine against AIDS from the National Institute of Health and Medical Research (Inserm) in Marseille, France. Jean-Claude Chermann, the head of Inserm, told Associated Press on June 22, "If everything goes well, we will conduct our first experiment on humans in mid-1995 under the supervision of the [U.S.] Food and Drug Administration."

Chermann told the Paris daily *Le Figaro* on June 22 that the complexity of the virus forced his team to work with seven different levels of the virus to find "a common element for all the strains. . . . When the virus moves out of the cell which it has infected, it carries a piece of substance called beta 2 microglobulin. We have created antibodies against this little piece which is always the same. These anti-bodies are protectors against the virus, because they prevent it from entering the cell. The tests on the Rhesus monkey have allowed us to obtain anti-bodies without toxic reaction, that show the model is feasible." His idea is to halt the mutability of the virus. "When you block the mutability factor, we should be able to stop the evolution into the illness," he said.

The vaccine may be administered with the oral polio vaccine, in order to facilitate its distribution in Africa, Chermann said.

Sheffield will give \$600,000 for research

and \$750,000 to install a new laboratory in Marseille. The city will add \$600,000 for the project.

Economic Cooperation

German industry must act in Russia, says Kartte

German industry should undertake new initiatives in Russia, German economic adviser Wolfgang Kartte told the German economic daily *Handelsblatt* on June 21. Kartte announced that he will organize a conference of all German "project designers" who are engaged in central Russia, both public and private, in Potsdam, Germany.

The core of German economic activity in Russia should be within the "golden ring" around Moscow, including the cities Vladimir, Yaroslavl, and Ivanovo, he said. Kartte explained that the ring around Moscow within a 400-kilometer radius is dominated by small and medium-sized businesses, as is much of Germany, and offers good prospects for German-Russian economic cooperation.

Kartte said that the ideological proponents of a "super-liberal market economy" are on the defensive in Russia and that the new Russian Parliament is characterized by more pragmatic views in respect to market economy, and therefore now is the time to act. The Russian population doesn't want political unrest, and even the communist parliamentarians are avoiding major confrontations with the government, he said.

China

New bank reveals plans for infrastructure

The State Development Bank, set up in May as part of the financial reforms to finance infrastructure projects, expects to lend 80 billion yuan (\$9.3 billion) this year for power generation, transportation and telecommunications projects, bank president Yao Zhenyan told the June 24 *London Financial Times*.

Zhenyan said that building power plants "all the way to Tibet" is at the top of China's

infrastructure list. Two other priority projects include the Three Gorges Dam on the Yangtze River, which will receive 3 billion yuan in loans from the bank this year for civil works, and the Beijing-Kowloon railway.

Meanwhile, the southeastern province of Jiangxi announced plans to build a nuclear plant costing \$5.17 billion, in what would be a major expansion of the Chinese nuclear program, the June 24 pro-Beijing Hongkong daily *Ta Kung Pao* reported. Wang Minxiang, director of the provincial planning commission, said that the province had set up a nuclear energy office to prepare the groundwork for a plant at Maozishan, in Pengze county. He said that the plant is designed for four to six 900-megawatt reactor units.

Demographics

French birth rate continues to decline

A study conducted by the French National Institute of Statistics (INSEE) shows both a continuing decline in the birthrate in France and a rise in the age at which women begin having children, the *News from France*, an English-language newsletter issued by the French Embassy in Washington, reported in June. The drop in the birth rate is the fifth straight year in a row.

France has a lower birth rate, at 1.73 children per woman as of 1992, than Sweden (2.09), Norway (1.89), Finland (1.79), Denmark (1.76), Ireland (2.03), and Britain (1.79). The average age at which women have their first child has crept up from 24.4 years in 1980 to 26 years in 1992, and over one-third of all French children are born out of wedlock. Between 1991 and 1993, there was a staggering drop of 48,100 in the number of births in France.

News from France reported in the same issue that 157 million condoms were sold in France in 1993, based on figures from the National Consumer's Institute. "The sales of condoms have more than tripled in France since 1986. However, various organizations and the medical community are busy combatting a current rumor that the condom is ineffective against the AIDS virus," it said.

Briefly

● **GOLDMAN SACHS** is being investigated by the Chicago Board of Trade for attempting to rig prices on municipal bond derivatives. The investment firm is being accused of artificially inflating prices on a futures contract just before the contract expires, the June 24 *Wall Street Journal* reported.

● **TAIWAN** Aerospace Corp. Chairman Sun Tao-tsun met with British Aerospace Plc. officials in London in mid-June. The meeting was apparently connected to Taiwan's plans to begin exporting its Indigenous Defense Fighter in 1999.

● **THE BREAKDOWN** of agriculture in eastern Europe and Russia is a threat to the European Union because "it could suddenly be transformed into tests for social stability in a dramatic way," a delegation of experts warned after a trip to these countries. They urged the EU to urgently upgrade technical and economic assistance to these nations.

● **PRIVATIZATION** efforts are triggering strikes in Europe. In June, rail strikes hit Holland, France, and Great Britain, where government privatization schemes are creating intolerable conditions for trade unions. In Germany, such schemes have provoked strike action by postal workers of a type that is unprecedented in the post-World War II period.

● **THE SWISS BANK** Corp. fired six foreign exchange traders in June after the bank lost 100 million Swiss francs in foreign exchange speculation. The decision is intended as a warning against the most outrageous speculative schemes.

● **WESTINGHOUSE** Electric Corp. was issued a license by the U.S. Nuclear Regulatory Commission on June 10, authorizing export of low-enriched uranium to fuel the two-unit Temelin nuclear plant in the Czech Republic. The NRC emphasized the intent of Congress to "enhance the United States' position as a reliable supplier of nuclear fuel."

The space effort: picking up where Apollo left off

The program to land a man on the Moon was the largest peacetime scientific mobilization in history. We need to revive that science driver to end the economic depression. Marsha Freeman reports.

As the United States and much of the world celebrate the 25th anniversary of the first lunar landing on July 20, the future of manned space exploration itself is in doubt. The global economic depression has forced a retrenchment in the American, European, and Russian space efforts, to the point where even programs that have been nearly completed, such as the Russian Mir 2 space station, or those that *should* have been completed, such as the U.S.-led international space station, face an uncertain future. What is needed to reverse the economic decline is a visionary space effort, with the goal of landing men on Mars in the second decade of the next century, to function as a science driver for the economies of the world.

President John F. Kennedy's program to land a man on the Moon and return him safely to Earth within the decade of the 1960s was unique in two ways. First, it was a crash program, not because, as is charged by austerity-mongers, it gave a "blank check" to the National Aeronautics and Space Administration (NASA) to accomplish the lunar landing, but because it set a timetable. In order to meet the goal, all of the necessary resources had to be mobilized, and because of the personal commitment of the President, they were. Today, goals are set but are *not* met, because the nation's goals are made secondary to the ill-informed decision that the resources do not exist to achieve them.

Second, it was the largest *peacetime* mobilization of scientists and engineers in history. As a great research and development effort, the Apollo program required the creation, design, fabrication, and testing of new technologies to take man into a totally new environment—space. Because it was a civilian program, it functioned as a "science driver" for the whole U.S. economy, putting new capabilities, such as computers, into widespread use in industry, agriculture,

the medical sciences, and all facets of American life. Increases in productivity as a result of the capital investment in new technologies allowed even greater resources to be allocated for science and technology. In that way, it laid the economic basis for taking man even farther than the Moon.

It is often said that the trouble the space program finds itself in today is a function of the end of the Cold War; that the driving force of the Apollo program was beating the Russians to outer space, and that now that such competition is gone, no one can find a reason to spend the money on space exploration. While it is true that the "space race" from the late 1950s was predicated upon the development and deployment of military vehicles, such as the intercontinental ballistic missile (ICBM), to President Kennedy, the scientists and engineers, and the American public, the program to take man to the Moon was something much greater than an effort to gain political or military advantage in very turbulent times.

The Apollo program represented the commitment of a nation to accomplish a great task; one of historical dimension, that had challenged man from the time he looked up into the heavens. The idea that man and his machines could cross the void of space, in an environment that provided no air to breathe or life support of any kind, and land on another heavenly body, captured the imagination of everyone in the 1960s. It is estimated that approximately half of the world's population either watched on television or listened on the radio as Neil Armstrong announced that he was taking "one small step for a man; one giant leap for mankind," when he stepped onto the Moon on July 20, 1969.

The American people have never lost interest in the space program. Ten million people each year visit the National Air and Space Museum in Washington, D.C., making it the most popular museum in the country. When asked why they come



Within months of the Apollo 11 Moon landing, astronauts Neil Armstrong, Edwin "Buzz" Aldrin, and Michael Collins toured 24 countries as a Presidential Goodwill Tour to emphasize the willingness of the United States to share its space knowledge. Here the three astronauts are swarmed by crowds during a motorcade in Mexico City, a testimony to the global enthusiasm generated by their achievement.

there, most say because it makes them proud. The possibility that man will venture out again into space, to live and work on the Moon and to explore and colonize the planet Mars, stirs the imagination of every young child and every adult who has the hope that his children will participate in that mission.

But there is no way to reach these goals through tentative, incremental steps, hoping that they will someday make the leap to a manned mission to Mars. A crash program that sets the goals with a timetable is what is needed. While we have lost time during this past quarter-century when no visionary goals existed for the space program, we must set the long-range goals for the next decades, and shape a programmatic timetable of near-term milestones that enables us to meet those goals.

Turning economics on its head

There is a gross misunderstanding in Washington and throughout the West of the role that investment in space and related research and development plays in the economy. In general, the belief is that in times of budget deficits, worthwhile efforts such as space exploration have to be sacrificed because there is not enough money to pay for such "extras." In reality, *only* investment in these kinds of great projects, and the infrastructure that makes them possible (which includes education and medical care, as well as energy, water, and transport upgrades), has the potential to pull the economy out of the current depression.

The usual approach in formulating the federal budget is to start with what are called the nondiscretionary programs, such as payments for unemployment, health care, welfare, social security, and veterans benefits, which are commitments the government has made by law. Vital programs deemed to be in the national interest, such as military spending, are added in. And then there is the more than \$200 billion annual U.S. federal debt payment.

What is "left over" can be budgeted for discretionary spending, within which is included the funding for the space program and other science and technology activities.

As the real, physical economy has progressively collapsed and tax revenues from corporate and individual income have contracted, "social safety net" spending has climbed against falling tax revenues: not only do the indigent and unemployed have to be cared for, but so also do the increasing number of working poor who qualify for food stamps and other income supplements.

There is no magic involved in understanding the causes of the current budget deficit.

Aside from timid initiatives from the White House to increase employment opportunities and investment in industry, construction, and other productive sectors, the approach is a "slash and burn" budget-cutting one, and the discretionary programs, such as NASA, are the first ones on the chopping block. This approach is supported by both Republican "fiscal conservatives," and self-described "austerity Democrats."

Cutting the budget will *never* lead to economic prosperity. Quite the opposite. As investments in infrastructure, education, scientific research, and scientifically vectored great projects are sacrificed, and the decreasing wealth of the physical economy is siphoned off to feed spiraling speculation and derivatives, the faster the economy spins downward.

One important exception to this upside-down idea that a nation in economic crisis cannot afford to maintain a scientific capability has been in the former Soviet Union. On Sept. 2, 1991, one month after the attempted coup against Mikhail Gorbachov, Academy of Sciences Vice President Yevgeny P. Velikhov made an impassioned plea before the Extraordinary U.S.S.R. Congress of People's Deputies that they "not break things so violently that the pieces cannot be put back together again." After enumerating the serious problems facing the economy he asked: "What distinguishes Third World countries from those in the First World?"

"In the main," he asserted, "Third World countries have resources, they have a work force, too, but they do not have science or expertise. . . . If we destroy science we shall never rebuild it. . . . Then we will have no future." Over three decades, Velikhov has held leading positions in the Soviet Union's, and now Russia's, programs in thermonuclear fusion research, magnetohydrodynamics energy technology, the applications of lasers in industry, and the conversion of military assets to civilian use, and he has a broad understanding of the role of science and technology in an economy. Other spokesmen of the Russian scientific community have suggested that some fraction of the foreign aid that is given from the United States go directly into the space program.

It is past time to insist that the limiting factor in what is accomplished in space exploration should not be funding, but the time that is needed to rebuild the infrastructure—the scientific and engineering manpower, the laboratories and R&D facilities, the high-technology factories and skilled work force—needed to meet our goals. The Apollo program is the paradigm of how a science driver creates the basis for economic growth.

The economics of space exploration

The investment that the United States made in the Apollo program, primarily between 1961 and 1968, created the economic growth enjoyed through the following decades. The Apollo expenditure, approximately \$20 billion over that period, is less on an annual basis today than the American public spends on pizza, much less video games and entertainment.

Direct federal dollars used by the space agency during Apollo created 20,000 new government jobs in government-funded facilities, including NASA research laboratories, and also paid the salaries of nearly 400,000 highly skilled manufacturing workers who were building the rockets and space vehicles in the burgeoning aerospace industry.

But in order for there to be a permanent impact on the economy, such government-funded activity must create in-

vestment, jobs, and new technologies in the private sector. A study on this subject published by *EIR* in 1986 yielded an interesting result: It was not simply government tax dollars that created the 1960s economic growth. Private corporations began expanding existing facilities and ordering new machine tools *using their own financial resources* after President Kennedy announced the Apollo program, but *before* government contracts had wended their way through the economy. In 1963, there was a net addition of 124,000 metal-working machine tools in industry. In 1958, there had been a net loss of 211,000. Throughout the decade of the 1960s, heavy industry in the United States virtually "rebuilt" itself.

It was the optimism generated by the President's initiative that drove the economic activity, not government contracts as such. This *expectation* that the Space Age would bring with it a revolution in all facets of economic life was expressed in a 1962 book by the editors of *Fortune* magazine when they described the relationship of the emerging space program to the aerospace industry as "hitching the economy to the infinite."

The challenge of *manned* space travel through the Apollo program revolutionized technologies in energy production, electronics and computer control, medical techniques, and materials. The robotic spacecraft programs, which were the necessary precursors to sending men into space, contributed to this cornucopia. The overall impact of these programs on the economy was described in a study released by Chase Econometrics in 1976 that estimated that for every \$1 spent in the space program, \$14 were returned to the economy in new jobs, factories, technologies, products, and other economic activity.

Launching hardware into space required that it be as light and compact as possible. Heavy and bulky first-generation computers and electronic devices based on the use of vacuum tubes, had to be replaced by superior technology. Space assets, even unmanned, would be too expensive to lose to failures and malfunctions. Hence, standards of production to meet more stringent specifications were needed, surpassing anything required by even the military. The inability to meet this challenge could mean that spacecraft worth hundreds of millions of dollars, representing years of work, could fail on their way to Venus or Mars. One of the differences between the U.S. and Soviet economic systems was the ability of this technology to be transferred to the economy.

For example: In 1964, to ensure that the standards would be met, NASA established a reliability program for micro-electronic products, which were subsequently adopted by the Department of Defense and the microelectronics industry as a whole. The production of components in accordance with NASA standards reduced the percentage of spoiled parts and increased production yields by about 20%, making the infant U.S. electronics industry the leader in the world market.

Nastran, a computer software package developed for analyzing the behavior of elastic structures under the wide range

of conditions that spacecraft would be subjected to in space, was released for public use in November 1970. It had been developed at NASA's Goddard Space Flight Center between 1965 and 1970 at a cost of \$3 million—an investment no individual firm could afford—and has been used in aircraft and automobile production, bridge construction, and power-plant modeling studies.

To ensure the production integrity of spacecraft components before they were launched into space, NASA researchers developed extraordinarily precise, non-destructive testing techniques. Ultrasonic testing technology developed by NASA at a cost of \$2 million turned into an industry with annual sales of \$50 million by 1980. It was adapted for use for quality control in the production of steel rails, aircraft, nuclear reactors, and automobiles.

The multiplexer circuit developed for the Marshall Space Center for use in the Saturn V rocket to go to the Moon was installed in most U.S. textile weaving mills between 1968 and 1971, yielding productivity increases of 2-3%. There are thousands more similar examples.

Improving the human condition

When the time approached that *man* would venture into space, the space agency and the doctors working in the program had a new host of challenges. Monitoring the health and bodily functions of astronauts over long distances required the development of the kinds of technologies that have become an everyday part of intensive care units in today's hospitals.

The microminiaturization revolution for space applications created medical applications for treating diseases using tiny systems that could be implanted. The treatment of diabetics using an implantable insulin pump was one such spin-off, which, it is estimated, could cut the \$20 billion per year in medical costs to treat this disease in half, by greatly reducing the complications and illnesses through a precise regulation of insulin dosage.

The first implantable devices were heart pacemakers, which have evolved as space systems improved. The first pacemaker of the late 1950s failed within less than 12 hours after implantation. The first spacecraft, launched in the 1950s, had useful lives of only a few weeks. The development of rechargeable lithium batteries has extended the lives of both from days to years. The need for spacecraft to contain control systems that allow them to respond to radio commands from controllers on Earth led to the development of pacemakers today that respond to signals from a physician's console that controls the stimulation pulse rate to the heart, for adjustment and regulation.

In addition to the medical devices that have been developed, largely by researchers directly involved in the space program by applying the advances in new materials and microminiaturization, some systems developed for space have found direct application in treating disease.

On May 23, 1994, NASA and the Multiple Sclerosis Association of America announced a collaborative program to continue to advance the state of the art in "cool suit" technology, originally developed for lunar astronauts' space

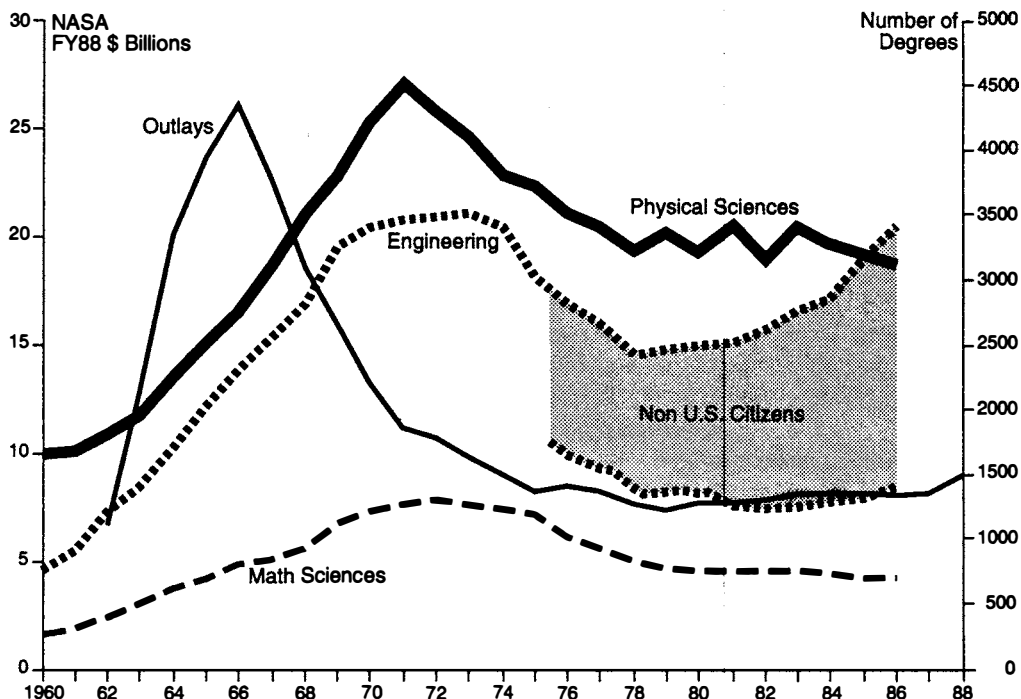


NASA space suit technology is applied here to protect patients from immunological compromise, yet allow them a degree of freedom. In case of leukemia, organ transplant, burns, radiation injuries, and immunodeficiency, infection is frequently life-threatening. Isolation techniques first developed for the space program have vastly improved the prognosis of these patients.

FIGURE 1
NASA budget outlays and science and engineering doctorates, 1960-88
 (billions \$)

The number of U.S. citizens earning graduate degrees in the physical sciences, engineering, and math has closely followed the funding for the space program. Recent educational "reforms" have only accelerated the decline in science literacy.

Source: NASA.



suits, to treat the disabling symptoms of multiple sclerosis (MS). It was found 30 years ago that lowering the core body temperature of MS patients 1°F relieved some of the symptoms of this disabling neurological disease.

Patients find that after 30-40 minutes of wearing a cooling cap and torso vest adapted from astronaut space suits, they have improved mobility, reduced fatigue, improved vision and cognitive abilities, and decreased psychological depression. This relief can last up to four hours after a cooling session, and cumulative improvements in functioning have been observed.

In anticipation of the availability of longer periods of weightlessness for research purposes aboard the space station, new equipment is being developed to study human biological processes in space, which have already been applied to the treatment of disease, years before the space station will fly.

But the real promise of space for improvements in human health is in the fundamental understanding of biological processes, to help *prevent* as well as treat disease. Just as space-based astronomy has opened a new window on the universe to help scientists understand the fundamental laws by going outside the barriers of Earth's atmosphere, the environment of Earth orbit provides a new window on biology, by removing one of the basic factors of life on Earth—gravity—to be able to observe its effect on the human biology.

Many of the changes that healthy astronauts experience in their adaptation to the weightless environment, such as loss of bone calcium and diminished effectiveness of their immune system, mimic the signs and symptoms caused by diseases such as osteoporosis and AIDS. Joint programs by

NASA and the National Institutes of Health are being developed to extend the use of this unique space environment to try to discover the fundamental biological mechanisms that produce such disease effects, to aid scientists in their search for the causes, treatments, and cures.

The direct application of space technology *from space* has provided weather forecasting techniques that save millions of dollars in damage to homes and property each year. Landsat and other Earth remote sensing systems have given farmers the tools to evaluate the health of their crops and the inventory of water resources, and have provided the technology for global assessments of resources. Communication satellites have provided not only instantaneous connections between all peoples of the world, but also the ability to be a "teacher in the sky" to isolated communities in Third World nations where there is no other access to education.

One immeasurable impact of the Apollo program on the economy, and perhaps the most important, was the inspiration of young people to dedicate their lives to careers in science and engineering. As **Figure 1** shows, in the past 30 years, the number of American students pursuing studies in the natural sciences and mathematics rose dramatically in response to the Apollo initiative. This scientific cadre, like those trained under Adm. Hyman Rickover for the nuclear Navy, became a pool of talent in the space program and throughout industry, in all of the widely varied fields that the space program touches upon.

Does it not put the ferocious debates in the Congress over spending \$14 billion per year on space programs in the proper perspective to remember the leverage of this small investment

in the economic and physical health of the world's peoples?

The challenge of Mars

Mankind has visited the Moon, but we have not yet begun to take advantage of its unique properties and resources. On that airless world should be placed a new generation of telescopes to peer out into the universe without the interference of an atmosphere or the electromagnetically noisy environment of Earth.

Lunar oxygen and other raw materials can be exploited for use in space. Because the Moon has an effective gravitational force only one-seventh that of Earth, materials that are needed for more distant destinations in space that can be supplied from lunar manufacture are more economical than those launched from the surface of the Earth. In the future, unique lunar resources, such as the rare isotope helium-3, which can be used as fuel in nuclear fusion reactors, may be economical to mine on the Moon and transport back to Earth.

Data sent back recently from the Clementine spacecraft suggests there may be water ice on the lunar poles. This could obviate the need to transport water for a lunar colony from Earth, which would otherwise involve a substantial cost. To establish human civilization on the Moon, the costs of creating an artificial life-sustaining environment must be reduced. This requirement will lead to new advances in closed-cycle life support systems where the precious water, air, and other resources needed by plants and people will be recycled rather than discarded. Such life support techniques, which will make it possible to live on the Moon, will also make it possible to develop the most hostile environments on Earth, such as the deserts.

For lunar cities and large-scale industrial production, more advanced, high-density, compact nuclear energy sources will be developed. The two-week lunar night, and the need for highly concentrated energy will limit the use of solar energy. Such next-generation nuclear fission technologies, using advanced fuel designs, direct conversion to electricity without steam turbines, and new materials for higher temperatures, will push forward the commercial development of the second-generation nuclear reactors now stalled by the Department of Energy.

The Moon, relatively nearby, will function as a test-bed for many of the new technologies that will be required for mankind's next destination, Mars. Unlike the Moon, the red planet had a geologically active past which produced the largest volcano in the solar system, a canyon that stretches 3,000 miles, and intriguing networks of channels that were clearly produced by rivers. The tenuous Martian atmosphere is a starting point for eventually terraforming the planet, and provides a "mineable" source for carbon dioxide and other consumables.

While we will not be able to definitively answer the question of whether there has ever been, or whether there is life on Mars until we get there, we can plan now to *bring* life

there in the future.

Because Mars is tens of millions of miles from Earth even at its closest point, as opposed to the quarter of a million miles to the Moon, manned missions to Mars will require quantum jumps in propulsion technology to get there and life support systems that are highly reliable and entirely self-sufficient, because resupply from Earth will be difficult as well as uneconomical.

Thermonuclear fusion energy, produced from the fusing of light elements in the same way the stars create their energy, will be the propulsion of choice for manned Mars missions. While chemical propulsion technologies similar to today's Space Shuttle would involve travel times of nine months or so, and fission propulsion could shorten that by a couple of months, fusion has the potential to reduce the travel time to Mars to a matter of weeks. This is important for two reasons.

First, the radiation environment of space makes it advantageous to get wherever you are going as quickly as possible. Second, prolonged weightlessness has already been demonstrated to have serious debilitating effects on humans. A crew which arrives at Mars having suffered bone decalcification, shrinkage of heart muscle, and loss of muscle tone will be less able to start its exploratory work.

The development of fusion power, pushed forward due to the need to travel deeper into space, will make available to those of us who remain on Earth a virtually inexhaustible supply of energy both in the form of electricity and heat, and also in the form of coherent electromagnetic radiation, such as lasers of varying wavelengths, which can be used for industrial processing.

Living and working on Mars will require the creation of whole new processes for the mining of life-supporting consumables from its atmosphere and surface, and raw materials for manufacture. The carbon dioxide atmosphere, which is poisonous for humans, could be breathable for plants in protected greenhouses that are heated and shielded from radiation.

The goal is to make this new world habitable; to perform the scientific experiments in astronomy, geology, biology, chemistry, agronomy, and plant physiology to unlock some of the secrets of the formation of our solar system, the development of the planets, and life on Earth.

The Apollo program opened up the solar system to man's exploration. Now we must rehearse and prepare for the next century's goal of man on Mars, first on Earth-orbiting space stations, and then on the Moon. While we do that we must continue to send unmanned representatives of our intelligence to the planets that cannot yet be reached by man, and to more distant objects.

With an international effort that takes advantage of the 30 years of space science and technology we have inherited, and brings into participation all of the "old" and "new" nations which must be part of this effort, the next step can be taken. The returns cannot be imagined today, but they will far exceed our expectations.

Dope mob buys Colombian presidency

by Valerie Rush

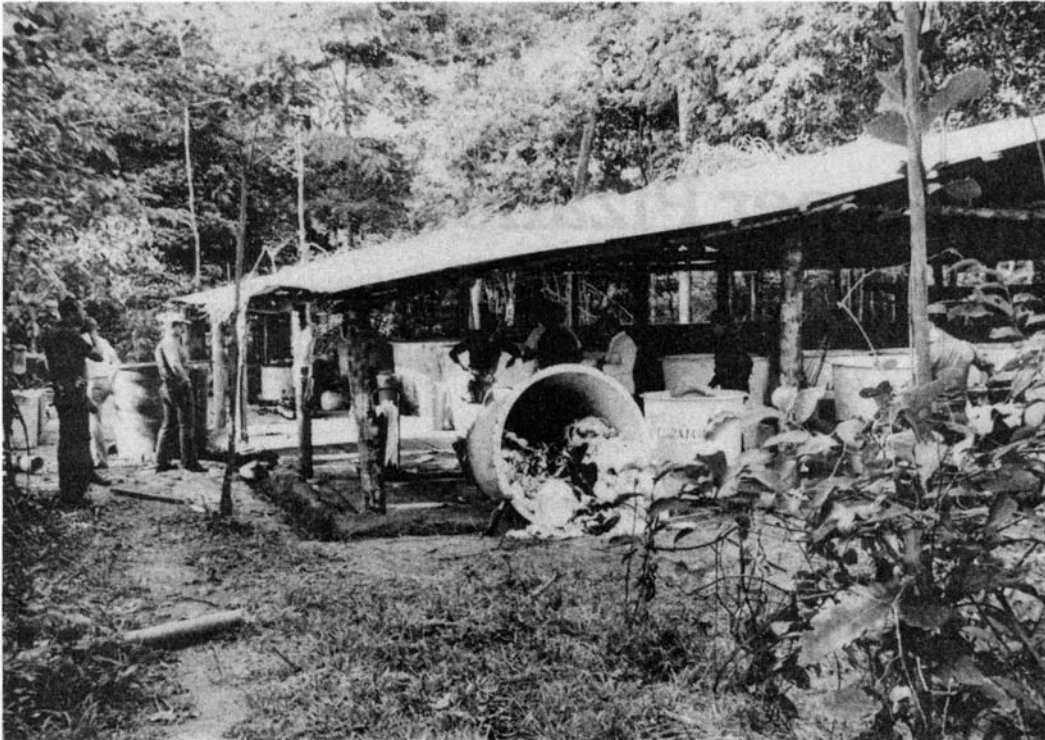
Presidential elections in Colombia on June 19 delivered the highest office of the land into the hands of the world's largest cocaine-trafficking organization, the Cali Cartel. Members of the cartel publicly announced that they were celebrating their victory. President-elect Ernesto Samper Pizano, a wholly owned creation of the cartels and chief lobbyist for drug legalization for nearly two decades, began preparing his victory tour of the United States and Europe, to culminate in his Aug. 7 inauguration. Outgoing President César Gaviria, whose Liberal Party sponsored Samper's candidacy, confidently began preparing his transition to the post of secretary general of the Organization of American States.

A "narco-democracy" was born.

But was it stillborn? On June 21, two days after Samper's election victory, the Gaviria government was forced to release to the media the transcripts of a series of tape-recordings it had had in its possession *for nearly a week*. The tape-recordings were of conversations between Cali Cartel chieftains Miguel and Gilberto Rodríguez Orejuela and one of their public relations employees, "journalist" Alberto Giraldo. The dialogue deals with the cartel's financing of Samper Pizano's electoral campaign, to the tune of millions of dollars, in exchange for at least five cabinet posts. "The presidency is in your hands," one hears Giraldo tell one of the Rodríguez Orejuela brothers after cartel funds are pledged.

It was later learned, according to *Time* magazine, that the U.S. State Department had also had those tapes in its possession since before the Colombian election, and yet had refused to release them, allegedly in order to avoid "interfering in the internal affairs of another country." *Time* quoted one disgusted Drug Enforcement Administration official, "No one did anything. They allowed this travesty to take place. Everybody, including the U.S. government, is participating in this coverup."

Why? Because Samper's presidency is designed to serve as the first crucial step toward legalizing the drug trade in Ibero-America *and* in the United States, as *EIR* has warned. And without those hundreds of billions in drug dollars, the financial bubbles puffed up by the International Monetary Fund and the banking



In 1984, a combined deployment by the Colombian government and the U.S. Drug Enforcement Administration raided the cocaine city of Tranquilandia (one of its laboratories is shown here), the biggest cocaine-producing complex ever discovered. Today, the cocaine cartel has bought the election of a President; but the widespread exposure of this travesty threatens to derail the cartel's strategy of drug legalization.

elites in order to keep themselves solvent, must pop. The scandal of the tapes has therefore hampered, if not outright sunk, the Samper presidency, and the legalization lobbies inside Washington, such as the Inter-American Dialogue and the Drug Policy Foundation, are chewing the rug right now.

The scandal of the tapes not only constitutes a major blow to the political networks inside Colombia who sponsored Samper's rise to the presidency, but it also has the potential to turn the spotlight on the networks regionwide whose political fortunes are interwoven with the drug trade. Former Venezuelan President Carlos Andrés Pérez is already in jail due to such exposure, and his entire criminal apparatus of narcobankers and corrupt politicians is starting to crumble. Pérez's colleagues, like former Colombian President Alfonso López Michelsen and Francisco Peña Gómez in the Dominican Republic, may not be far behind.

Who's behind the exposé?

The big question is, who tapped the cartel conversations? There are several well-founded rumors in Colombia and Washington which suggest that the high-tech recording job was done by the U.S. Drug Enforcement Administration and/or by Colombia's elite Search Squad, a joint Army-police crack team set up last year to hunt down Medellín Cartel boss Pablo Escobar. *EIR* has not confirmed these reports, but they appear to be credible in light of the outrage with which honest law enforcement and security entities in both countries view the "creeping legalization" of the drug trade in Colombia, and the continued erosion of anti-drug efforts in Washington.

The complicity of elements of U.S. governments with the drug cartels and with their political and financial sponsors, is nothing new. George Bush and Oliver North's Contra supply operation in the 1980s, which was proven to be integrally linked to the trafficking activities of the Colombian cocaine cartels, is but one example.

Inside the United States, the fight over drug policy is raging close to the surface in the wake of the State Department coverup. Assistant Secretary of State Alexander Watson, on a European tour, publicly described Samper as a personal friend "for many years," at the same time as two deputy assistant secretaries were visiting the Colombian President-elect in his New York hotel room, coldly interrogating him on the charges against him.

What the outcome of the Samper scandal will be is as yet unclear. Colombia's political establishment is doing its best to pretend it never happened, and has attacked Andrés Pastrana, Samper's Conservative Party presidential rival who received the tapes from an anonymous source and turned them over to the government, for "sullyng Colombia's image abroad." Pastrana answered, "It's not the soap, but the body, that's dirty," and called on the authorities to release incriminating other tapes known to be in their possession.

While President Clinton ponders whether the United States should have a "free-trade" pact with cocaine traffickers, Colombians looking to recover their national dignity need look no further than next-door Venezuela, whose President has recaptured control of the banking system from the drug bankers.

Ernesto Samper Pizano: a tale of three bribes

by Javier Almarino and Valerie Rush

Colombian President-elect Ernesto Samper Pizano has spent the weeks following his June 19 election victory trying to convince international and national public opinion that he is not in the pocket of his country's cocaine cartels. But the scandal that broke two days after election day, with the surfacing of incriminating evidence against him, just won't die.

When the Colombian media published the transcript of three telephone conversations between Cali Cartel bosses and an underling discussing Samper's going price, the President-elect first accused defeated Conservative Party candidate Andrés Pastrana of "dirty tricks," then accused the cartel itself of concocting the tapes to try to tar his administration. When the cartel underling, "journalist" Alberto Giraldo, publicly admitted that the telephone exchanges were authentic, but cleared Samper of actually accepting the money, the country's political elites breathed a sigh of relief and prayed that the matter would dissipate. That's when the second tape recording arrived, this one confirming that the cartel had met with Samper's treasurer, and that the money— as much as \$5 million—*was delivered*.

Not only does the scandal lay bare the close-knit relations between a dominant section of Colombia's political class and the drug cartels, but it leaves Samper's future presidency—if he in fact is inaugurated on Aug. 7—indelibly branded a criminal government in the eyes of the world.

The making of a narco-President

Samper's political career began in 1977, at the age of 25, with his appointment to the coveted presidency of the National Association of Financial Institutes (ANIF), the lobbying machine of the powerful Grancolombiano financial group. Head of Grancolombiano and Samper's immediate sponsor was banker Jaime Michelsen Uribe, a first cousin of former Colombian President Alfonso López Michelsen and chief beneficiary of the financial "reform" López implemented in his first administration (1974-78), which paved the way for first the marijuana and then the cocaine "bonanza." No one was surprised when Grancolombiano tripled its assets in the first six months of 1976 alone, and went on to

become the country's most powerful financial group. In December of 1983, Grancolombiano's own illicit financial activities, and a well-placed investigation by the Betancur government, led to Michelsen's downfall. He and his top henchmen fled the country to Miami, and spent many years there as fugitives from Colombian justice.

While at ANIF, Samper became Grancolombiano's point man for a well-financed drug legalization campaign which included international tours, high-profile symposiums, research projects, and publications. Samper worked closely with the U.S.-based marijuana lobby, the National Organization for the Reform of Marijuana Laws (NORML), and with the U.N.-linked International Cannabis Alliance for Reform (ICAR). Samper later characterized ANIF as "the Latin American coordinator of the international alliance to amend marijuana laws."

Never one for modesty, Samper privately boasted that the legalization campaign "is what will make me President. I am going to be President, it's already decided."

Samper's credentials for a narco-presidency were already publicized in this 1979 statement: "Morality, like criminality, is not an absolute category, as if set for all time; criminal behavior is a political determination born of the state, which establishes that determination based on an interpretation of an *ethos historico*, that is, on popular ethical sentiments. That which was a crime yesterday, today is no longer, because of this golden rule."

This argument clearly had appeal to López Michelsen, who took Samper out of ANIF in 1980 and made him director of the ruling Liberal Party's newly created think-tank, the Institute of Liberal Studies. When López managed to secure the Liberal Party's 1982 presidential nomination, Samper was made his campaign manager. It was in that year that Samper met with Medellín Cartel bosses Pablo Escobar, Carlos Lehder, and others, and accepted substantial campaign contributions in return for López's pledge to legalize drugs if re-elected.

López lost that election, but went on to become a permanent interlocutor for the cartels. Two years later, in March 1984, Cali Cartel boss Gilberto Rodríguez Orejuela was

feeling the anti-mafia heat generated in the aftermath of Justice Minister Rodrigo Lara Bonilla's spectacular raids against cocaine jungle cities run by the cartels. Rodríguez prudently sold his majority holdings in the Colombian Banco de los Trabajadores to a frontman. That bank had been created in 1974 under the benign eye of then-President López Michelsen as a money-laundering apparatus for the mob. Brought onto the bank's board of directors in Rodríguez Orejuela's place was, among other López associates, Ernesto Samper Pizano.

One month later, just days after cartel hitmen assassinated Colombia's courageous justice minister Lara, López secretly met with Pablo Escobar and tried to negotiate an amnesty for the drug lords. He was unsuccessful then, but in 1989, following the mafia murder of presidential front-runner Luis Carlos Galán, López's services were once again offered. At the head of a group of so-called "Notables," López helped to negotiate a cartel "surrender" pact with the Gaviria government in 1990. Only it was the government, not the cartels, which did the surrendering.

If López's *public* career was waning after his electoral defeat in 1982, Samper's was just beginning. Under a joint López/cartel sponsorship, he went on to become a Bogotá city councilman (1984) and a senator (1986). He tested the presidential waters in 1989, but got washed away in the anti-drug flood that followed the Galán assassination. He was nonetheless made development minister in the early years of the current Gaviria administration, and later ambassador to Spain before resigning in early 1994 to pursue his presidential dream.

As a presidential candidate, Samper toned down the pro-legalization rhetoric, but his sentiment is unchanged. Samper revealed his tactic in a July 1979 interview made available to *EIR* at the time. When asked if drug legalization were not a difficult cause for a presidential candidate to uphold (referring at the time to Ted Kennedy's presidential ambitions), Samper answered: "Yes, I think that it is very difficult with the marijuana issue to obtain political support. It is very difficult. But, if you present the issue as a social problem, as a problem which is causing more danger to American society with enforcement than with legalization, you can prove to public opinion that you are working on the drug issue in the right way. . . . You can see, if you look at the way legalization has been going, that when elections are about to happen, legalization is very bad, but when the election passes, legalization goes up. Right?"

Bribes, and more bribes

Samper was not only urging a negotiated "peace" with the drug cartels during this period, but was actively soliciting money from them to finance his presidential campaign. According to an informant for the U.S. Drug Enforcement Administration who had infiltrated the Cali Cartel, Samper

accepted at least \$800,000 from the cartel in 1990, in exchange for a promise to help ban extradition of drug traffickers from Colombia to the United States. However, rumors in the Colombian intelligence community are that Samper was paid the money as indemnification for his 1989 "accident." It appears that Samper had made the mistake of chatting with a Communist Party leader just when cartel assassins decided to assassinate the man. Samper took a dozen bullets, but survived to make political hay out of the incident. The cartel's target was not so lucky.

According to a *Miami Herald* account of June 23, 1994, U.S. congressional sources report that the Central Intelligence Agency briefed Congress on how Samper "not only took money [from the cartels], but solicited it."

In 1991, the cartels bribed the majority of delegates to a Constituent Assembly to include a ban on extradition in the new Colombian Constitution. Despite the existence of a videotape containing evidence of the mass bribe, President Gaviria and the co-presidents of the Assembly refused to release or investigate the evidence. The presidency of the Assembly was shared by three avid drug-legalization proponents: "former" narco-terrorist chieftain Antonio Navarro Wolf of the M-19 and Conservative Party oligarch Alvaro Gómez Hurtado—both presidential candidates—and Horacio Serpa Uribe, a representative of Samper to the Assembly who was later Samper's presidential campaign manager. Serpa has now been named as Samper's new government minister!

On election day 1994, Samper's early dreams of reaching the presidency were realized. At his side throughout the victory celebration was Alfonso López Michelsen, a.k.a. "The Godfather." The Cali Cartel had to do its celebrating the next day, since—according to one cartel member quoted by the *Washington Times*—the bars were all closed that day.

A non-refundable presidency

When the post-election scandal first broke on June 21, Samper Pizano insisted that he would continue to wage war against the drug trade until his country was freed of that evil. If taken at his word, Samper would clearly have to confront the very powerful and very dangerous men who have repeatedly given him their financial backing over the years. And yet, any attempt to negotiate with the traffickers or legalize their trade would be viewed by the world as one more proof of Samper's corruption.

Samper insists, just as he did in 1982, that his campaign ledgers are open to anyone who wishes to review them, and that there are no cartel contributions in his books. But, he added, should it turn out that drug money had filtered into the campaign, the person responsible would pay the consequences. After hearing Samper's bluster, one foreign correspondent observed that "everyone knows that money can come in from any part of the world to win the favors of

future rulers, and no one is so foolish as to put it in the official records.”

Far from dying away, the flames of scandal continue to grow. Humberto de la Calle Lombana, Samper's vice president-elect and known as one of the heads of Masonry in Colombia, has also been accused of links to the Cali Cartel. “We have conducted an investigation of the close collaborators of the vice president-elect, who are indisputably linked to the Cali Cartel,” declared French anti-drug expert Alain Labrouse on a French television program on June 27. Labrouse, head of the Geopolitical Drug Observatory, has claimed that much of his evidence comes from Colombian anti-drug investigators who had to flee their country under threat of death.

De la Calle's wife, Rosalba, has also been implicated in fraud run through Cajanal, the state agency for retirees, which she headed in 1992. According to a two-year investigation conducted by the Colombian security police, DAS, not only was more than \$30 million stolen from the agency on her watch, but under- and over-invoicing and similar illicit accounting practices were reportedly used by Cajanal to illegally import chemicals used in cocaine processing. Further, all of Cajanal's clinics were stocked with pharmaceuticals purchased from Rodríguez Orejuela's pharmacy chain, La Rebaja.

Despite the mounting evidence of corruption, Samper has received full support from outgoing President César Gaviria, whose Liberal Party sponsored Samper's presidential candidacy. First, Gaviria's Communications Ministry issued a ban against any media reproducing further transcripts of the tapes containing the explosive material on Samper. Then, in a public statement, Gaviria announced that an investigation of the tapes would be pursued, but expressed confidence that “this matter will dissipate when [the new administration] proves that the fight against drugs will continue.” In other words, Samper has already been cleared of all charges.

To make certain of that, the investigation has been handed over to Prosecutor General Gustavo de Greiff, like Samper an ardent proponent of drug legalization. De Greiff's daughter Monica was Samper's campaign manager during the early part of his 1993-94 presidential bid. It is widely expected that De Greiff, referred to affectionately as “the old one” on the tapes, will endorse López Michelsen's argument that “Samper's prestige is the national patrimony.”

The vast majority of the Liberal Party—with the notable exception of former justice minister and ex-presidential candidate Enrique Parejo González—has aligned itself with Samper, López, and Gaviria, as have the country's leading business associations. The debate in the López-dominated media has not centered on whether Samper took cartel money or not, but rather on “what were the obscure intentions of those who taped the conversations.”

And yet, for the first time in decades, an important chunk of the country's political elite—headed by the Conservative Party's Pastrana family—has taken off the gloves against this mafia which has dominated Colombian politics, with few exceptions, for 20 years. It was defeated Conservative Party presidential candidate Andrés Pastrana who quietly handed the first incriminating tape over to the government for investigation *five days before the election*. Despite the fact that it was the daily *El Tiempo*, the López-linked Liberal Party mouthpiece, which went public with transcripts of the tape, it is Pastrana who has been accused by virtually the entire political class of behaving like “a sore loser” in turning over the tapes to the authorities, instead of burying them!

Declared *Semana* magazine, owned by one of López Michelsen's sons, Pastrana's “imprudent” decision to turn the tapes over to the government “has turned the Samper

Cali Cartel on tape: millions for Samper

The current scandal first erupted around a tape-recording of three telephone conversations between “journalist” Alberto Giraldo, known as a Cali Cartel public relations man, and the brothers Gilberto and Miguel Rodríguez Orejuela, chieftains of the Cali Cartel.

Giraldo was a columnist for the daily *La República*, director of a television news show, and a writer for the popular magazine *Cromos*, owned by the multimillionaire Santodomingo Group, which is allied to Ernesto Samper Pizano and Alfonso López-Michelsen. In 1981, Giraldo was press secretary for former President Belisario Betancur's electoral campaign. In other words, Giraldo was a “respected” journalist, although his unsavory ties to the cartel have been public since at least 1987.

It was in that year that Giraldo requested a press interview with then-Attorney General Carlos Mauro Hoyos for the newspaper he was working for at the time, *El Siglo*. However, instead of showing up with a tape-recorder, Giraldo presented the Attorney General with none other than Miguel Rodríguez Orejuela, who handled the cartel's legal affairs. At the time, brother Gilberto was in a jail cell, and Miguel had hopes of winning his brother's release.

Attorney General Hoyos reported the incident to the press, which led to Giraldo's sacking by *El Siglo* and to his being named in the book *Los Jinetes de la Cocaína*

government's honeymoon into the shortest in history, which could prove good on day one for the opposition, but which could have an immense cost for the accuser." Wrote *El Espectador* journalist María Jimena Duzán, "What bothers one is not the presence of 'hot money' in the campaign, which is an undeniable reality of the country, but the opportunistic and low way in which Pastrana manipulated the information in the cassette."

Despite the accusations and threats, Pastrana has stuck to his guns, insisting that "nothing will stop the change we have begun. I pledge to continue working to keep this alive." Already, his brother's newspaper *La Prensa* has begun to target Alfonso López Michelsen as "the man who introduced Ernesto Samper to the drug trade business."

How the Clinton administration responds to the Samper scandal could well determine whether Colombia succeeds

in freeing itself of Dope, Inc.'s clutches. Although there are clearly elements in the Washington which are working on behalf of the drug legalization lobby, there are also those who are horrified at the implications of a Samper presidency in Colombia. Outgoing U.S. Ambassador to Colombia Morris Busby met with Samper in Bogotá shortly after the scandal broke to seek "clarifications," and yet, when Samper visited New York the last week in June, he was grilled in his hotel room by two senior State Department officials on the charges against him. According to State Department spokesman Mike McCurry, "We . . . obviously saw a need to raise the issue again. We want some very precise clarifications about allegations that have been made."

As Pastrana's *La Prensa* noted in a recent editorial, isn't this the time for "all the other tapes" in the possession of authorities everywhere to be given a public airing?

(*Cocaine Horsemen*) as the Cali Cartel's public relations man. The adverse publicity notwithstanding, Giraldo was hired by *La República*. In 1989, Hoyos was kidnapped and butchered by drug mafia assassins.

In one of the taped conversations, Rodríguez Orejuela asks Giraldo, "How's the Samper thing going?" to which Giraldo replies, "The presidency is in your hands." To win the vote, Giraldo explained to the cartel boss, "they need 5 billion pesos [\$5.8 million]. They have 2, and need 3 from you." Rodríguez Orejuela responds, "Done." In a later tape, Giraldo says the Samper campaign needs more money, and the cartel boss says, "We've already given 4" billion pesos.

The Cali Cartel's "aid" to the Samper campaign was, of course, not without strings. In addition to the "five appointments" to the Samper cabinet the cartel intended to purchase with its donation, its principal demand is that it be made clear that cartel members "are decent people, people who want to legalize their lives, who have all their lives helped people."

On the tapes, it is clear that Samper wanted the money, but at arm's length. One can hear Giraldo inform Rodríguez Orejuela that "Number One [Samper] met with Eduardo [Mestre Sarmiento] and told him: 'Do what you have to, but don't tell me about it; do what you have to.'" In response, Rodríguez demands a commitment from Samper: "This business of 'don't tell me about it,' we don't go along with that." Mestre Sarmiento is a Liberal Party regional boss with longstanding ties to Gilberto Rodríguez Orejuela.

Samper's campaign treasurer, Santiago Medina, is seriously implicated in the tapes as well. "We spoke to Medina already, relax," Rodríguez Orejuela tells a ner-

vous Giraldo at one point, while referring to numerous meetings with "Santi" in another conversation. Giraldo is instructed to tell Medina that the money will arrive in two separate shipments.

Also implicated is retired Army Gen. Miguel Maza Márquez, who spent four years as director of the National Police's intelligence department and another four years as director of the state security agency, the DAS. For a long time there had been rumors that Maza worked for the Cali Cartel, and that he had privately backed Samper's drug legalization efforts. Maza was a presidential candidate in the May 29 first electoral round, and won 40,000 votes. On June 5, as the candidates prepared for the run-off vote on June 19, Maza threw his support—and presumably his 40,000 votes—to Samper. In the tapes, Giraldo asks his boss for an unspecified amount of money to give to Maza Márquez, and insists that it be in cash.

Not only was Maza Márquez notorious for his refusal to prosecute the Cali Cartel, as he did the rival Medellín Cartel, but he was also made an adviser on drug matters to Venezuelan President Carlos Andrés Pérez, whose friendly relations with certain prominent Colombian narcotics traffickers is a matter of public record and who today sits in a Caracas prison for defrauding his nation.

It is noteworthy that Maza admitted to the media that he met with Samper Pizano and Samper's defense ministry appointee Fernando Botero Zéa, at the apartment of Alberto Giraldo; but neither Maza nor Samper have explained why Maza's decision to throw his support to Samper was negotiated in the apartment of the Cali Cartel's go-between. Surely the man who was director of Colombian national security for eight years must have known about Giraldo's underworld links.

Our record against Samper Pizano

1978: Lyndon LaRouche commissions the publication of the book *Dope, Inc.*, in which Samper Pizano is labelled as Colombia's leading drug legalization lobbyist, who collaborated with the likes of President Jimmy Carter's drug adviser Dr. Peter Bourne, before the latter got kicked out of his post for illegally dispensing prescriptions to staff members. In the 1985 edition of *Dope, Inc.*, also published in Spanish as *Narcotráfico S.A.*, Samper is described as the man who funnelled cartel money into the López Michelsen presidential campaign in 1982. Both of Samper's mentors, Alfonso López Michelsen and his banker cousin Jaime Michelsen Uribe, are described by the book as key figures in Colombia's branch of "Dope, Inc."

July 1979: *EIR* publishes an interview with Samper Pizano, made available by a news source in New York, in which Samper not only describes his own proposals for the bilateral (U.S.-Colombian) legalization of marijuana, but discusses his organizing efforts to win support within the Carter administration and, he hoped, a subsequent Edward Kennedy administration. Samper asserted that campaigning for legalization as a presidential candidate is not prudent, but that "when

the election passes, legalization goes up."

September 1984: *EIR* publishes a Special Report entitled "Narco-Terrorism in Ibero-America," which describes Samper Pizano as the "Colombian contact man for the U.S. dope lobby."

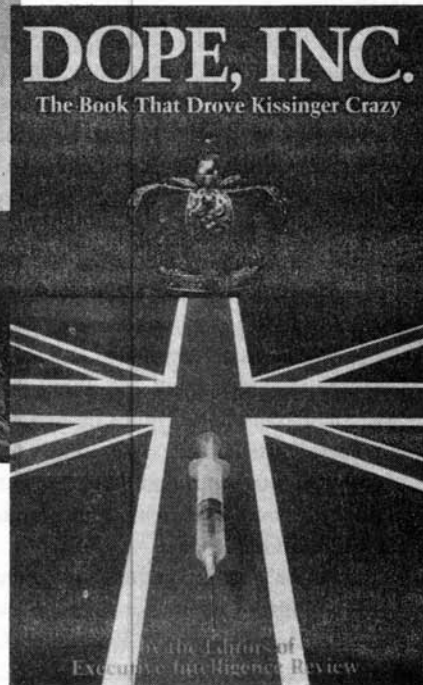
April 1991: *EIR* publishes another Special Report, "Bush's Surrender to Dope, Inc.: How U.S. Policy Is Destroying Colombia." It asks why a Sept. 29, 1980 "blacklist" drawn up by the U.S. State Department against granting entrance visas to Colombians suspected of links to the dope trade, never included López Michelsen and Samper Pizano, given their public record of collaboration with the drug cartels.

June 1991: *EIR* publishes excerpts from an exclusive interview with Samper Pizano, at the time development minister under President César Gaviria, in which he acknowledges that he is closely coordinating his country's free-trade policies with George Bush's "Enterprise for the Americas" initiative, which was specifically designed to attract foreign capital to participating countries by, among other things, establishing financial centers with flexible regulations, such as those created in Panama and various Caribbean islands to launder dirty money.

Asked what message Samper had for those pro-legalization individuals and foundations in the United States "who had great hopes that you, in the government, would do something for their cause," Samper cryptically responded: "Well, ask me that question when I leave the ministry." Samper left the ministry in early 1992, to pave the way for his presidential bid.



Ernesto Samper Pizano in New York in 1979, where he spilled the beans to a journalist on his strategy of legalizing drugs. EIR's 1985 edition of Dope, Inc. and its Spanish-language version, Narcotráfico S.A., pinpointed Samper as one of the key figures in Colombia's branch of Dope, Inc.



Brawl in Washington over drug policy

by Jeffrey Steinberg

On May 1, 1994, the U.S. government abruptly cancelled its policy of providing the governments of Colombia and Peru with radar reconnaissance data from the high-technology AWACS monitoring system that has been crucial in their efforts to track and interdict illegal narcotics flights. The action elicited cheers from the drug legalization lobby, and a flurry of protests from Ibero-American governments and anti-drug officials of the Clinton administration.

Equally abruptly, one month later, the administration announced that it was considering a new Executive Order that would not only restore the data collaboration, but would for the first time permit Ibero-American military and police to use the intelligence to shoot down civilian aircraft that were clearly engaged in drug smuggling. Sen. John Kerry (D-Ma.) has introduced legislation authorizing the use of the surveillance data to shoot drug-running aircraft.

In an effort to underscore the administration's ongoing commitment to the drug war, a parade of officials appeared on June 22 before joint hearings of the House Foreign Affairs Subcommittee on International Security, International Organizations and Human Rights and the Subcommittee on Western Hemisphere Affairs, to reinforce the push to restore the AWACS data collaboration and pre-empt any appearance of abandonment of the counter-narcotics collaboration.

White House drug policy adviser Brown read a statement into the record which began: "I am announcing today that the administration will ask the Congress to enact legislation that would permit the President to waive existing criminal code provisions on acts of violence against civilian aircraft if the President determines that a country faces a national security threat from the trafficking in illicit drugs and that the country has appropriate procedures in place to protect innocent aircraft. . . . The temporary suspension of sharing certain types of information with the governments of Colombia and Peru is not reflective of any desire to change this administration's policy of giving full support to the democracies in Latin America in our mutual fight against illegal narcotics smuggling."

Brown explained that an interagency review of the U.S. policy had led to the temporary suspension of the data sharing, and had also produced the decision, announced at the hearings, that the President would seek a "narrow change" in the law to permit the renewal of the intelligence cooperation

on a firmer legal basis.

If these contradictory events seem to suggest policy confusion in Washington over the crucial issue of the Clinton administration's anti-drug effort, the perception is accurate. In the absence of a clear, top-down elaborated strategy for conducting a war on drugs, the Clinton administration, like many other governments throughout the hemisphere, has become embroiled in an heated behind-the-scenes battle over the proper direction to take in combatting the growing menace of illegal drugs.

The policy debate, here and in many Ibero-American capitals, has been colored by an aggressive drive by the dope cartel and its allies to push for a total surrender in the war on drugs: legalization.

The policy battle was first brought home last year, when Surgeon General Joycelyn Elders made an off-the-cuff statement that she favored a study of the possible benefits of drug decriminalization. Both the President and his drug policy adviser immediately issued statements categorically rejecting the Elders idea, but the Drug Policy Foundation and other pro-legalization advocacy groups jumped on the Elders call and have been attempting to peddle it ever since as a sign that the Clinton White House is actually unenthusiastic about the counter-narcotics program.

As recently as July 7, Lee Brown again had to come out in an interview with the *Washington Times*, reiterating that "We do not intend to spend one nickel to study [legalization] because we know the problems of drugs: They bring about misery and despair, and all too often, death."

In the same interview, however, Brown admitted that President Clinton had made a "mistake" in allowing drastic cutbacks in the budget and personnel of the White House Office of National Drug Control Policy. And, although the fiscal 1993 drug war budget reached an all-time high of over \$12 billion, critical Pentagon anti-drug programs, beyond just the AWACS data sharing, were shut down because they were accomplishing too little.

The one-worlders

Inside the administration, there are voices beyond Elders's that are pro-legalization. Richard Feinberg, former director of the openly pro-legalization Inter-American Dialogue, is the chief National Security Council staffer for Latin America. What's more, there are other officials at the State Department and elsewhere who, while not necessarily hardcore advocates of legalization, do favor the stripping down of national sovereignty in favor of increased involvement by the United Nations and the Organization of American States in the internal affairs of the hemisphere. Those one-worlders oppose the kind of close counter-narcotics cooperation between the U.S. and Ibero-American governments, because such efforts naturally strengthen the national militaries and police forces, thereby strengthening some of the core institutions of national sovereignty.

A sea-change is taking place in Japan and Korea

by Kathy Wolfe

Japan Socialist Party Chairman Tomiichi Murayama was elected prime minister in the Lower House of the Diet on June 29, in an unusual alliance with the Liberal Democratic Party (LDP), an adversary of 40 years. Contrary to the howls from the Anglo-American media, "this is not a Socialist government," a top Japanese intelligence source told *EIR* on July 7. "It is a conservative government with a Socialist prime minister, which exists at a higher level" than party politics, he said.

The new Socialist-LDP government is "a sea-change," the source said; its formation is meant to help President Clinton to cool down the Korea crisis, and to help create an atmosphere in East Asia in which the economic development of North Korea and China can proceed.

South Korea, meanwhile, is "cautiously optimistic," one official told *EIR*, about high-level talks which opened July 8 in Geneva between North Korean Vice Foreign Minister Kang Sok-ju and U.S. Assistant Secretary of State Robert Gallucci. President Clinton has accepted the original 1990 proposal of then-South Korean President Noh Tae-woo for "a broad and thorough" discussion of the entire North-South relationship, Gallucci told a conference at Georgetown University in Washington on June 29.

In exchange for a freeze on Pyongyang's plutonium program, the United States will discuss diplomatic recognition for North Korea and "assistance in moving from graphite [plutonium] reactor technology to light water reactor technology," Gallucci said. "Light water technology is superior as an energy source, and it would have proliferation benefits." He noted that Japan and South Korea have authorized the United States to discuss "bringing their technical and economic assistance to North Korea" in financing and rebuilding the North's nuclear plants.

The Geneva talks and the July 25-27 summit between

South Korean President Kim Young-sam and North Korea's Kim Il-sung are a historic opportunity for the United States, Japan, and China as well—a chance to move East Asia out of a war zone, and into the 21st century. A major multinational program for high-technology investment from South to North Korea, led by nuclear electric power, bullet trains, magnetic levitation transport, science cities, and water infrastructure, could reunify Korea with growth.

If North and South Korea cooperated on constructing new reactors with U.S. aid, one U.S. official told the *Washington Post* of July 7, "it would be an enormous leap forward toward normalization" for all three.

Asian development quadrangle

Such a high-tech boom across Korea could lead to the nuclear electric power development of China's enormous market, and become the centerpiece of a Eurasian high-speed rail grid from Tokyo to Moscow via Seoul, Pyongyang, and Beijing. As President John Kennedy's launching of the Apollo Moon-landing program showed, a dollar of government investment in such "science-driver" technologies creates at least \$10 of private investment in new industries.

When the Berlin Wall fell in 1989, *EIR* Founding Editor Lyndon H. LaRouche, Jr., proposed such a science-driver program for the "European Productive Triangle," beginning with a high-speed rail grid from Paris, to Berlin, to Vienna, to reunify Germany with such infrastructure projects. Spurs to Moscow would have brought eastern Europe and Russia into this 21st-century development.

But under pressure from Britain's Margaret Thatcher—as she brags in her memoirs—and from George Bush, both Germany and Russia instead chose the shock therapy programs of the International Monetary Fund. This has led to dis-investment, decay, and the threat of communists re-

turning to power from Berlin to Moscow.

East Asia has a chance to avoid this, and build a "development quadrangle" of infrastructure crossing from Japan, through South and North Korea, into China. If this window of opportunity is missed, the result will be not only possible war in Korea, but an economic crisis in China far worse than that in Russia, with consequences that threaten the region.

The new government in Tokyo

Japan's new "odd couple" Murayama government has a number of interesting features, if considered from this Asian strategic standpoint. First, "President Clinton will find Mr. Murayama very useful in dealing with North Korea," the Japanese intelligence source told *EIR*. "Mr. Murayama has had ties to Pyongyang for years." Japan's Socialists have long traveled back and forth to North Korea, a relationship looked upon as obscure in Washington, but as a long-term investment in Tokyo, where planning proceeds over decades.

Murayama, the source pointed out, "is not some sort of wild revolutionary, but an old trade union man, the fifth son of a fisherman, who worked for the National Railway System."

The majority of Japan's new cabinet is composed of LDP conservatives who have been eager to avoid a Korean war and to work for the economic development of the region. "We will aim to resolve the dispute over North Korea's suspected nuclear plans through peaceful dialogue, and try to avoid sanctions," Vice Prime Minister and Foreign Minister Yohei Kono, chief of the LDP, told the press on June 30. The new finance minister, Masayoshi Takemura, a former LDP Diet member who has met with Kim Il-sung, has also come out against sanctions or military action against North Korea. The London *Financial Times* on June 30 denounced both Kono and Takemura as "pacifists" for opposing war in Korea.

British schemes are on hold

Kono, Takemura, and Murayama are also opposed to expansion of Japan's role in the British-controlled United Nations, whose International Atomic Energy Agency (IAEA) has constantly provoked the Korean crisis by making demands for intrusive police powers upon the already paranoid North Koreans. The three Japanese leaders oppose revision of Article Nine of Japan's Constitution, which forbids Japanese troop participation in U.N. deployments where fighting occurs. They even plan to slow down Japan's push for a permanent seat on the U.N. Security Council.

On economic policy, the Murayama government has put plans for trade and financial deregulation in Japan, plans previously demanded by Wall Street and London, on hold for now. A significant appointment is that of former LDP Finance Minister Ryutaro Hashimoto as head of the Ministry of International Trade and Industry (MITI). In 1990, Hashimoto coined the term "financial AIDS" to describe the Wall Street disease which London and Washington were demanding that Japan implement, by importing such speculative methods as junk bonds, bank reserve ratio deregulation,

and the creation of the huge and cancerous derivatives market, which has become Wall Street's biggest headache.

Deregulation plans written by the previous government of Tsutomu Hata and Ichiro Ozawa would have created the first-ever international derivatives market in Japan. Now, however, a Tokyo Finance Ministry official told *EIR* on July 2 that the Murayama cabinet has put this off. Finance Minister Takemura was until recently in Hashimoto's conservative wing of the LDP, the official noted, agrees with Hashimoto's views, and in any case has no international experience, and so expects to rely on Hashimoto. The Murayama government, said the source, will not allow a foreign derivatives market in Japan.

Finance Minister Takemura and the rest of the cabinet have also taken a strong stance against currency speculation and pledged to help President Clinton try to stop the current crash of the dollar as best they can. "We must pay our biggest attention to the rapid rise of the yen," Takemura said on July 1, denouncing "speculators who should expect to get their fingers burnt" if they continue to dump the dollar.

London and New York outlets are already complaining loudly. The *Wall Street Journal* of July 1 called the new government a "Counter-Reformation" against the Hata-Ozawa deregulation program.

Korean-Russian cooperation

In Seoul, meanwhile, talks about the nuclear power-based reconstruction of the North opened in the Parliament on July 5, and there has even been discussion of mobilizing the science sector of the Russian economy for this purpose. "It was a very close call; there nearly was a war," one Seoul official told *EIR*, "and those who talk about war, have no idea what it would mean, if after 40 years of building up our country, it were to all be destroyed. But we agree with everything President Clinton did—and now we think it's a very good idea to offer the North new light water reactor nuclear technology, as part of a broad package of negotiations, including full diplomatic relations with the U.S."

South Korean Prime Minister Lee Yung-dug told Parliament on July 5 that "if North Korea guarantees its nuclear transparency, we will seriously consider aiding the North, in cooperation with the U.S. and international community, for the conversion of its nuclear reactors to those of the light water system. . . . If South and North lay the foundation at the [July 25] summit for mutual trust and cooperation, we can envision wide-scale economic cooperation, including joint advancement of overseas construction markets and joint supplies of electricity and energy."

President Clinton is now studying the idea that Russia could give North Korea light water nuclear power technology which would be calculated as repayments for South Korean loans to Moscow, Seoul's Yonhap news agency reported. South Korea extended a \$3 billion loan to Moscow just before the two countries established diplomatic relations in September 1990, most of which is now in default.

Yasser Arafat makes triumphal return to Gaza and Jericho

by Dean Andromidas

The four-day triumphal tour of Gaza and Jericho by Yasser Arafat, chairman of the Palestine Liberation Organization (PLO), marks one more milestone on the rough road to peace between Palestinians and Israelis. It marks the success of the peace process initiated by Israeli Foreign Minister Shimon Peres and Arafat, with the backing of President Bill Clinton—a peace which is premised on a broad-based economic development program not only in the Palestinian territories, but in the region as a whole.

The tour's success demonstrates that the forces working to derail that process have been stymied. The Palestine National Authority has been inaugurated, with Arafat as its president, and if the authority manages to obtain crucial economic resources, it could pave the way for the formation of a truly autonomous Palestinian state.

The fact that the foreign-financed Israeli opposition failed in either preventing Arafat's arrival, or mobilizing significant national forces, also represents a clear setback for the opponents of Middle East peace. Nonetheless, the World Bank, which holds the purse strings to over \$2 billion in financial aid committed to the Palestinians, continues to block sufficient funds for even the day-to-day functioning of the authority, let alone the start-up of major development projects.

'Peace of the brave'

Speaking before 70,000 Palestinians on the first day of his return to Gaza after 27 years of exile, Arafat developed the theme of national reconstruction: "I want to remind you that we have a big mission ahead of us—a big mission to build this homeland, to build our institutions, and to rebuild the institutions that Israeli occupation destroyed." He went on to pay homage to the Palestinians who died at the hands of the Israeli gunman in the Hebron massacre of last February, and declared that his arrival was only the beginning: "We are going from here to the mosque [in Hebron], going to Nablus, and Jenin, and Tulkarm, and Qalqilya, and Bethlehem, and Beit Sahur, and Beit Jala, and Ramallah, and then shortly to Jerusalem! Jerusalem! Jerusalem! to pray there." The list is of the most important towns and cities in the West Bank. He went on to say, "Peace has many enemies,

and there are many attempts to sabotage and destroy the peace of the brave. This is the way we are all requested to defend this peace because this peace is for all of us—Israelis and Palestinians."

Commenting on Arafat's visit, Israeli Foreign Minister Peres, who was the key Israeli mover behind the peace pact, said, "From the depths of my heart, and without hesitation, I wish them well. This visit marks the implementation of the autonomy agreement; we were serious when we signed the Cairo pact."

Following a July 3 cabinet meeting, Prime Minister Yitzhak Rabin, in his more pragmatic language, likewise vowed that the peace process "will continue," and that Israel has "an interest in strengthening the elements among the Palestinians that want the accord."

Foreign-backed opposition falters

The Israeli opposition had vowed to bring 250,000 people to Jerusalem to demonstrate in order to stop Arafat. But in fact they only mustered 10,000-20,000 people—far less than the 50,000 they were able to mobilize right after the Oslo agreement was signed last October. Comprised mostly of the Israeli settlers' movement, the opposition is backed primarily by foreigners, the most important of which are in the circles of the Canada-based Hollinger Corp. and the U.S. Anti-Defamation League (ADL) of B'nai B'rith. In the evening of the second day of the tour, 3,000 demonstrators rampaged through East Jerusalem, attacking Palestinians and damaging houses and automobiles throughout the area. Another noisy demonstration held in front of the prime minister's offices chanted "Death to Arafat" and "Rabin is a traitor." The demonstrators attempted to seize buildings, and scores were arrested.

Emerging from their cabinet meeting on July 3, the ministers charged that the demonstration was a "call to revolt." More telling was the latest poll conducted by the Begin-Sadat Center for Strategic Studies at Bar Ilan University, showing that 59% of all Israelis back direct and public negotiations with the PLO—the highest proportion since the signing of the agreement.

Economic fight is crucial

The sabotage of the economic underpinnings of the agreement continues to be the Achilles' heel of the accord—a fact known quite well by the World Bank, which persists in obstructing the process. In another speech in Gaza, Arafat lashed out at the World Bank's stonewalling: "I completely refuse any controls by anybody on Palestinian autonomy, except by the Palestinians themselves. We didn't finish military occupation to get economic occupation." He charged that despite over \$2.4 billion pledged by international donors, "All promises from the donors have evaporated."

Arafat was seconded by chief PLO negotiator Nabil Shaath, who told reporters, "All the international offers are only ink on paper, and haven't been implemented. My feeling is they are just promises, promises, promises." He pointed to the double-dealing tactics of the World Bank, and referred to promises only made in June. "Last time in Paris, we were promised \$42 million, but suddenly the World Bank sends an employee telling us, 'We decided to give you \$10 million, because we have a budget problem.' The World Bank is asking me to make my people pay taxes, the same as the Jews were taking from me"—a reference to the Israeli taxes that the Palestinians had to pay to the Israeli government.

The criminality of the World Bank was underscored by Arafat, who told reporters that Gaza alone needs at least \$30 million a month just to survive. With almost 1 million inhabitants, Gaza is the most densely populated place on the planet, where most people live in poverty, and where unemployment is over 50%. Arafat said the World Bank policy would be forcing his people into "starvation."

While it is now being claimed that the Israeli secret services are helping to keep Arafat alive, the Israeli government's apparent continued support for a role for the World Bank will prove to be far more dangerous than the threats of assassination by would-be Israeli or Palestinian rejectionists.

The World Bank continues to use the lie that the PLO has not shown the "expertise" to handle the funds. This lie flies in the face of the fact that many of the key members of the new National Palestine Authority are in fact some of the most successful businessmen in the entire region, heading banks, industrial firms, construction and trading companies in the region. Four example, Nabil Shaath heads one of the leading economic consulting firms in the region, the Egyptian-based Team Consult.

In response, wealthy members of the Palestinian diaspora have formed the Palestine Development and Investment Co. (PDI), currently based in Amman, Jordan. It includes members of leading Palestinian families, such as the Shoman family, the owners of Arab Bank, one of the area's largest; the son of Said Khouri, an owner of Consolidated Contracting Co., a construction company; and Kamal Shair, head of Dar al Handasah, a leading engineering and urban development consulting firm. The company hopes to mobi-

lize \$1 billion to invest in light industry, agriculture, housing construction, tourism, and banking.

Germany has meanwhile become the first European government to open an economic and technical office in Palestine. The office will coordinate development projects, and will aid and assist German companies interested in investing in the Palestinian territories. This move follows a recent agreement between Arafat and the German Daimler-Benz industrial giant for assisting the Palestine National Authority. The office is already drafting a master plan for the development of infrastructure, including roads, railways, and water treatment.

ADL changes tactics

But the opposition to durable, development-based peace in the Middle East, has been far from idle. At the end of May, an ADL delegation led by its National Director Abe Foxman was in Israel for a "fact-finding" mission, and met with Prime Minister Rabin, Deputy Foreign Minister Yossi Beilin, and the leader of the opposition Likud party, Benjamin Netanyahu. Although they did not meet this time with former defense minister and Henry Kissinger crony Ariel Sharon, they did address a group of parliament members in a seminar on "anti-Semitism."

One result of the visit was a signed commentary by Foxman in the Hollinger Corp.-owned *Jerusalem Post* charging "LaRouchites," among others, with anti-Semitism. Foxman knows all too well that he is lying, and that his real target is LaRouche's "Oasis Plan" for economic development, based on regional infrastructure and massive development of nuclear energy for electricity and desalination of water. LaRouche's plan has helped shape the policies of both the Palestinians and Israelis.

Following the ADL visit, open assassination threats were leveled by the settlers' movement against Arafat. Prior to Arafat's arrival, a massive campaign of "Wanted Dead or Alive" posters was conducted against several leading political figures, including former Chief Rabbi Shlomo Goren. Furthermore, the Jerusalem riots marked a new level of violence not seen in the past in Israel, which underscores the danger of assassination of not only high-level Palestinians, but Israelis as well. Aharon Domb, the spokesman for the settlers, addressed a letter to Prime Minister Rabin stating that the mood among the settlers is that "the only solution to this government . . . is political murder." This is believed to be directed at Rabin himself.

On top of this, Ariel Sharon announced his candidacy for prime minister in the 1996 elections. Sharon, architect of the disastrous 1982 Lebanese war and darling of the ADL and Hollinger Corp. circles, now spends most of his time in the United States, Canada, and Europe raising millions of dollars for the opposition. It is believed that he plans to build his political base out of the settlers' movement in order to become a deciding factor in the upcoming elections.

Documentary film on Russian crime is presented in Washington

by Rachel Douglas

On a visit to Washington, D.C. between June 17 and June 24, Russian film director and member of the State Duma of the Russian Federation (Parliament) Stanislav Govorukhin shocked members of Congress and others with his 1993 documentary "The Great Criminal Revolution." The film not only depicts the perils arising from the impoverishment and crash criminalization of a nuclear superpower, but makes it difficult for any viewer to deny that these were caused by the particular brand of reforms carried out in Russia since January 1992, with the approval and often at the insistence of western governments and the International Monetary Fund (IMF).

Govorukhin himself said at a June 23 press conference that he should not be called a "critic of [President Boris] Yeltsin's reforms," because "to say that I don't like Yeltsin's reforms would be a little bit like saying I don't like Mr. Clinton's novels: Clinton does not write novels, and Yeltsin has carried out no reforms. . . . What the West calls reforms is simply the total looting of the nation."

The filmmaker encountered great interest during his visit, which was sponsored by the Schiller Institute. More than 250 people attended a screening of "The Great Criminal Revolution" at Georgetown University on June 20, and over 100 came to see it at the University of Maryland three days later. On Capitol Hill, Govorukhin was the luncheon guest of the House Republican Research Committee's Task Force on Foreign Policy, where parts of the documentary were shown. He also met individual members of Congress. Both congressmen and those who viewed the public showings voiced horror at "The Great Criminal Revolution."

Where crime pays

The film covers the two years after the breakup of the Soviet Union in 1991 and the proclamation in January 1992 of "free-market" reforms under Yeltsin's then-Prime Minister Yegor Gaidar. On the screen are Russia's *nouveaux riches*, the ex-Communist officials who got a leg up on amassing wealth when Gaidar decontrolled prices, and the mafia kingpins who became their fellow travelers to billionairehood through extortion rackets.

Zeroing in on Yekaterinburg, Yeltsin's home base, Govorukhin traces the events since Provincial Governor E. Rosel's 1992 request that local firms be allowed to export sur-

plus stockpiles of rare-earth metals from defense plants and use the hard currency earned "to solve social and economic problems." (See excerpts from film script, below.) But the proceeds benefitted high officials and the swiftly growing mafia, not the population.

In Khabarovsk, a city in Russia's Far East, Govorukhin interviews a local godfather so rich and powerful that citizens turn to him, not the government, to solve crimes and personal emergencies. Organized crime's replacement of the government is, in the film director's words, the hallmark of "a criminal-mafia state."

On the piers of St. Petersburg and Vladivostok, and at border crossings with Latvia and China, Govorukhin's camera recorded what the estimated \$40 billion per year in capital flight from Russia looks like: tons and tons of machinery, semi-processed metals, and even finished goods crushed to be sold as scrap at dumping prices.

Far from solving social problems, this looting has pulled thousands of Russian children into the criminal world. Children as young as nine years old are seen in "The Great Criminal Revolution" as couriers in the drug trade, washing cars on Moscow streets (having quit school at 13), boasting about their lives of crime and alcohol consumption, and robbing freight cars in the Far East. As train robbers, "Kids have the most success. There are some real aces. Each of them makes in a day more than a nuclear physicist in a year."

At Arzamas-16, the Soviet nuclear weapons center, physicists describe living in poverty after their labs were "thrown into the market," although they make no products they can legally or morally sell. "We are digging graves," one says, while Arzamas-16 physicians tell of performing surgery without bandages, rubber gloves, or medicines.

Did this have to happen?

"The destruction of Russia may seem profitable" to many in the West, Govorukhin said at his press conference. "But it seems to me that any gain is short term, because the consequences in the not-so-distant future could be extremely destructive for western civilization. The transformation of a huge portion of the planet into a zone of crime cannot fail to have an impact on the criminal situation worldwide."

Govorukhin arrived in the United States amid a surge of publicity about the growth of crime in Russia, in the *Atlantic*

Monthly, National Public Radio, and NBC television, among other media. CIA chief James Woolsey and FBI director Louis Freeh have each testified in Congress about Russian crime, while the FBI's Criminal Investigative Division is circulating a dossier called "Eurasian/Eastern European Organized Crime." In many of these studies and congressional hearings, the emphasis is on the security of Russia's nuclear weapons: Will Russia become "the next North Korea?"

"The Great Criminal Revolution" is of special use for such discussions, because it clearly shows cause and effect in Russian policy. For anybody genuinely concerned about the dangers of chaos sweeping Russia, it becomes obvious that the first step toward defusing those dangers is to reject the misery-breeding recipes of the IMF and seek ways for real economic development.

Current American ideological blocks to such a realization came up in comments made to Govorukhin during his Washington talks, about how "every country, every market goes through a criminal stage in its development." This is an argument often used to justify the narco-mafia-dominated "informal economy" to which desperate citizens turn for their subsistence, in countries where state-sector industries have been dismantled on demand from the IMF.

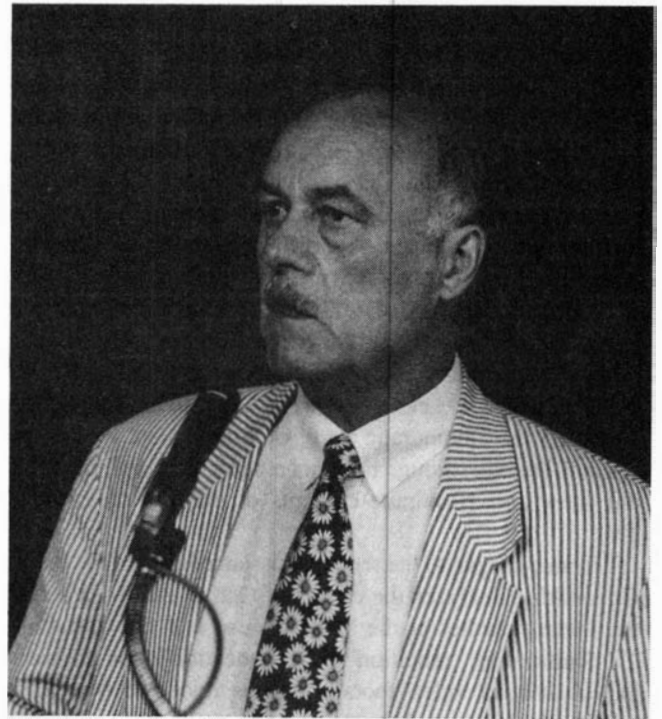
For his part, Govorukhin voiced the bitter anti-western backlash that swept the Russian political scene after Yeltsin ordered heavy artillery fire against the previous Parliament on Oct. 4, 1993 and met with approval from western countries. Despite the high turnouts for his film, Govorukhin said he thought U.S. officials "had no use for this information. . . . They do not want to know." In his view, "the West" as a whole has only sought to profit from Russia's destruction.

Asked what solutions he would propose, Govorukhin said at his press conference, "I'm a pessimist, and I think that all is lost. The only weak hope would be that in 1996, there actually might be democratic elections. It's a very weak hope, and, if I tell you the honest truth, I don't think there is hope. On a daily basis, the new regime is violating even their new Constitution. The country is being run, not by the Constitution, but by presidential decree."

A best-seller

Govorukhin was a popular director before he entered politics. The great success of his "The Rendezvous Cannot Be Changed" vaulted him to national fame in 1979.

In 1988, in Govorukhin's words, he "struck out into unfamiliar territory for me (as well as for the rest of our filmmakers)—the genre of the documentary political pamphlet." In the spring of 1990, his documentary on the impoverishment of Russia and the criminalization of the young generation, "This is No Way to Live," influenced public opinion and members of the Russian Republic's Supreme Soviet in favor of Boris Yeltsin's election as Chairman of the Supreme Soviet, an outcome Govorukhin actively sought. (One year later, Yeltsin was elected President of



Russian film director Stanislav Govorukhin speaks at a Washington press conference, introducing his film "The Great Criminal Revolution."

the Russian Republic.)

In 1992, Govorukhin traveled to Vermont to film one of the few interviews granted by Russian writer Alexander Solzhenitsyn during his long exile in the United States. The resulting two-part film, "Alexander Solzhenitsyn," was aired on Russian television, being the first reintroduction of the writer to the Russian people since his expulsion from the Soviet Union in 1973.

His earlier films, Govorukhin said, were promptly shown in theaters and on TV, even the controversial "This Is No Way to Live." But now, when he is in opposition to Yeltsin's regime, state-controlled Russian television channels have not shown "The Great Criminal Revolution." (This contrasts with the generous publicity accorded oppositionist Vladimir Zhirinovskiy, whom Govorukhin characterized as a provocateur who has helped Yeltsin not only directly, by supporting his new Constitution, but by enabling Yeltsin's group to say: "We may be bad, but if not us, then Zhirinovskiy!")

"At a certain point in working on the film," Govorukhin has explained, "it suddenly dawned on me that our film was going to be hopelessly late. I do not mean that in three or four months it would cease to be topical and its contents would no longer be of interest to the audience. No, it would be too late, because the situation with glasnost was deteriorating so rapidly, we were going backwards so fast, that it was entirely possible that by the time the film was done, there would be nobody to show it to. Nowhere and nobody."

He decided to transform his film notes into a book, which was under way when Yeltsin issued his Decree of Sept. 21, 1993, abolishing the elected Parliament of the Russian Federation. The author wove into his narrative the events from that date through the shelling of the Parliament building by heavy artillery on Oct. 4, which ended the deputies' resistance to the decree. He obtained dramatic eyewitness interviews with deputies and Parliament staff members who were inside the building when it burned.

The book version of *The Great Criminal Revolution* sold out a first edition of 100,000 copies and was serialized in regional papers, for a total readership in the millions. Before the December 1993 elections, when Govorukhin entered the Duma on the Democratic Party of Russia slate headed by Nikolai Travkin (though he is not a party member), the DPR did show two 10-minute excerpts of the film on national TV.

In an epilogue to the second Russian edition of the book, Govorukhin analyzes the events of Oct. 3 and 4—whether the violent clashes at the White House and the Ostankino TV Studio were “rebellion” or “provocation”—on the basis of voluminous video footage he has reviewed (see *EIR*, March 25, 1994, p. 51). He plans to make the September and October 1993 events the subject of his next film.

Documentation

Made for television, Stanislav Govorukhin's "The Great Criminal Revolution" is in three parts totalling 150 minutes. Following are excerpts from the film script, translated from Russian by Rachel Douglas.

From Part I, 'Russia: Wholesale and Retail'

All the piers in all the ports of Russia are literally overflowing with freight—to be shipped abroad. Timber, metal, rolled metal, non-ferrous metals. Commercial firms purchase all these goods from the producers for rubles and sell them abroad—for dollars. At dumping prices that earn nothing for the state.

The market is flooded with Russian metal. There is especially a lot of aluminum, for some reason. Do we have a surplus? No, our country is rich in mineral resources, but we do not have any bauxite, the ore from which aluminum is made. We derive our aluminum from alumina, practically from clay. This is a very expensive process. We import pure bauxite from China and Guinea. Imagine: Thousands of freighters carry the ore, then it is shipped across the country by rail, and finally the ore arrives at the factory. We produce the aluminum, the commercial firms buy it up, and then the same picture all over again—the trains, the steamers. The aluminum departs abroad.

Why not put a stop to this process? Because it's not profitable to stop it. Thousands of people live off this operation, from the high-ranking government official or even cabinet member who issues the license, down to the small fry who opens the door to his superior's office.

Treasures of the past, works of art—but of course chiefly oil, fuels, non-ferrous metals—all this goes to the West through the countries of the Near Abroad. Earlier, caravans of cargo streamed out almost totally in the open. Now our border guards have managed to detain some of it—most of all, copper. . . . We observed this madness everywhere, at all the customs points on the border with the Baltic countries. All of these metals are called strategic raw materials. “So what?” you might think. But if there should be, God forbid, a war, we would quickly realize what this means.

Estonia now occupies fourth place in the world, in the export of nonferrous metals. Without having one gram of ore deposits of its own. It all comes from contraband and massive thievery. This little country, whose respectable history evokes nothing but sympathy, in the space of two years has turned into a professional fence. . . .

We have just scratched the surface of the looting of Russia; already there are many questions. Not only metals, oil, rare-earth elements, and gold are streaming across the border. Everything goes. Running ahead of our story, I will read you two lines from a contract, whereby the Krasnokamensk firm Centaur would supply the Chinese side 18 KamAZ trucks in exchange for 53,000 packets of chewing gum—18 tons! 18 KamAZes for 18 tons of gum. So when you buy gum for a child, you should realize that you have paid for it twice—the first time, when we built the KamAZ plant. Do you remember how the entire country mobilized for that? It's a typical example of our barter: The main thing is to draw up a contract that is the least profitable for Russia. The less advantageous it is, the greater the sum of the deal being made on the side, under which the buyer deposits a certain sum of dollars in the seller's bank account abroad. Has no one tried to estimate the total deposits of Russian citizens in foreign banks? They have tried.

I will read you a document—a surviving one. The rest burned in the Supreme Soviet building on Oct. 4, 1993. There was a fascinating archive there.

“On Feb. 18, 1992, [Yegor] Gaidar signed an agreement with the American private investigators' firm Kroll Associates, which undertook to determine the funds of Russian individuals and companies on deposit abroad. In March, Kroll was paid \$1.5 million as an advance. But no results of the Kroll firm's work could be found at law enforcement agencies or in the hands of the government.”

That is a report from the prosecutor general's special commission. So what do we have here? Nothing: no million and a half dollars, no results of the work. But I think that the American detectives did their job, drew up a list of people having large deposits abroad, and handed the list to Gaidar.

I can well imagine his face when he saw the names! They say that Gaidar was not looking for that money; he was looking for Communist Party funds. They were looking for party funds, but they found themselves!

The main argument of the apologists for the new order is this: "Look, the shops have everything. It's expensive, but it's there." Not just expensive—very expensive. We have just shown you the cost of this abundance. What we are wasting and shipping abroad does not even belong to us. It belongs to our children. We shall leave them barebottomed and hungry, without deposits of ore, without forests, without oil, without technology. And they work only to pay the interest on the credits we lost down a bottomless hole. That is the secret of this abundance. And it could end very fast, as soon as Russia is completely looted. The secret of abundance is just one thing—the country should work well. But our country is not working and *will* not, until the situation changes fundamentally. It must become profitable to work and dangerous to steal. At present it's the reverse: It is profitable to steal, the state abets thievery and even pushes people in that direction. In two years, the state has created, in the guise of a class of property-owners, a class of thieves.

From Part II, 'Criminal Russia'

Yekaterinburg is a city teeming with business. Strange business. As soon as we set up our camera on a busy street in the city center, two guys came out, all pumped up, and asked "Who are these people? Who gave permission?" They made threatening gestures. They could have smashed our face in. . . .

Last year the boss of the city's Central group, Oleg Vagin, was killed. Coming out of a doorway with three bodyguards, he was shot at pointblank range by masked men with submachine guns. Vagin was by no means underground. His hideout was not in the Ural taiga, but he lived in a prestigious building, where Governor of the Province Rossel lives. Next door lives the brother of the President of Russia, Mikhail Yeltsin.

Security personnel showed us the video "Vagin's Funeral." [It shows] thousands of young people, the strong, well-trained, reliable footsoldiers of the country's criminal army. We call them "the pit bulls." I hope those amiable dogs will forgive us for using the term. Every city has its army of pit bulls. Stop anywhere on the street and look around—you'll pick them out of the crowd. They are all dressed alike, the same hairstyle, they are about the same age. It is a well-organized force. It has been created over the past two years as a powerful support base of the regime.

These youngsters will never get a real job, they will never learn to operate a bulldozer, or a machine tool, or put their nose to the grindstone of science, or defend the Motherland. They have discovered what easy money is, and they know the sweet taste of blood.

What happened in Yekaterinburg? There is a prehistory

to it. At the beginning of 1992, the chief of administration of Sverdlovsk Province, Rossel, requested permission from the government to export the surplus stockpiles of rare-earth metals and other precious metals, which resulted from defense industry conversion. It was proposed that the hard-currency earnings from these exports be used to solve the region's social and economic problems. Rossel's request was considered promptly. (This was not some walk-in, but a fellow townsman of the President.) Here are the minutes of a government session run by Burbulis (who also hails from Yekaterinburg; he taught scientific communism here). They considered the request, they resolved to help and said, take the stuff, sell it, and solve your social and economic problems. For convenience, they even opened an international airport in Sverdlovsk. It all began with that "trivial" request.

Vanadium—5,000 kg; gallium—5,000 kg; scandium—3,000 kg; zirconium, niobium, tantalum, indium—1,000 kg; osmium—50 kg. Incidentally, the international market price of a gram of one isotope of osmium is as high as \$150,000. For one gram! And here you have 50 kilograms. Lutecium, cerium, yttrium, terbium.

The strategic reserves of our homeland began to flow to the West. At first a thin stream, then a deep river. There were already substantial currency earnings, but requests continued to come to the government to set new quotas and issue licenses. For example, there was a 10-ton zirconium surplus, but licenses were issued for 329 tons.

The trading companies became fabulously wealthy. Millionaires multiplied as if by gemmation. This touched off a huge wave of crime lower down the ladder. Of course the common criminals were not about to sit there and watch while the commercial firms got rich at no risk. "Time to share!" they said. A large number of gangs specializing in extortion sprang up in the city. The commercial firms began to form their own combat units in response. They outgrew the needs of self-defense. They are growing and growing, and look at the results. The soldiers of the mafia. The combat units of organized crime. A whole army.

Are we not living in a criminal state? But our leaders constantly shout about democracy. We are the democrats, they say, and those who oppose us are dragging things back to barracks socialism. The reverse is the case, gentlemen. You are the ones dragging us backwards—to a criminal-mafia state, the outlines of which began to appear under Brezhnev. We, the whole people, tore our way out of that starting in 1985. The entire people, all of society was thirsting for the changes. And we achieved a lot, without the help of the Gaidars and Burbulises. They were still corrupting people with communist propaganda.

In these two years all the freedoms we achieved have been disfigured and slashed. Why do you put on a face that does not belong to you? Your face is quite different. It's the one you will go down in history with. As the creators of the Great Criminal State.

'If you want peace in the Balkans, lift the arms embargo against Croatia'

Gen. Martin Spigelj (ret.) became the head of the War School of the Yugoslavian Army before the Serbian war. His last official military post was as commander of the 5th military zone of former Yugoslavia, the most important, which included Zagreb and Ljubljana. He retired from duty a few months before Yugoslavia broke up. When the Serbs launched the aggression against Slovenia and Croatia, General Spigelj had intended to fulfill the agreement with Slovenia and join in the military defense of Slovenia against the Serbian attack and to prevent the Yugoslavian Army, as it was evacuated from Croatia, from removing the heavy weaponry at the same time; this policy was not that of President Franjo Tudjman. General Spigelj was removed from his post as defense minister in 1991, before the fall of Vukovar. He is now politically active, and works with the new opposition movement "Libertas," led by Zvonimir Separovic, Srecko Jurdana and other Croatian patriots.

Also taking part in the interview was Prof. Sdravko Tomac, member of the political science faculty at Zagreb university. He is a former vice president of the Croatian parliament, and in 1991 was briefly a minister in the "democratic unity" government of President Franjo Tudjman.

The interview was conducted on April 29 in Brussels by Katharine Kanter.

EIR: The most important in war is the concept of victory. How shall we win the war against Serbia?

Spigelj: First, you have to realize who is the aggressor and who the victim. Serbia is the aggressor, but not one which cannot be conquered.

We need the application of force by the international community, to block the border between Croatia and Serbia; and between Serbia and Bosnia-Herzegovina, lift the embargo against Croatia and Bosnia-Herzegovina, demilitarize Serbia, establish the autonomy of the provinces of Kosova and Vojvodina; the conditions would then exist for refugees to return to Croatia and Bosnia-Herzegovina.

This could be done and would bring a just peace. The aggressor would be defeated, and the victims would not take revenge.

But there is another option: to make the victims of the aggression in Croatia and Bosnia-Herzegovina able to fight, with the assistance of the United States and other friendly states, through aerial support, and thus solve the problem through a direct war, a direct conflict.

Of course, there are other well-known options, all of which would do very little to stop the aggression and all of which, practically speaking, lead to rewarding the aggressor. For instance, the earlier Geneva proposals for the partition of Bosnia-Herzegovina. Either, in my opinion, they do not solve anything, or, they bring peace at any price, which will, in a year or two, simply get us another war.

In short, I am for the equal status of two options: political and military. But in order for a political option to be effective, a military option must precede it.

EIR: What do you think of the state of the Serbian armed forces and the supply situation?

Spigelj: Serbia has much overestimated its military capability. That happened because no serious fight has so far been put up against Serbia. They have some superiority in war techniques, and they have practically limitless access to ammunition. It's an open secret that they get significant help from Russia, China, Iraq, and other countries. But their weak point is the quality of men they have at their disposal, a weakness for which they will not be able to make up. Unlike their victims, who are, in these terms, on much more solid ground.

EIR: What do you mean by the quality of men?

Spigelj: Economically, Serbia is going through a real catastrophe. It underlies all this. A single significant defeat on the battlefield for Serbia, would lead to her final defeat. My position is that Serbia is weak, and must be defeated. But the world does not allow this. The world has tied our hands, while giving the Serbians free rein. That is the absurdity of the modern world.

EIR: What about England and her control over the United Nations?

Spegelj: I will be open. I think the official British policy has been negative, and remains so, in this terrible conflict. England's official policy is to partition Bosnia-Herzegovina, which will benefit Serbia alone.

All obstruction to any effective response against Serbia, has come from the British side. That is a fact.

The British should tell us what their motives are. I draw your attention to the very real obstruction by Gen. Sir Michael Rose in Bosnia, who has been *observing* the military action. Practically everything from the side of [British "mediators" Peter] Carrington and then [David] Owen—all this was a skillfully performed Serbian policy, in fact. So I evaluate official British policy as *absolutely negative*.

The present policy of England may well lead to the same results as [British Prime Minister Neville] Chamberlain's did in his time, unless other powers in the world oppose this.

EIR: Do you mean world war?

Spegelj: Yes, a European and world war. The relations of the United States and Russia contribute to it. The United States is trying to keep Yeltsin in Russia in a tolerable state, so [the Russians] get concessions concerning the Serbian issue. But Russia will never be preserved if Serbia is to be upheld in her aggression.

EIR: U.S. Vice President Albert Gore went to Russia in October 1993 and said of the International Monetary Fund, that the IMF stinks, that we should stop this nonsense, that we should lift the IMF conditionalities against Russia.

The IMF went to Zagreb in April, and called for setting up a "blue zone" as a condition for credits to Croatia. In this manner, the IMF has been directly involved in the conduct of the war.

Spegelj: I will only say that the real help to Croatia is either concessions, or participating in building its own objects, which means, *no credits*. Credits are a tragedy for Croatia. Because of the unstable state in Croatia, the capital doesn't flow in. We have a vicious circle of blockade, because fresh capital can enter Croatia only on the basis of self-interest, which is lacking because of the instability. So when my President, Tudjman, speaks optimistically about foreign assistance, help from abroad, that is illusion. Humanitarian aid, fine, but this is not what we really need.

Tomac: The policy of the International Monetary Fund is to drag East and West into the catastrophe. This is one of the worst world problems. Major clashes will occur because of that.

The Russian experience should teach something to the Croatian government. It should not fall into the same trap. . . .

The promises of the International Monetary Fund were bait for the Croatian government; but they will bring nothing.

In the final analysis, Croatia is far too small to solve the problem of the International Monetary Fund; only the American state policy can actually crack this problem, because the recession, unemployment, and the lack of industrial growth are all the fruit of the IMF's policies, which have nothing to do with development; but rather with purely financial concerns.

I agree with the analyses of the Schiller Institute on this issue, which are the deepest ones I have had occasion to see. The British, and a part of the American policy structure, stand behind the IMF, in the background, and are part of the cause.

EIR: In Croatia itself, you must get the Krajina back, but it seems that the present government is not committed to that.

Spegelj: In this ocean of absurdities, this is one more, that the Croatian government is not *committed* to getting those occupied territories back, *unless* it can be done without the use of armed force. Whereas, the Serbians say that they have got those territories by force of arms, and they will keep them. For us to say that we will wait for them to be returned peacefully, is like saying you would join steel to water: You cannot do this without the use of force, and the whole Croatian people will very soon become aware of it. We cannot stand for this kind of status quo much longer.

In my view, the occupied territories in Croatia will be gotten back only within the context of the Bosnian-Herzegovinan war, and only by the use of armed might. I have first-hand knowledge, and unfortunately, I am persuaded that without the use of force, nothing will be achieved. But to this end, there must be marked changes in Croatian policy, whereas the present government will not take the necessary steps. We are determined to change this, and the forces of change have become more numerous and stronger, perhaps, than even the government; but, they are not formally in power.

We shall not get back the occupied territories without war. So you may expect war in Croatia as well. This has to do with how we shall defeat the Serbian aggressor everywhere.

EIR: That's what you meant when you said that it has to be seen in the context of the war in Bosnia?

Spegelj: Exactly, yes.

EIR: What about Unprofor peacekeeping forces and the United Nations, and the way they use so-called humanitarian aid in Bosnia?

Spegelj: Regrettably, I have nothing positive to say about that. They act under the influence of [U.N. Secretary General] Mr. Boutros-Ghali and of official British policy, and they thrust aside any other policy, such as that of Germany.

The U.N. policy is “peace at any price,” cease-fire at any price, to separate the armies at the line of Serbian territorial conquests, and then get around to “solving” things over countless years.

In other words, what the aggressor has taken, belongs to him, and the victims’ losses are for them to swallow. For us to accept such a thing is an absolute catastrophe. These forces, the observers, and the purveyors of humanitarian aid are acting upon those premises, so the U.N. is now like the League of Nations before World War II: impotent in every respect.

EIR: Bosnians have told me: It’s lucky for us we don’t have the artillery and tanks, because if we did, the British Unprofor troops would find them immediately and destroy them. It’s lucky for us that we have to conduct a partisan war with only infantrymen, because otherwise, the British would make sure that all of our heavy equipment was destroyed. And they said that the British are strangling every main road.

Spegelj: Please do *not* compare the British with *our* fighting capabilities. If *we* had not “taken care” of the British, they would be beaten by the dark by now. That is, they would have been killed.

The British forces are very small, very dispersed. They are not dangerous for anyone—except in the intelligence service. They have been sent to do intelligence jobs, not to solve military questions in Bosnia-Herzegovina.

EIR: Intelligence for the Serbians in Bosnia?

Spegelj: Yes, exactly. But militarily, they’re insignificant. Otherwise, it’s our territory and we have utter superiority upon it. The British have nothing to look for there. Should we be brought to the point where we must enter a phase of guerrilla warfare, for Serbia and her supporters it will turn to a debacle. In that case, we shall transfer our military activities to all the other areas—to Kosova, to Vojvodina, Macedonia. We shall attack where *we* want; not where the enemy expects us to.

EIR: It’s a good idea.

Spegelj: Only then would all the roads be blocked. It’s not what you say, that the British already control them. It’s not so.

Imagine 600,000 guerrilla fighters equipped with modern weapons entering the fray; this is possible when they enjoy the support of the people—which we have. That is why I don’t believe that the British will start attacking somebody.

EIR: In your view, should we break off these Geneva talks, all of this palaver?

Spegelj: I think the Geneva talks are already broken. There is no more. A kind of bypass has been done around Geneva and Norway. From the United Nations, through the represen-

tatives of the United Nations in Croatia and Bosnia-Herzegovina, and a bigger bypass: The United States and Russia are directly communicating over the negotiations.

That’s why Mr. Owen feels neglected. My personal opinion is that he should withdraw into the dungeon where he used to be. Either he and his people understand nothing, or they work for money. The result of their work directs us to this kind of accusation that I have just made.

The Croatian and Bosnian governments fell into the trap of Geneva, too. They started drawing up these maps, tunnels, viaducts. . . . Only a naive child would not see through Owen when he starts speaking about tunnels and viaducts—a miracle of naiveté! But the Croatian and Bosnian governments accepted this as serious.

EIR: Now they have a “contact group,” as they call it, set up in London. The British speak of a four-month cease-fire, during which the “future map of Bosnia” is to be discussed. In mid-April, U.S. Secretary of State Warren Christopher said in a joint press conference with the British Foreign Secretary Douglas Hurd, that nobody thinks that we can go back to the way things were at the beginning.

Spegelj: I don’t know which “beginning” he means. What beginning did he have in mind? The creation of the world? Then he’s probably right.

This four-month cease-fire and a firmer peace is an idea coming out of Washington. It may be useful. Serbia has not finished her military operations; she has not attained the core of her aims. What Serbia has taken so far, cannot survive without the final objective of the operation.

In other words, time is not on Serbia’s side. The victims could exploit this opportunity. I do not mean that we should await God’s mercy, but rather, prepare ourselves for the final battle. Any attempt to “solve” this with map tracing, or whatever, will only touch off another, wider war.

Serbia must be demilitarized, Bosnia-Herzegovina must retain her internationally recognized frontiers, and the same applies to Croatia, without any separatism or “states within a state,” and so on. These are the only maps that will secure peace in the Balkans, and perhaps even European peace. Should we be forced to enter a prolonged war, of uncertain outcome, we shall internationalize the crisis militarily, just as we have internationalized it politically. We shall broaden the conflict. We shall have no other choice but to spread the war, to bring the great powers before a *fait accompli*, and make them do what they have to do.

EIR: You spoke of Vojvodina, and said you would take the war into Kosova.

Spegelj: Yes, but also, form alliances abroad, with countries which will come to our aid, and then we shall no longer allow Unprofor to control our roads and so on. Because they have only been protecting the aggressor. The great powers chose the policy, and we shall respond to it.

'It is time to tell the Algerian government to stop the violence'

While in Paris for the D-Day celebrations, President Bill Clinton announced that his administration distinguishes between "mainstream Islam" and terrorists operating under Islamic labels, and that it was opening relations with the Islamic Salvation Front (FIS) in Algeria. EIR spoke to Rabah Kebir, spokesman for the FIS abroad, in early July.

EIR: How do you characterize the current situation in Algeria?

Kebir: The situation in Algeria today is very far gone, first of all on the political plane, because there has been no progress. Although the current government talks of dialogue, it has not taken steps in that direction. It is still practicing violence, and in a terrible fashion. For the first time Algerians are seeing this kind of violence. For example, the police come into the villages and take citizens who are so-called "close to the mujahedeen," and execute them in front of the people, in broad daylight. They have repeated this several times. It's the concretization of the policy of the former head of government, who said that the "relationship of fear" had to be reversed. Although the Malek government was replaced, the policy continues, which means that Mr. Zeroul is either not master of the situation, or that he is not sincere [about dialogue]. We are witnessing things that did not occur even in the colonial occupation period.

EIR: Why is this happening?

Kebir: It's a kind of revenge. They come into a city, and tell the people, if a policeman dies in the city, we will kill ten inhabitants of the city. It's an attempt to drive a wedge between the people and the mujahedeen, but it will not work, because the victims are simple citizens, not terrorists. So the situation from this point of view is very deteriorated.

EIR: And from the economic point of view? What has the effect been of the agreement reached between the government and the International Monetary Fund?

Kebir: This policy cannot work. We are opposed to the agreement with the IMF. We've talked about this subject with the Americans, and with others. We said, we're against it. They have a different point of view. For us, the effect of the IMF deal will be to make the rich richer and the poor poorer. The rescheduling will give the government a couple

of billion dollars, but they cannot use the funds to help develop the country, to do something for the welfare of the people. So the economic situation is worse than before.

EIR: Considering the amount, compared to the \$9 billion annual debt service bill, it looks as though Algeria is gaining nothing.

Kebir: The money will go in one pocket and out the other. It's important to see that the political solution to the crisis is inextricably linked to the economic solution. They are the same thing. If a political solution is not found, there will never be an economic solution.

EIR: Those who organized the rescheduling did so in hopes it would stabilize the situation. But the IMF conditions—devaluation, internal interest rate hikes, import cuts—have only aggravated the social conflict.

Kebir: Because of this, prices have soared. We have issued a document on the IMF deal and on the Algerian economy, which should be available in English in a couple of weeks.

EIR: Do you have your own economic program?

Kebir: We have a political program, which gives the broad outlines of economic policy. We have a special commission of economists who are working on the program.

EIR: How do you see the Clinton administration's opening up contact with the FIS?

Kebir: We view the new position of the Americans as very positive. It was a change that was necessary, in order to have relations based on respect for the Algerian people. It is time to tell the Algerian government to stop the violence—which is what the Americans said—and make clear, that it's time to return to dialogue, to seek a political solution. The Algerian government says one thing, but then its deeds contradict it.

We had contact with the Americans before Clinton made his statement. We talked about the same issues we have just been discussing here—the IMF. And, unfortunately, we did not have the same point of view. They say: The rescheduling is in your own interests, in the interests of the FIS. The population does not accept rising prices, which creates more problems for the government. They say: It is necessary for Algeria to be a part of the international economy. We say:

The Clinton administration decided: We are convinced that the Islamic Salvation Front is a political reality in the country, and that nothing can happen in Algeria without the FIS. They reached this conclusion, and as a result tried to establish contact with us.

That's not the case; the IMF policy is not in the interests of the people, and—there you have it—we took note of the fact that there are diverging viewpoints on this matter. But, on the other hand, the political aspects, above all the need for a sincere dialogue with the FIS, this was clear, this is a point we held in common. Because if there is not a serious dialogue with the FIS, as a political party, with its historical leadership, and if there is not the opportunity for internal dialogue within the FIS, among its cadres, to reach clarity, then the situation will worsen by the day, and the most extremist elements will gain control of the situation.

EIR: Can you say something more about the talks with the Americans?

Kebir: As I said, there was a divergence on economic policy. They said it would be in our interest in the long run, considering membership in the Club of Paris and so on. And that's the point on which we differ.

EIR: What did you propose?

Kebir: We said: We do not accept the rescheduling package. We accept cooperation between states. The rescheduling deal is against our interests because Algeria has already paid out [in debt service] more than the total amount of its foreign debt. It is impossible to continue to follow such a policy. We have specialists who are studying radical measures.

EIR: Did you propose a debt moratorium?

Kebir: We did not get to that stage. We discussed the idea of having talks with our economists, to find a radical solution.

EIR: How long have you had contact with the Clinton administration?

Kebir: Since December.

EIR: Did they seek out contact with you?

Kebir: Yes.

EIR: Why do you think they decided to do so?

Kebir: They said: We are convinced that the FIS is a political reality in the country, and that nothing can happen in Algeria without the FIS. They reached this conclusion, and as a result tried to establish contact with the FIS.

EIR: Are you unanimously in favor of contact with Washington, inside the FIS, or is there opposition?

Kebir: With the politicians, there is no problem. They see that the Americans, and others, for that matter, have a pro-FIS position. Certainly, it was said: You Americans had positions previously which were unacceptable, you supported the dictatorship in one way or another. They tried to deny it, saying, no that's not true. We showed them then, that on a certain date, Mr. So-and-so said such and such. One official replied that if Mr. So-and-so said that, it must have been his "personal opinion." But, in spite of this, they apologized. So, therefore, clearly, there is a serious change that has taken place.

EIR: Did the Americans define conditions or parameters for the dialogue?

Kebir: For the moment, no. For the moment, the basis of the discussions are the five conditions issued in December.

EIR: Of the FIS?

Kebir: Yes, that's the basis. Because it was after that press conference [in Bonn] that the Americans asked for contact. They encouraged the idea of dialogue. At the same time, they raised questions about how one could concretize the dialogue, given that one of the five conditions, was that those responsible for murder in Algeria had to be brought before a court. They did not say something different, but they said they thought this condition was a sort of rejection of dialogue, because it is not easy to demand that those responsible for murder in Algeria be put on trial and judged. That condition they considered very hard. On the other hand, that was at the first meetings. I feel that they are looking for a serious and feasible dialogue. Which means, they are not out to pose conditions that block dialogue.

EIR: What are the other considerations?

Kebir: The Americans insist as always on the question of human rights. For our part, we gave our assurances on this point, and for the future. We explained that we, the FIS, have no problem whatsoever with this. We gave them all guarantees. The other thing, regarding freedoms in general—political freedom, individual freedom, freedom of expression, freedom of the press, etc.—we have no problems with

this. For our part, we told them, these freedoms are guaranteed. They received this quite well, and they saw that the FIS, with this commitment, can be a valid interlocutor. So, when at a certain moment, a French minister said that the FIS was a terrorist organization, the Americans replied, no, that's not true, the FIS is not. They had already had contacts and they knew a bit about the views of the FIS on certain issues. This does not mean that the French don't know the same; they know it very well, but the French want to demonize us.

EIR: What is the French position now vis-à-vis the FIS?

Kebir: I think the French problem is domestic, it is not a question of foreign policy. I mean, there is the problem of the presidential elections [in 1995] and that plays an important role. In my opinion, their view of Algeria is quite similar to the Americans'. In their reports to the Americans, the French say that the Algerian government will fall in the coming months, that it's not durable. But at the same time, they say that this government has to be supported. It's contradictory. According to well-informed sources in France, the right wing is trying to have a clear, fixed line up to the elections, and the line is support for the current Algerian government. This is for electoral reasons. I think that the French are anti-Islamist. At a certain level, there are contacts with the French. We know that the French are convinced that the Algerian regime will fall, and that the FIS is an absolutely strong, clearly defined reality in Algeria, but from the point of view of the press, and in statements by the foreign and interior ministers, they are all anti-Islamists. This is a matter of playing the French electorate.

EIR: How do you see the situation with Germany?

Kebir: Germany . . . Germany is always Germany. I don't know. The Germans receive pressures from the Algerian government. The Germans support the regime, and thus place themselves against democracy, and against the people. Up to now, no German official has tried to talk to us, to meet, contrary to what others in Europe have been doing. The German position is not normal, we don't understand it.

EIR: What about Italy?

Kebir: Certainly, the Italians, as well as the Spanish, want contact. It's just the Germans who don't.

EIR: And the British?

Kebir: The British, no, perhaps because they have limited relations with Algeria. The British have assumed an anti-Islamist position.

EIR: What does the dialogue with America mean for the perspectives of your relations inside Algeria?

Kebir: If the Algerian government wants a negotiated solution, which even foreign countries have been pushing, then pressure has to be put on the Algerian government to free

the historical leaders of the FIS, among them Abdelkader Hachani, the head of the provisional executive office of the FIS, who has been in prison since January 1992. He is in a serious situation, he doesn't even have the right to go outside into the courtyard, he's in total isolation, it's a catastrophe. If the Algerian government frees these men, and if the FIS is given the opportunity to meet and have discussions, then I think, despite the gravity of the situation, that a solution is possible. Without this, things will get worse day by day. The government will never be able to master the situation.

EIR: Have you, as a Muslim force, taken any initiatives regarding the U.N. conference on population slated to take place in Cairo in September? The conference program calls for massive depopulation in the developing sector, and a one-worldist government.

Kebir: This is old hat for us. The Islamic movement has taken a clear position against birth control long ago. The FIS is against birth control completely, and is conscious of the seriousness of the issue. The only family planning we allow is what a man and his wife, on an individual basis, do. It is a personal question. But as for a birth control policy, that is unacceptable. In other words, family planning is all right, but limiting births is not. A man and his wife may decide to have two or three children, for now, for the moment. They may decide the number of children they want to have within a certain period of time, and then, later, decide to have more. This is a matter of organizing the family, economically, and so on. But if it is said that each family is allowed to have only one child, no, that is forbidden by Islam.

EIR: Some malthusian lobbyists have tried to use the case of Iran, which has introduced birth control measures, to say that Islam allows this. There is talk of revising the Hadith to eliminate contradictions with birth control.

Kebir: I don't think that's so. The Hadith are the sayings of the Prophet; one can't tamper with them, or with the Quran. Maybe the Shi'ites in Iran see it differently, but in the Sunni world, that's impossible. My wife and I have five children, and the sixth is on the way, God willing!

EIR: How do you evaluate developments in Yemen?

Kebir: Yemen had elections, had a constitution, and with the results of the elections, it legally and democratically chose a solution. What [southern secessionist leader] al Baidh did was the result of outside forces, who wanted to manipulate the situation in the country. I do not think al Baidh would have dared do what he did without foreign help. There had been war before between the north and south, there had been the unification under the north. The press talks about the "north" and the "south" but the "north" is actually the legal government, chosen through elections. I think the situation is on its way to being stabilized, God willing.

Helga Zepp-LaRouche addresses meeting in Rome against Cairo '94

The Movimento Solidarietà, the Italian branch of the international Solidarity Movement, jointly with *Executive Intelligence Review*, sponsored a conference on June 23 at the Hotel Universo in Rome, in order to expose the United Nations plan to make the upcoming International Conference on Population and Development (Cairo '94) a general staff meeting for depopulation and genocide. Among the 50 attendees were representatives of the Catholic Church, religious pro-life organizations, missionary centers, demographic experts, managers of big industrial complexes involved in infrastructure and similar projects, specialized media, and a group of students on the front line in the fight in Italy and inside the Catholic Church against U.N. one-worldism.

The conference was opened with a personal intervention by His Reverend Eminence Cardinal Silvio Oddi, former president of the Vatican Congregation for the Clergy, and one of the best-known and most outspoken opponents of the U.N. neo-malthusian program (see box). "Life is a gift of God," he said, "and we must not tolerate the caprice of those who want to challenge the plan of God, deny His laws and the natural laws," he said. "This is why I personally find that it is a crime to think about a conference which wants to completely change the course of humanity."

The keynote speech was delivered by Helga Zepp-LaRouche, who chairs the international advisory board of the Schiller Institutes and heads the Solidarity Movement internationally, and who has spearheaded an ecumenical campaign to shut down the Cairo conference. Mrs. Zepp-LaRouche made the war on the Cairo conference into a major theme in her campaign as the leading candidate of the Civil Rights Movement-Solidarity, the German branch of the movement, in the recent European Parliament elections.

In her address, which appears below, Mrs. Zepp-LaRouche recapitulated her 20-year fight against malthusian depopulation and genocide. Back in 1974, she intervened in the U.N. conference in Bucharest against the Rockefeller-sponsored "overpopulation" propaganda. In 1982, she created in Rome an international pro-life, pro-development organization, the Club of Life, to challenge the pseudo-scientific scenarios of *The Limits to Growth* of Aurelio Peccei's Club of Rome.

The Cairo conference must not take place, Mrs. Zepp-LaRouche argued, because if we have learned anything from

the history of this century, it should be clear that the racist, neo-malthusian policies based on the idea of *Lebensraum* [the Nazi term for "room enough to live in"] and of a superior race, leads to catastrophe, as already happened in two world wars. She warned that if the Cairo platform succeeds, then at the U.N.'s World Summit for Social Development, planned for March 1995, a U.N. dictatorship will impose drastic population reduction measures, using the International Monetary Fund as a bludgeon to force nations and governments into line.

Paolo Vitali, an expert from *EIR*, proved with a condensed history of the recent anti-population growth promoters, and an analysis of the fabricated statistics produced to create the "population bomb" hysteria, that so-called demographic "science" is a fraud. He identified leading oligarchs, such as the British Prince Philip of Edinburgh; Julian Huxley, general director of Unesco in the period 1946-48; and the British philosopher Bertrand Russell, as the key organizers of the "cultural paradigm shift" of the New Age against the foundations of the Christian values and the ideas of growth and economic development.

The final speaker, Paolo Raimondi, president of the Solidarity Movement in Italy, proved how the policy of economic looting and underdevelopment of the International Monetary Fund has been directly responsible for the breakdown of the economies of the developing sector, leading to famine, epidemics, and wars. These catastrophes, he said, are then used by the U.N. neo-malthusians to paint a false picture of overpopulation.

Presenting the audience with advance copies of the forthcoming Italian translation of *The Science of Christian Economy* by Lyndon LaRouche, Raimondi stressed that today it would be a disaster if the leaders of good will in the church and in the political sphere were to maintain the old separation between Christian ethics and economics. LaRouche has proven in his scientific works that these moral values are economic science, the only practical one for a policy of population growth and economic development.

During the intense discussion period that followed, a leading industrialist suggested that an exhibition of the great infrastructure projects be organized by the Catholic Church in Rome to popularize the existence of a workable alternative to the depopulation utopia and economic depression.

'World could hold 40 billion people'

by Helga Zepp-LaRouche

This speech was delivered by Helga Zepp-LaRouche, chairman of the Schiller Institute in Germany, to a conference in Rome, Italy on June 23, sponsored jointly by EIR and by the Movimento Solidarietà, an Italian political party which supports the policies the international movement founded by Mrs. Zepp-LaRouche and her husband, Lyndon LaRouche. Subheadings have been added by the editors.

If we have learned anything at all from the history of the 20th century, then it ought to be the understanding that neo-Malthusian and racist policies based on the geopolitical conception of a "claim to *Lebensraum*" [the Nazi term for "space to live in"—ed.] for a master race, however it may be constituted, leads to catastrophe, as has already happened twice in the case of the two world wars. Precisely for this reason, the United Nations population conference planned for September in Cairo must not be allowed to take place.

In more than one way, the attitude of the world public toward the Cairo conference is a test case for mankind's moral fitness to survive. Since the world public seems to have become accustomed to a certain degree to genocide, sitting comfortably in their living rooms in front of the television, watching the genocide in Iraq, in Bosnia, in Rwanda, to name but a few of the victims, now a policy is supposed to be legitimized which has as its aim the reduction of the human population by one-half.

If the world public now also swallows this, after everything that has already happened, then this has approximately the same moral effect as an *ex post facto* democratic vote in favor of Hitler's program of annihilation against the Jews and the people he called "useless eaters." If the organizers of this conference are successful in their plan, it would indeed be the destruction of the foundations of our Christian humanist history in Europe, as Pope John Paul II said: "The human being himself would be the first victim of this policy."

At the International Conference on Population and Development in Cairo, not only are guidelines for reduction of population supposed to be established, which are intended to aim toward the option of the "low variant" of the U.N.'s population projections—i.e., the reduction of mankind to 2.5 billion individuals in the next 150 years; but also, quite clearly, the issue is far more to get governments "on line," since such a projection is patently absurd from a scientific economic standpoint.

The just-published *Human Development Report 1994* of the U.N. makes clear that what is at stake in Cairo, is nothing less than the first step toward establishment of a world dictatorship, in which the U.N. bureaucracy and its sub-organizations is supposed to be endowed with quasi-dictatorial powers. To this end, a "world police," a World Court, a World Central Bank, a World Finance Ministry, a World Anti-Monopoly Office, and a World Trade Organization are supposed to be established. The purpose of these organizations is supposed to be—and about this the report leaves no doubt—the forced reduction of the world population and the disintegration of the sovereign nation state.

The issue in Cairo is supposed to be the general acceptance of a policy of population reduction. And then at the World Summit for Social Development, scheduled for March 1995, the instrumentarium for its implementation is supposed to be consolidated. Should individual nations oppose the dictatorship of the United Nations Development Program [UNDP], they will face not only drastic economic sanctions and the policies of the International Monetary Fund [IMF], but also, as the special adviser of the UNDP Mabubhul Haq emphasized at a press conference in Washington, D.C., such nations which do not subject themselves to the "Human Development Index" will also have to expect rebellions, as the example of the Zapatista rebellion in Mexico demonstrates (which was actually financed out of the North).

The fraud of 'sustainable development'

The *Human Development Report 1994*, written in a terminology which is otherwise copied directly from Orwell's "Newspeak," describes the goal of "human security" as the achievement of so-called "sustainable human development." According to the UNDP, this is to be understood "as bringing human numbers into balance with the coping capacity of societies and the carrying capacities of the nation."

That is incredible! That anyone dares to make such a monstrous and utterly unscientific concept as the idea of a supposedly fixed "carrying capacity" of the Earth into the foundation of his argumentation, only proves what disdain the authors of the report have to the intellectual level of the political elites. And so it is quite consistent that these authors name Thomas Malthus, Karl Marx, and John Stuart Mill as the intellectual authors of such a program.

In view of the ideology of contempt of mankind of these

intellectual ancestors, it is no wonder that “unchecked population growth” is called the number-one threat to “human security” on page 34 of the report.

Of course, the UNDP and the other U.N. institutions are completely aware that these utopian ideas of a malthusian U.N. world dictatorship cannot be realized as long as there are still national sovereign governments. Consequently, the report demands that expenditures of national armies be essentially stopped. There would then be no obstacle to a worldwide gunboat policy, and the “global peace dividend” could

. . . a professor of demography and sociology at Cornell University, Mayone Stycos, openly conceded that the Cairo conference is in the tradition of the International Eugenics Conference of 1932; but he claimed that fortunately a series of scientific advances has been made in methods of birth control and sterilization.

then of course be used to pay foreign debts, and thus to keep the speculative bubble of the international financial system inflated for a short while longer.

The demand is openly raised in the report, that a “global demilitarization fund” and the proposed Economic Security Council should organize the demilitarization of the countries concerned, and this should be treated as the prerequisite for financial aid and credits. Black on white, that means nothing other than the brutal application of the “food weapon” against every country which refuses to accept the decrees of the world government.

Such a world police, and the already-familiar Blue Helmets, would then have the right to intervene into an entire gamut of cases: mass annihilation of the population by the state in cases of starvation or denial of medical care, forcing people from their home areas, occupation or denial of the right to self-determination, and, of course, “destruction of the environment, appear to be obvious grounds.”

The World Trade Organization is supposed to have the right to completely liberalize world trade, and thus the right to unbridled exploitation of the developing countries or the countries of the East. The Economic Security Council would then have the power to intervene against nations which oppose this dictatorship.

The authors of the report include the chairman of the UNDP, James Gustave Speth, who was already in charge of

the *Global 2000* Report for the Carter administration, which already at that time openly called for reducing the world population to 2 billion by the year 2000—only six years from now! Another co-author is Paul Streeten from Sussex University, who saw to it that the bureaucratic apparatus of the British Colonial Office was fully absorbed into the U.N. bureaucracy.

It is quite revealing that the official declaration of the French government on the Cairo conference sees Malthus corroborated, because allegedly the idea that demographic growth has a negative effect is still an acute issue today [see p. 15]. But then, the French government let the cat out of the bag on what it is really worried about: The flood of immigrants which (according to this declaration) is a consequence of demographic pressure, cannot remain without effects on the stability of the prosperous nations of the North!

Nazi eugenics, repackaged

The issue at the Cairo conference is therefore Malthus. That much is openly admitted; but just as blatantly, the issue is eugenics. In this regard, a professor of demography and sociology at Cornell University, Mayone Stycos, openly conceded that the Cairo conference is in the tradition of the International Eugenics Conference of 1932; but he claimed that fortunately a series of scientific advances has been made in methods of birth control and sterilization.

There is a definite, if ironic usefulness to the fact that Malthus—the ideological basis of British imperialism and eugenics—and the Nazi policy of racial hygiene now appear so openly in common company in relation to the Cairo conference. Both have not merely the same ideological basis, but also a far greater historical interrelationship and affinity at their core than official historiography has cared to admit up to now.

The first to formulate the evil notion of the “carrying capacity” of nations and of the planet Earth was not the “evil Parson Malthus,” the paid scribbler for the oligarchical interests of the British East India Company. It was instead the Venetian ex-monk and economist Giannaria Ortes, from whom Malthus basically plagiarized. And Ortes himself admitted that he had taken his theory of the “calculus of pleasure and pain” from Maupertuis, an arch-opponent of Gottfried Wilhelm Leibniz at the Academy of Sciences in Berlin.

Ortes argued absurd theories such as the idea that the prosperity of a nation remains constant and proportional to the number of its inhabitants, that there are furthermore no differences between nations, that reforms are not possible, and that neither economic initiatives by the state nor other reforms are possible. There is, according to Ortes, in any case no possibility of raising the population’s standard of living. In the end, he admitted that the model for his theories was Venice—the original model of the oligarchy and of wealth, based on usury and exploitation practiced by the few.

The basic problem with all of these oligarchical “economists” and ideologues, such as Botero (1544-1617), Ortes, Malthus, but also Jeremy Bentham, Adam Smith, and John Stuart Mill, is the bestial image of mankind which is the basis of their perverted theories. If the human being is not fundamentally different from the animals, and is exclusively guided by the wish to achieve the greatest pleasure in his life, and to avoid as much as possible the experience of pain, then he is the perfect subject and slave, helplessly surrendered to the manipulation aimed at the maximization of the profit of the oligarchical upper class.

The international eugenics movement, which developed in the malthusian tradition of British imperialism, was based on the presumption that humans should be bred according to the same criteria as horses and dogs, so that the greatest attention should be paid to the construction of bones, hair, skin, and similar characteristics.

The 1932 eugenics conference

At the international conference held by the eugenics movement in 1932 at the American Museum of Natural History in New York City, and supported by the top families of the Anglo-American establishment such as the Harrimans, the man who would author Hitler’s race laws, Dr. Ernst Rudin, was elected president. Hitler was universally admired by these circles as the one who would best be able to implement the racial hygienic measures thought to be necessary.

An International Congress for Population Science was actually supposed to have taken place in Berlin 1934, but it was postponed to 1935 because “they wanted to give German population science the opportunity to present the population policy laws it had worked out, and which were implemented by the German government, and also the results of this scientifically based population policy, to experts from all countries.”

The National Socialist government was represented at the 1932 conference by seven ministers of the Reich, including the president of the Reichsbank directorate, Dr. Hjalmar Schacht, and Dr. Roland Freissler, later president of the infamous German Supreme Court. In the name of the congress, the acting president, Prof. Dr. Eugen Fischer, sent a telegraph with “a reverential greeting to the Führer and Reichschancellor Adolf Hitler, whose far-sighted genetic and racial hygiene population policy will secure the future of the German people.”

But this conference was not a meeting of the NSDAP [National Socialist Workers Party] or the SS: One-third of the participants came from countries other than Germany, and represented respected universities, academies, and scientific associations.

For example, Prof. Clarence Campbell from New York, an honorary president of the Eugenics Research Institution who had already played an important role at the New York conference, delivered a keynote speech on “The Biological Postulates of Population Research.” He drew upon a long



Helga Zepp-LaRouche at a political meeting of the Civil Rights Movement Solidarity in Germany, January 1994. She made the fight to stop the Cairo '94 malthusians a focus of her party's campaign for the European Parliament elections in June.

series of predecessors on racial theory: “From the synthesis of the work of all these men, the Führer of the German nation, Adolf Hitler, with the support of the Interior Minister Frick, and guided by the anthropologists, eugenicists, and social philosophers of the nation, has understood how to derive a comprehensive racial policy of population development and improvement, which promises to be epoch-making in the history of race.” A farsighted prognosis indeed! Dr. Campbell continued: “This sets an example which other nations and races must follow if they do not want to lag behind in their racial quality, their racial performance, and their prospects for survival.”

Whoever analyzes the intentions of the U.N. population conference without prejudices, cannot help but recognize that the governments of the North which agree to the aims of the *Human Development Report 1994* (the governments of the so-called Third World are in a different situation) have adopted the mode of thinking of this Professor Campbell, and of the Adolf Hitler whom he admired so much.

Why I founded the Club of Life

In 1982, I initiated the creation of the Club of Life, because I had become quite aware of just this tendency in the policies of a growing number of institutions. Alexander King, notorious for his reforms in education policy and later president of the Club of Rome, proclaimed in an interview

which we conducted with him, that the problem was that the proportion of the white Anglo-Saxon race had shrunk to 15%, while the black, brown, and yellow people now constituted 85% of the world's population. According to him, it was of the utmost urgency that this trend be reversed!

What the Jews were for Adolf Hitler and the Nazis, the gypsies, the Slavs, and the "useless eaters," is what the allegedly overpopulated nations of the so-called Third World are today for the supporters of the U.N.'s depopulation plans. But even the inhabitants of the Mediterranean region no longer fulfill the criteria for a pure Anglo-Saxon race—for which reason these circles are jubilant about the "significant collapse" of birth rates in Italy.

The parallels between the argumentation in what the Nazis said about the occupied territories of eastern Europe, and what the neo-malthusians say about the Third World, are overwhelming. For example, Dr. Friedrich Burgdorfer, director of the Reich Statistical Office, made the prognosis at the Berlin World Population Conference, that in the year 1960, if the birth rates remained the same as they were at that time during the Third Reich, the Slavs would constitute over half of the European population, while the proportion of Germans would sink to one-fourth. He illustrated his remarks with graphs, which are identical to those used nowadays to illustrate the distribution of populations.

Another example: The late French geopolitician F.O. Miksche wrote in 1991: "At the present time, 5.3 billion people live on the Earth. While the population in the western industrial countries is growing by an average of only 0.5%, the growth of birth rates in the Third World is between 2% and 3%. Only in the United States is the population growing at a rate of about 3 million annually; but over half of this is accounted for by colored people, [so the increase in whites] is by no means sufficient, together with Europe, to hold the balance against Asia, Africa, and Latin America. With the far higher rates of birth in most countries of the Third World, within the relatively brief period of time of 30 years, for each 100 million people there will be only 10 to 12 million whites." Miksche concluded from this prognosis, that there would be "intercontinental race wars," since the western countries are practically inviting their future attackers to restore themselves by force of arms at the expense of the industrial countries.

Déjà vu? These are precisely the premises upon which the official declaration of the French government on the Cairo conference are founded! Where has the spirit of the Resistance against the Nazis gone?

The French author Jean-Christophe Rufin has performed a useful service with his book *The Empire and the Barbarians*, pointing out that the unspoken but nonetheless real premise of the policy of the countries of the North, is that the world is already split into two parts. Only 15% of the world is in a condition of relative stability, while 85% of the world has become a zone of permanent instability, a new *terra incognita*—an area where even journalists or relief organiza-

tions cannot go because of the starvation, gang warfare, and epidemics.

The operative policy of the governments and leading institutions of the North, in Rufin's evaluation, is to construct a new Limes wall, just as was done during the Roman Empire, around the one-fifteenth of the world population which lives in the zone of relative stability, while the rest of the world is allowed to degenerate into chaos for centuries to come.

But there are far more brutal versions of such scenarios from authors who feel no moral scruples in the face of a perspective such as what Rufin at least reflects. For example, the top strategist of the New York Council on Foreign Relations, Samuel Huntington, predicted coming wars between civilizations, and he considers it unavoidable, if not desirable, that over 85% of the world will be devastated for centuries by a new Dark Age, by wars, epidemics, and starvation.

So in Cairo, the issue will not be friendly family-planning in calm and prosperous times; the issue is an enforced reduction of the population in a world where the Rwandas, the Bosnias, the Georgias become increasingly numerous under conditions of a steadily worsening economic crisis. To distribute condoms to the refugees in Rwanda and the victims in Bosnia—that is no sarcastic joke, that is the praxis of the

Cairo organizers are 'aggressors against God'

Excerpts from remarks delivered by His Reverend Eminence Cardinal Silvio Oddi, former president of the Vatican Congregation for the Clergy, to a Rome conference cosponsored by the Italian Solidarity Movement and EIR on June 23:

I have to speak about a problem I know up to a point, which I know doctrinally, but I am not an expert on the subject. I have a personal fact which I would like to allow myself to tell you. I was born into a family of 14 children, seven girls and seven boys, one girl, one boy, etc. I have told myself, always thinking about the Lord, if instead they had stopped at 10, I would never have existed. So I am a gift of God.

And now we find ourselves facing somebody who wants, out of a whim, to keep these creatures from being born whom God has destined for existence and in which we can find something good, saying that there are too many people and this has to be avoided. I remember, again, a personal story, when I was 14: My brother was going to get married, and the night before, about midnight, my mother made this speech: "Tomorrow you are getting married. Remember that matrimony is a sacrament

United Nations!

What is not openly discussed in the sanctimonious population debate, but what nevertheless defines the reality confronting the nations of the formerly so-called developing sector (no one today speaks seriously about development), is the fact that the leading institutions of the North have now replaced the East-West conflict of the postwar period, with the North-South conflict.

What is at issue is the presumed tangible interest in *Lebensraum* for the "white Anglo-Saxon race," where the standard of living is of course supposed to be maintained, even if this be possible only at the expense of billions of people in the South and East. The credit conditions of the International Monetary Fund and the trade conditions imposed by GATT [General Agreement on Tariffs and Trade] leave no doubt that this is the case.

Lebensraum and high living standards for the white race, and even so only for a small oligarchical upper crust: That is the issue: that these people find themselves in the tradition of British colonialism as well as Nazi ideology—what can the victims do against it?—and, who in the materialistic and hedonistic-oriented North is going to even notice what is going on?

History repeated

Consider the following quotation:

"In the areas in question we have to push a deliberately negative population policy. With propaganda campaigns, especially in the press, radio, movies, leaflets, short brochures, educational presentations and the like, the population must be induced toward the thought of how damaging it is to have many children. We must point to the costs which children entail, and then it should be pointed out what could have been bought instead. The great dangers to the health of women which can emerge in births can be pointed out, and the like.

"In addition to this propaganda, generous propaganda in favor of means of birth control must be spread. An industry specialized in such means has to be created. Neither the approval or dissemination of birth control means should be punishable, nor abortion. We ought to absolutely promote the establishment of abortion institutes. Midwives and medics can be trained to give abortions. The more professionally the abortions are carried out, the more the population will gain trust in this respect. Also physicians must of course be permitted to carry out abortions, without a violation of his medical oath coming into question.

and should be treated as a sacred thing. I am going before the tribunal of God without any reproach; you do the same." And my brother did the same.

I have said to myself: These people who humanly think so simply, express what the will of God is on the question of life, and they are more intelligent and inspired by God than these scientists who claim to be the ones to decide how many children should be born into a family, how many youngsters should grow up and develop, and how many should be suppressed. But who are we, human creatures, to be able to decide the destinies of God—to be able to make and give the duties which God has not imposed on us, and to restrict God's ideas and the permissions which God has granted us?

We cannot in our life be the aggressors against God; we have to be the children of God. We are born by God's will, we have an existence from Him; we come from God, and we are on our way back toward God. These are the fundamental principles of humanity which we must keep in mind: We cannot forget God.

Even the pagans, even those who have not heard of the true God, have a concept of divinity. It may not be exactly right, but there is a concept of divinity. There is something on which they depend, there is someone who tells them that in this world there is the true God. I cannot act differently from the laws of nature. It seems such a simple thing—simple directives for those who are aware of responding to God. It is possible that these scientists,

these know-it-alls who seek to run the world, have the whim to oppose God because they have no objectivity. We speak with conviction and persuasion, because birth is truly a gift of God, and because we can live on this Earth aspiring to that other life for which we have been created. We are a simple matter, we are endowed with just one body, but we have something that goes beyond our earthly existence, and that is what counts. If not, we would be at the level of animals, able to talk perhaps, but without this soul which is what distinguishes us truly from the other earthly beings.

This is what counts in us, this part which associates us more with the divine than with the human. This is why even personally I find that it is a crime to be able to think of a conference which wants to completely change the course of humanity, which wants to dictate how many children a family ought to have, which wants to dictate how many children should be born in one country, in a people, what is the number of the babies who can live in the various nations. . . .

This is why I say that I completely approve of what the Holy Father said against this Cairo conference, which surely has aims contrary to God's will, and we cannot collaborate in an action which goes against God. . . . I hope that there will be enough good will, enough intelligence, to reconsider these projects which they have made, and rather return to God's will and that of the poor. It is my wish, and I also say that it is my prayer. . . .

“Voluntary sterilization is also to be promoted. Infant mortality must not be combatted. Mothers must not be instructed about care for infants and children’s diseases.”

And finally, “Once we have converted the mass of the [Russian] people to the idea of a one- or two-child system, we will have reached the goal we are aiming at.”

No, this quoted passage is *not* a selection from the instructions of the U.N. population conference for the so-called Third World; this quote is from Hitler’s 1941 “Generalplan Ost” [“General Plan for the East”]. By exploiting the raw materials and the food production in the occupied eastern

Beginning in 1990 at the very latest, the population strategists of the UNFPA [United Nations Population Fund] have been engaged in a worldwide propaganda campaign right in line with the instructions of the “Generalplan Ost,” and this campaign is now supposed to escalated another step by the Cairo action plan. The aim is to bring the growth of population in the former developing countries as quickly as possible to a standstill. . . .

areas of Poland and Ukraine, and by exploiting the “surplus” labor force there, the Nazis wanted to make Germany immune to a blockade and thus secure supplies for the Wehrmacht as well as the “home front.” Part of this strategy was the annihilation not only of Jews; “overpopulation” in the occupied areas was to be eliminated by means of a systematic policy of population reduction.

The plan was intended to reduce the population of Poland, White Russia, and western Ukraine by one-half or more within at most 30 years by means of deportation, orchestrated starvation, murder, and state-promoted birth control.

Beginning in 1990 at the very latest, the population strategists of the UNFPA [United Nations Population Fund] have been engaged in a worldwide propaganda campaign right in line with the instructions of the “Generalplan Ost,” and this campaign is now supposed to escalated another step by the Cairo action plan. The aim is to bring the growth of population in the former developing countries as quickly as possible to a standstill, and as quickly as possible to achieve what is called in sanitized, hypocritical terms the “low variant”: cutting the world population by half!

Bomb scares

But the population issue only touches upon one aspect of the Cairo conference. If one replaced United Nations doubletalk with the truth, one would have to call this conference the “World Government Conference.” For, when a supranational bureaucracy wants to seize the power in order to be able to decide who will be permitted to live and who must die, then it establishes a de facto world government; and no nation or government in this world has any sovereignty any longer! If governments agree to such a surrender of their sovereignty, of their rights—that is treason according to the constitutions of most countries.

The issue in Cairo and, at the U.N. conferences planned for 1995, is the final realization of Bertrand Russell’s utopia, the establishment of a world government based entirely upon neo-malthusian and pagan principles, and whose beneficiaries are to be a small oligarchical and predominantly British elite.

If one hears the term—dripping with disdain for human beings—the “population bomb,” one ought to recall the following: The Anglo-Americans dropped the first atomic bombs over Hiroshima and Nagasaki *after* the Japanese government had already signaled, toward Cardinal Montini [later Pope Paul VI] among others, that it was ready to capitulate. The political forces which later controlled the Pugwash process wanted, without any military necessity, to nevertheless demonstrate the terror of this weapon, in order to convince the governments of the world that they should surrender their sovereignty to the “disarmament process,” supposedly for the sake of peace.

Today, the scare tactic with the supposed “population bomb” is being applied according to the same model. The “population bomb,” of course, is utterly ridiculous, given that there is an average population density in Africa of 27 people per square kilometer, in comparison to 51 people in Europe. But decades of brainwashing with United Nations Newspeak had taken their toll: Twenty years ago, at the World Population Conference in Bucharest, all of the participants still knew: “The population bomb is a Rockefeller baby!” For, the participants recognized quite clearly at the time, that the entire propaganda campaign about supposed overpopulation in the Third World was being financed by the Rockefeller Foundation, and was intended merely to mask the grab by Rockefeller and similar oligarchs for the raw materials of the world.

Not only the Vatican protested in Bucharest against this obfuscation, but also many developing countries, and they correctly emphasized that the problem does not consist of supposed overpopulation, but of a catastrophic lack of economic development.

The year 1974 was when Henry Kissinger, as national security adviser to President Nixon, signed that infamous document NSSM-200, in which control over worldwide raw materials was defined as the strategic security interest of the United States. The document terms population growth one

of the greatest threats to the national security of the United States, against which, therefore, the food weapon may be applied.

Governments of the Third World which would not voluntarily submit to the population reduction program, were to be forced into submission by that means—denial of credits by the IMF, incitement of rebellion of starving populations, etc., just to cite some of the weapons in this arsenal.

Prince Philip: Revert to paganism

How is such bestiality of thinking possible? Prince Philip, husband of the nominal head of the Anglican Church who himself wants to be reborn as a deadly virus, in order to be able to actively contribute to population reduction, summed it up: At a conference in Washington, D.C., where the topic was religion and the environment, he demanded a return to pre-Christian pagan cults.

This is incredible! What is hidden behind this cynical sentence is the thesis that the pagan cults—for example the Gaia cult—consent to decisions for the “protection of Mother Earth,” whereas Christianity hinders such “pragmatic solutions” because of its fixed idea that human life is inviolable.

This is the same cyclical concept of nature which pervades the pre-Christian cultures and eugenics, and which the followers of Darwin, Nietzsche, and the Nazis have in common.

At the international conference on population which was held in Berlin in 1935, Clarence Campbell, the American member of the British Eugenics Society who headed the U.S. delegation, put it this way: “All life is nothing but the reaction of a biological organism with its environment. All life, individual, and collective, is nothing but the aggregate of such reactions. Human beings, insects, and plants are identical in the fact that some individuals of a species are more apt than others to react well to the environment. Therefore, we must get rid of the ill-born and raise the best.” Campbell states that the survival of “social groups” depends on how they “control the soil on which they subsist,” and on the group’s battle to “acquire additional land and broaden their geographic extent.”

This is the essence of British imperial geopolitics, but also of the Nazis’ *Lebensraum*.

Naturally, the axioms from which the bestial thinking of the oligarchy derives—and with it, empiricism—arise from a bestial conception of man. If human behavior is organized only around the hedonistic calculus, which aims at maximizing pleasure and reducing pain to the minimum, where is the difference between mankind and the beast? This concept is a hoax, just like the idea that good sense owes its knowledge only to sensory experience. It is not the concrete fact which proves something, but the way in which it is interpreted. Ordinarily, it is not an individual question, but a question of culture and of values and axioms which that culture transmits.

British empiricism is also a fraud, as are malthusianism, Darwinism, and the liberalism of Adam Smith. All these ideologies only serve the exploitation policies of the British

Empire, even though epistemologically they are a fraud; and these theories are responsible for almost all evil in history.

What distinguishes man from the beasts

In reality, history is the result of the creation of ideas; the human race lives from the generation and transmission of ideas, which are not communicated with formalistic definitions, but in the form of metaphors.

Human civilization is uniquely based on the monotheistic concept of the first chapter of Genesis, which contains in essential form all the laws of Creation, and whose legitimacy is demonstrated by the fact that man is made in the image and likeness of God. The fact that man is *imago viva Dei* does not derive from the physical aspects, but rather, as Philo of Alexandria stresses in his commentary on Genesis, lies uniquely in his power of creative reason.

By imitating the creative capacity of the Creator, man arrives at fundamental discoveries which are more and more appropriate, which transform not only the physical universe, but also the behavior of man and the way in which he provides for his subsistence. Only man, and no other living species, is capable of this.

It is creative reason that makes man the image of God, furnishing the best argument against the concepts of the oligarchy. This confirms the inviolability of all human life, and the fact that there can be no slaves or useless eaters. Creative reason is also the only source of social wealth, because it leads to scientific and technological progress and its productive application.

Raw materials are not limited, as the neo-malthusians maintain, given that every raw material is defined by the technological level which produces it.

But another essential concept of the Book of Genesis, which commands man to “be fruitful, and multiply, and replenish the earth, and subdue it,” is not a possible option, but an ironclad law of Creation.

Christian economy

As my husband Lyndon LaRouche, the economist, has demonstrated, in his book *The Science of Christian Economy*, and in other writings, demographic growth is indispensable for the survival of humanity, and it is the principal parameter for measuring economic development.

To cite only one central aspect of the book: In a functioning economy, both the energy-density of the productive process and the free energy of the process must increase. This is possible if potential population density increases—that is, if the productive process is in the hands of persons who become more and more skilled and live longer and longer. “Be fruitful, multiply, and replenish the earth, and subdue it,” also means that human beings must increase the degree of effectiveness of their dominion over nature. This is the law of the order of Creation, sanctioned by the Book of Genesis, and which can be demonstrated today beyond any doubt with the method of economic science.

This law holds not only for one part of the population, which is born with light skin, and which, in order to maintain its own power, uses junior oligarchies of black or yellow skin, the so-called “hangers-on to power,” or aspiring oligarchs. God has created only one human race, whatever the color of the skin, and has made it in His image and likeness.

If the curve of demographic development is studied over 2 million years of history of civilization, we discover something significant. Up until the 15th century, the curve was very low, whereas in the last 600 years, from the Italian Renaissance forward, it has increased in a nonlinear way.

What makes the Italian Renaissance so important, and why has no other civilization given comparable contributions to the development of the human species? The answer is that only the Italian Renaissance, thanks to the spiritual conquests of the Council of Florence, found a social expression in creating institutions which are inspired by natural law. This made it possible for everyone to have access to the national literary language, and fostered the emergence of the national sovereign state as the condition for the participation of the individual in self-government. The Renaissance created institutions based on the Christian concept that all human minds are *imago Dei*, and turned this into a political reality. Despite the fact that the forces of evil—who in that period were centered in Venice—mobilized against the Renaissance, all progress in science, culture, and political life goes back to this Renaissance golden age.

We have reached a turning point

History has now reached a decisive point, from several standpoints. Above all, the world financial and monetary system is arriving at its final breakdown. The bankruptcies which have been reported in the last period, such as Ferruzzi in Italy, Banesto in Spain, and Metallgesellschaft and the Schneider real estate group in Germany, are not isolated events, but are symptoms of the collapse of the financial system which prove that the speculative bubble is a cancer that keeps on growing until it kills the patient. The collapse is not just the result of neo-malthusian geopolitics based on “free trade,” but is also the result of errors committed in economic policy over the last 30 years—for example, the emphasis placed on the post-industrial society, and the culture of rock, sex, and drugs which has undermined the foundations of our civilization. The race for quick profits has become manifest itself in the last 20 years in all kinds of financial speculation, such as junk bonds, derivatives, and so forth, and is now reaching the day of final reckoning. Before long—in the coming weeks, months, or perhaps next year—we must expect a global financial crash.

The true danger, however, is not so much the crash, but the fact that no government is getting ready for this eventuality, or thinking about how to reorganize the financial system. When I speak of a financial crash, I refer also to the collapse of payments, such as pensions and the health care system. If

I may allow myself to make a joke in this serious context, I might say that there won't even be enough money for the U.N. bureaucrats' paychecks.

What we, as the Solidarity Movement, the Schiller Institute, and the LaRouche movement, are proposing, is a program for global reconstruction of the economy with projects which we have drafted over the last 25 years, starting with the project the British hate the most: the infrastructural development of Eurasia. This means integrated systems of high-speed railways, roads, and waterways which go from western Europe to Russia, to the East, to China, to Southeast Asia, forming one bloc of development. This Eurasian bloc is in fact the area of the highest concentration of technology and highly skilled manpower which, if developed, could bring the world out of the hell of this depression. This is also the area of the greatest population density, which could be a nucleus capable of feeding development arms reaching the western coast of the United States and Africa; and it is via these arms that massive technology transfers toward the developing countries should in fact take place.

This proposal of ours is a program for global rebuilding, for the creation of a New World Economic Order inspired by Paul VI's encyclical *Populorum Progressio*. We want not only to keep the Cairo conference from happening, but also, with this initiative, to launch a movement for global development and reconstruction.

The idea of the Book of Genesis that man is made in the image and likeness of God, who must grow and multiply and subdue the earth, is not a new idea. In the 18th century, there was a heated debate between this current, represented on the one hand by Ortes, Malthus, and later by the Darwinians, and on the other side by such thinkers as Johann Peter Süssmilch, a German priest who wrote the book *The Divine Order*, taking off from Genesis to demonstrate that this is the only basis for founding an economic system. In 1742, Süssmilch foresaw that the carrying capacity of the earth would be 5 billion people, whereas it was only 1 billion in that period. We can state today that with existing technologies alone, the “carrying capacity” of the earth is at least 40 billion people.

My husband, Lyndon LaRouche, has proved in various texts, including *The Science of Christian Economy*, that demographic development and the idea of the Book of Genesis are truly the proof of economic development. You might possibly say that God does not need Lyndon LaRouche to prove that Genesis is right; but it does not hurt if somebody proves it from the economic standpoint, and thus makes it more intelligible. I am deeply convinced that the world will only overcome the deep crisis into which we have fallen today, if it makes the political and economic order coherent with the laws of Creation. We are at a decisive moment: The oligarchic order must end. For us, stopping the Cairo conference is only the first step. I would like to invite all of you to make the next step, which is that of bringing into being a program of global reconstruction.

Zapatistas use blackmail

The terrorist Zapatista Army is putting the thumbscrews to the nation if its outrageous demands are not met.

Backed by the rebel bishop Samuel Ruiz, and with the support of the Washington-based Inter-American Dialogue think-tank, the terrorists of the Zapatista National Liberation Army (EZLN) are threatening to provoke renewed violence if the following demands aren't accepted: the resignation of President Carlos Salinas de Gortari, establishment of an interim government, recognition of the EZLN as a "belligerent force," and convening of a national constituent assembly to rewrite the Mexican Constitution.

The EZLN, which is based in the southern state of Chiapas and launched an uprising there on Jan. 1, wants Mexicans to believe that if power isn't handed over to them, the country will be plunged into civil war. While these threats aren't idle ones, not everyone is prepared to give in to the EZLN. Resistance is reflected in the fact that the Army is intact and united, and much of the ruling Revolutionary Institutional Party (PRI) stands behind presidential candidate Ernesto Zedillo. Zedillo has not submitted to the EZLN's blackmail, nor to that of former "peace commissioner" Manuel Camacho Solís.

In an article in the June 24 *El Financiero*, Federico Arreola, a close friend of the assassinated PRI presidential candidate Luis Donaldo Colosio, quipped sarcastically that "The only war [EZLN] commander 'Marcos' is winning, is being fought in the pages of national and foreign newspapers."

On June 13, journalist Juan Ruiz Healy warned in *Novedades* that "mil-

itary intelligence has clearly identified the risk represented by the Chiapas movement linking up with other guerrillas in the region, and if hooked up to other European-based movements, could potentially transform Chiapas into the Lebanon of Central America. The government should therefore not risk allowing operations inside national territory of a force with the firepower of the Chiapas-based group."

And under the headline "Neither Camacho Nor Samuel, But Instead the President and the Army," the June 29 *Siempre* magazine editorialized, "at this moment, when we need definitions and precision to clear up the political confusion dominating the nation, it is necessary to eliminate one more lie: Neither former peace commissioner Manuel Camacho, nor the bishop of San Cristóbal de las Casas [Samuel Ruiz] are—as they have tried to make it appear—the authors of the cease-fire existing in Chiapas. The real architects of that truce . . . are the President and the Mexican Army.

"The undeniable perseverance of those two institutions prevented Chiapas from becoming the site of a massacre, even though the goal of the uprising's leaders, of the foreign mercenaries who participated in it, and of Bishop Samuel Ruiz, was, and still is, to transform [the EZLN] into a national armed movement to overthrow the government and set up a provisional one."

The Zapatista insurgents have dropped all pretense of defending their original banners of indigenism and democracy. They have pro-

claimed themselves to be the sole judges of who should govern and what criteria will determine whether the Aug. 21 presidential elections are sufficiently "democratic." Like the Inter-American Dialogue and some U.S. State Department officials, they warn that the only test of clean elections is whether the PRI will hand power over to the opposition.

On June 13, the bishop of Tuxtla Gutiérrez, Chiapas, Felipe Aguirre Franco, who is a member of the Bishops Commission for Reconciliation in Chiapas, warned that the EZLN's rejection of the government's peace proposals is "a new declaration of civil war."

Responding in defense of the EZLN, Bishop Ruiz argued that the Zapatistas hadn't rejected dialogue, but rather meant that this process must now be carried out on a national level.

But just a few days later, in an interview in the June 22 *La Jornada*, the EZLN's Subcommander Marcos said that "we aren't proposing to sit down and negotiate with the government." Negotiations are over, "because what we are saying . . . is that there is no need to talk to a [PRI] government which doesn't want to change. . . . We're saying that we could talk to a different government which would result from the Aug. 21 elections or from the convention." The EZLN has proposed holding a "democratic convention" of all opposition forces in the small town of Aguascalientes, Chiapas prior to the election in order to rewrite the national constitution and effectively set up a new "provisional" government.

Marcos concluded that "the only possibility of avoiding war is to mobilize prior to [Aug.] 21st, and then on the 21st or 22nd, see if [Mexico] passes the test of democracy." His threat is that either the PRI loses, or there will be civil war.

International Intelligence

PDS makes gains in German state election

The post-communist Party of Democratic Socialism (PDS) broadened its voter base significantly in elections in the eastern German state of Saxony-Anhalt on June 26, from the 12% it won in 1990 to 19.9%. This makes it the third largest party, after the Social Democrats (34%) and Christian Democrats (34.4%).

Another spectacular result of the Saxony-Anhalt elections is that the liberal Free Democrats failed to reach the mandatory 5% level for parliamentary seats, receiving only 3.4% of the vote. Four years ago, it won 13.3%.

The Social Democrats (SPD) have so far rejected a Christian Democratic Union (CDU) offer for a "grand coalition" and prefers a minority government coalition with the Greens (5.1%). The PDS has therefore been given the role of crucial arbiter in the formation of such a minority cabinet.

The situation is pretty much the same in many municipalities of eastern Germany which don't have a clear majority candidate for the post of mayor, so that the PDS makes the difference. The PDS, which is well-rooted in the cities of the eastern part of the country, is by far also the biggest party there, with 134,000 card-carrying members.

How East Germany's Stasi courted the ADL

The Anti-Defamation League of B'nai B'rith's (ADL) long-standing treasonous collusion with the former East German communist secret police is grabbing headlines in Germany, and many of Lyndon LaRouche's enemies on both sides of the Atlantic are now running for cover, according to an article in the July 11 issue of the newspaper *New Federalist*, by Jeffrey Steinberg.

On June 28, the German daily *Frankfurter Allgemeine Zeitung* published an article by a prominent German-Jewish military historian, Michael Wolffsohn, reporting that newly unearthed documents from the

former East German State Security (the Stasi) and the former East German communist party (the SED) reveal that East Berlin officials had opened a "goodwill offensive" to "American Jewish organizations" beginning in 1985, in a vain effort to salvage their already-crumbling regime.

Stasi Department X handled the expanded contact with the ADL and with the World Jewish Congress (WJC), a group taken over in the early 1980s by ADL honcho Edgar Bronfman, the heir to one of North America's organized crime fortunes.

Steinberg charges that "the ADL-East German collusion involved a number of dirty operations, including virtually every known attack against Lyndon LaRouche and his European-based political associates since the late 1970s."

The ADL-Stasi collusion has a much longer history than the Wolffsohn revelations indicate. According to an FBI memo released under the Freedom of Information Act, back in 1973, the FBI, under its Cointelpro program, had collaborated with the ADL, the Stasi, and the KGB in an effort to deploy the Communist Party, U.S.A. to assassinate LaRouche. The FBI memo expressed the view that were LaRouche to be "removed from the picture" his organization would soon disintegrate.

Russian marshal warns of anti-western mood

The economic crisis and strategic humiliation of Russia are combining to produce an anti-western mood in the Russian population, warned Russian Marshal Yevgeny Shaposhnikov, in an interview with the French daily *Le Figaro* on June 29. Shaposhnikov, former Defense Minister of the Soviet Union, was in Paris for the Eurosatery arms show. He is described by *Le Figaro* as "an intimate of Boris Yeltsin."

Asked whether he was pulling back from his earlier support for cooperation with the West in the military domain, in view of his objections to NATO's "Partnership for Peace," he replied: "No, I have not changed, I am still a partisan of cooperation with the West. What I am trying to say, is that this

cooperation is being badly done, it is characterized by an extremely dangerous disequilibrium."

While denying that he represents the Russian military-industrial complex, he said: "I receive the directors of military factories each day in my office. Their economic and social problems are terrifying." He says they are trying to solve these problems, and if that means Russia must have its share in the international arms markets to survive, there is no alternative.

Lima archbishop charges U.N. with genocide

The Peruvian daily *La República* on June 24 reported that spokesmen for the Catholic Church charged that "the preparatory document and the perspectives opened up by the upcoming International Conference on Population and Development organized by the United Nations augur a 'gigantic genocide' under the protection and tutelage of that important international organization."

Lima archbishop Msgr. Augusto Vargas Alzamora, and Msgr. Alberto Brazzini, president of the Commission on the Family of the Peruvian Bishops Conference, pointed to the draft document and the United Nations as the active agents of that genocide. Monsignor Brazzini warned that if the recommendations of the draft document are implemented, there will be a "massive and alarming" increase in the legalization of abortion and artificial contraception. The conference in Cairo will "design and recommend new policies on population and development," Brazzini continued, "within which legalization of abortion, contraceptive methods, and new concepts on the family carry enormous weight, at a time when the idea of the homosexual family and its [right] to adopt children is gaining acceptance." The bishop debunked the assertion that promotion of abortion has anything to do with "the health of the mother."

The Peruvian prelates also attacked the Peruvian delegation to the preparatory meetings in New York for maintaining "the silence of accomplices in the face of these U.N. proposals." It therefore "did not repre-

Briefly

sent the sentiments of the majority of the Peruvian population," they said, nor was it coherent with the Constitution, which prohibits abortion.

Israel finds Hebron murderer 'acted alone'

The Israeli report on the massacre of 50 Arab worshippers in Hebron last February was released on June 26, and declared that according to evidence presented to the inquiry team, murderer Baruch Goldstein "acted alone." The results totally clear the Israeli government and Army of any responsibility. They recommended that entry into the Tomb of the Patriarchs in Hebron by individuals carrying weapons should be prohibited, and added merely that the discipline of the Israeli soldiers guarding the site at the time of the massacre was "unsatisfactory."

The Palestine Liberation Organization has not officially responded yet. But Nabil Shaath, a top adviser to PLO chief Yasser Arafat, rejected the inquiry's findings: "I don't think that the act in the Hebron mosque was an individual act. The Israeli government and the policy of [Jewish] settlement carry complete responsibility for this ugly crime," Shaath told reporters. Left-wing Israeli activist Uri Avneri also objected. "How can it be that after the astonishing facts set out by the inquiry report, no one is guilty?"

Irish have no use for statue of Queen Victoria

Irishmen are protesting a proposal to dig up and restore a statue of Queen Victoria in the city of Cork, which was buried in 1946, the *Times* of London reported on June 25. Victoria ruled Ireland during the Great Hunger, the second terrible act of genocide against Ireland (the first was Oliver Cromwell's attempt to eliminate the entire Irish population). To this day, Ireland's population is much lower than it was in 1844.

It was Victoria's government which robbed Ireland of all the grain and meat it produced while millions starved—in the name of "free trade."

Now, the University College of Cork wants to dig up a statue of Victoria originally placed there in 1849, to commemorate the queen's visit to Ireland when the university was chartered. The statue was taken down in 1934, and buried in 1946.

Irish nationalists have launched a campaign to keep "Vic," as the statue is known, where she belongs. A former UCC employee wrote to the *Irish Times* that "it were as appropriate to reinstate a statue of Queen Victoria in the UCC in the commemorative year of the Great Famine as to erect a bust of Hitler in the University of Tel Aviv on the anniversary of the Holocaust."

Mandela hopeful for peace in South Africa

Most of the internal political wars that were expected for the post-election period have not broken out in South Africa, President Nelson Mandela told the French daily *Le Monde* in an interview published on July 4.

First of all, there is the matter of the separate white Afrikaner *Volks-Staat* (people's state) demanded before the elections by certain Afrikaner activists. He said this idea should be rejected, but the principle of an advisory *Volks-Raad* (people's council) has been accepted, and there are regular discussions with this body. "We want to show that those who are demanding a separate White State don't constitute, as they claim they do, the majority of the Afrikaner people. They are only a tiny minority."

Mandela said that his relations with General Viljoen, head of the Front for Liberty and a fervent advocate of the *Volks-Staat* concept, are "excellent. . . . The extreme right political current that he represents is not a danger." As for the "neo-Nazis" of Eugene Terreblanche's Afrikaner Resistance Movement, Terreblanche has "lost his support. Fewer than 100 people participated in his last demonstration, here in Pretoria. Excellent news."

Mandela said that collaboration with Inkatha Freedom Party head Mangosuthu Buthelezi is "very good," the fruitful result of "long and painful negotiations." Even in tense Kwazulu-Natal, "things are for the moment going well."

● **YOSSI BEILIN**, Israel's deputy foreign minister, called for the dissolution of the World Zionist Organization, in a speech described as a "bombshell" by the July 2 *Jerusalem Post*. The WZO and the Jewish Agency, he said, are dominated by American Zionists, many of whom are supporting the Israeli opposition. He called for their replacement by a democratic organization called Beit Yisrael.

● **THE HOLLINGER CORP.'S** *Sunday Telegraph* of London on July 3 called for British Prime Minister John Major to bring Margaret Thatcher into his cabinet, thus enabling the Tories to win the upcoming elections.

● **ROBERT MALVAL**, who was appointed "prime minister" of Haiti last year by the ousted President Jean-Bertrand Aristide, said on June 28 that he opposes a U.S. invasion, according to the *Los Angeles Times*. Malval took a swipe at Aristide for saying he cannot call for an invasion because it would mean his impeachment for violating the Constitution. "The talk of impeachment is silly," said Malval. "You are either opposed on principle, and I am opposed on principle . . . or you go with it."

● **SAUDI ARABIA'S** former deputy consul in Houston, Texas, Ahmed Al-Zahrani, has sought asylum in Great Britain. In a press release, Zahrani, who is the second Saudi diplomat to "defect" recently, expressed fears that the Saudi authorities were taking security measures against him for his attempt to publish a book on Saudi politics. Zahrani was denied asylum in the United States.

● **CROATIAN**, Bosnian, and Turkish foreign ministers are scheduled to meet in Turkey on July 17, to put together programs to rebuild Bosnia's shattered economy. The meeting will cover cooperation in energy, transport, communications, public services, finance, banking, and trade.

Clinton policy successes stymie his British foes

by Jeffrey Steinberg

Through a recent series of policy successes, President Bill Clinton has sent the enemies of his presidency scrambling, and has reconsolidated his grip on the Oval Office after it had been weakened earlier this year by the British intelligence-run Whitewatergate affair.

The turnabout began in June, with the successful cooling-out of a mooted nuclear showdown with North Korea—a conflict orchestrated from the outset by the United Nations International Atomic Energy Agency (IAEA). Not only did Clinton capitalize on the diplomatic breakthrough achieved by Jimmy Carter during three days of talks with North Korean leaders, but bilateral talks in Geneva, begun early this month, now hold the potential for a significant turn in U.S. postwar policy. Namely, for the first time in decades, the United States is actually supporting the delivery of nuclear power technology to a Third World nation.

Next, Clinton stood down a concerted attack on the U.S. dollar, led by such British and allied financial houses as S.G. Warburg, N.M. Rothschild, George Soros's Quantum Fund, and Banque Bruxelles Lambert. The dollar-dumping spree was accompanied by propaganda from the London *Financial Times*, the *Times* of London, the London *Daily Telegraph*, and other European newspapers proclaiming the U.S. currency a victim of "lack of confidence" in Clinton's foreign policy acumen. The purpose of the dollar bashing, and of the accompanying Clinton bashing, was to force the President to acquiesce to yet another raising of interest rates by the Federal Open Market Committee on the eve of the President's crucial week-long trip to Europe the second week in July, capped by the Group of Seven summit in Naples, Italy.

Clinton held firm, and the Fed backed down on the planned interest rate hikes.

Support for new Eurasia initiative

Clinton's European trip has proven to be another boost for the administration, and yet another serious blow to his enemies, particularly in the London Tory establishment.

During a tour of the Baltics and Poland, Clinton picked up on themes he struck during his last visit to Europe, commemorating the 50th anniversary of the D-Day landing at Normandy. He told Baltic heads of state and Poland's President Lech Walesa that the United States rejects any arrangements that would leave Central Europe as a "gray zone" subject to Great Power spheres-of-influence games. He explicitly rejected a Russian request that Moscow be given a veto over any former Warsaw Pact states being granted full membership status in NATO, and promised Poland that it is "first in line" for NATO membership.

Underlying these statements was a quiet but crucial American show of support for recent continental European initiatives to build a Eurasian rail system as the cornerstone of an economic recovery, based on what Germany's Chancellor Helmut Kohl earlier this year called a return to "industrial banking" policies. Plans formally adopted—over British objections—at the recent European Community summit in Corfu, Greece, based broadly on the 1989 "Productive Triangle" proposal authored by Lyndon LaRouche, will see early construction of 11 high-speed rail lines, integrating Europe with a similar rail system planned during Russian President Yeltsin's recent meeting with Chancellor Kohl in Bonn.

Thus, Clinton has given his de facto support to the very policies that were sabotaged in 1989 by British Prime Minister Margaret Thatcher and U.S. President George Bush. He has also gently informed the French that the U.S. administration prefers to see improved Franco-German ties, instead of

a revival of the "Little Entente."

A blow to Hollinger Corp.

The other blow to the would-be Clinton bashers came in late June with the release of the interim report by Special Prosecutor Robert Fiske, absolving White House and Treasury Department officials of any culpability in the Whitewater affair, and upholding the original U.S. Park Service findings that White House deputy counsel Vincent Foster's death was a suicide. Although high-visibility congressional hearings into this first phase of the "Clintongate" business are scheduled to begin on July 28, the first round of Fiske findings has taken much of the steam out of the assault on the presidency. The pundits who were forecasting Clinton's early demise have grown silent.

The would-be Clinton-slayers at the Canada-based Hollinger Corp.—a British intelligence front—and among U.S. neo-conservatives are scrambling to redeploy their assets in anticipation of a longer battle against the presidency. But Hollinger Corp., headed by Canadian-born Conrad Black, which has led the media assault on the Clinton presidency since autumn 1993, is in deep financial trouble as the result of a tabloid war with *Times* of London owner Rupert Murdoch. Both newspapers have been in a cutthroat battle for the past six months over who would gain the lion's share of credit—and revenue—for destroying Clinton.

In May, Hollinger chief Black quietly sold off £73 million of stock in his company, apparently in preparation for a bold move to grab a bigger share of the London tabloid market through a reduction in the price of the *Telegraph* from 48 to 30 pence. When the *Telegraph* announced the price reduction in late June, Murdoch immediately responded by lowering the price of the *Times* from 30 to 20 pence. The Hollinger stock price collapsed by 35%. According to the June 25-26 weekend edition of the *Financial Times*, British investors then screamed bloody murder over Black's blatant insider trading maneuvers, dumping his own stock on the eve of the price war gamble. Black has been subsequently cut off from his usual sources of credit in "The City," and Murdoch has seized the opportunity to make a takeover move against one of Hollinger's major press holdings in his native Australia, the John Fairfax Group.

Tough times for the ADL mobsters

One of the chessboard moves currently being made by the enemies of a strong U.S. presidency, involves the redeployment of the chameleon Anti-Defamation League (ADL) of B'nai B'rith back into the Democratic Party. Throughout the Reagan and Bush years, the ADL had been the backbone of the Project Democracy neo-conservative apparatus at the heart of the "secret government." The ADL happily slammed the Sandinista regime in Nicaragua as "anti-Semites"; urged American Jews to back George Bush and Oliver North's secret wars in Central America, Afghanistan, and Africa;

propagandized for Thatcher and Bush's "little colonial war" against Iraq; and championed Israel's would-be generalissimo Ariel Sharon through the 1982 Lebanon invasion and the brutal suppression of Palestinians in the Occupied Territories.

But with the drive against Clinton now stalled, the ADL has been working around the clock to reestablish its credentials inside the liberal wing of the Democratic Party, in order to wreak havoc against the President and his policies from within. Its primary calling card: a 190-page diatribe against the "Religious Right," which has grabbed headlines all over the country and has sent the blood pressure of Pat Robertson, Jerry Falwell, and some other Christian fundamentalists soaring.

But the ADL propaganda barrage, aimed at currying favor at Democratic National Committee headquarters, has also run up against some serious problems. The ADL carried some pretty heavy baggage into the redeployment effort. It spent most of 1993 fending off police investigators who had stumbled upon a nationwide ADL espionage ring targeting civil rights organizations, Arab-American groups, Jewish peace activists, and Lyndon LaRouche. The ADL was caught funneling illegally obtained FBI and local police dossiers on legitimate American political activists to the old South African regime and to the Likud apparatus in Israel. The picture emerged of an ADL taking up the mantle of the late FBI director J. Edgar Hoover's Counterintelligence Program ("Cointelpro"). Three civil suits that could cost the ADL \$25 million are still wending their way through the state and federal court systems in California, and a recent article in the St. Paul, Minnesota *Pioneer Press* has the ADL in such financial hot water that they have been forced to shut down four regional offices.

But while ADL officials had looked forward the prospect of a sharp though dim-witted counterattack from the "Christian Right," thereby enhancing their credentials with the Hollywood and New Age set inside the Democratic Party, the League got considerably more reaction that it had bargained for—particularly from some of its former closest allies in the Jewish activist community.

In early July, two longstanding neo-conservative ADL allies went public with attacks against the League. William Kristol, former top aide to Vice President Dan Quayle and now a GOP electoral consultant, tore into the ADL for creating a bogus rift between mainstream Republicans and "Religious Rightists." And Mona Charen, a syndicated columnist, penned a July 6 story jabbing at the ADL's role in manufacturing anti-Semitic scares: "Alas, there is the crude but undeniable fact that the ADL is in the anti-Semitism business. The more it finds, the greater its prominence, and the easier it is to raise money. It is playing upon ancient fears and worries of American Jews—and is doing so dishonestly, with quotes taken out of context and flagrantly false accusations. It rails at imaginary enemies and betrays true friends."

National Academy of Sciences hosts Cairo '94 depopulation rally

by Anton Chaitkin

Strategists of the U.N. population conference known as Cairo '94, planned for September, staged an important preparatory rally at the National Academy of Sciences (NAS) in Washington, D.C. on June 30. Some of the more nightmarish themes and objectives of global empire came out of the closet in a made-for-television production carefully designed for public acceptance. The meeting was broadcast nationally by Cable News Network on July 3.

But the controlled atmosphere was disrupted by the appearance on the previous day of the Schiller Institute's full-page advertisement in the *Washington Post*, signed by some 300 prominent international figures, blasting the "U.N. Killer Conference," and by a spirited picket line outside the NAS meeting.

The event was co-sponsored by Ted Turner (Cable News Network), the Pew (Sun Oil) Charitable Trust, and a section of Harvard University.

On behalf of Ted Turner and CNN, moderator Marvin Kalb introduced the event by saying that the world is "frighteningly overcrowded."

Vice President Albert Gore spoke first. His remarks stood in contrast to the moderate statements made by President Bill Clinton at his recent meeting with Pope John Paul II, where he stated his opposition to forced abortion and to one-world utopian schemes.

Gore pointed to three problems: "population explosion," "global climate change," and "the disappearance of germ plasm," which he identified as "symptoms of a deeper underlying crisis in the relationship between human civilization and the environment of the Earth itself." Stressing that population has only recently dramatically expanded, Gore declared that this growth is not sustainable.

Besides the increase of population, he blamed this crisis on "the scientific and technological revolution, which has greatly magnified the ability of human beings to have an impact on the earth's environment"; and on a "philosophical shift . . . characterized by an arrogant assumption that we are somehow separate from the Earth's environment . . . that we are exempt from the laws of nature and the laws of ecology."

Gore then threw overboard the fondly held explanation that lowering population in poor countries would alleviate the poverty. Quite the contrary, he said, they would probably

remain poor, while they were being depopulated, and offered a typically "multicultural" explanation.

"There has been a misunderstanding on the part of developed countries. . . . We noticed . . . that wealthy countries have relatively stable population growth, and that other countries do not. And so . . . we came to the conclusion that rapid economic development which can fairly be assumed will produce increases in income levels, will lead to the kind of demographic transition that took place" in the West, where fertility rates are dropping below the level needed for the population to reproduce itself.

"And that wasn't correct," he continued, because "the model of economic development that produced that growth is not easily transplanted into a completely different societal and environmental context. It is not easily accelerated without changing the dynamics of culture and society within which the growth process is engendered. The distribution of wealth is not the same, and so on. . . . We failed . . . to look at the deeper reasons why the demographic transition took place in wealthy countries." Gore enumerated these as 1) the "education and empowerment of women"; 2) the availability of birth control and of information about birth control; and 3) "the survival of children."

"The nations that have the highest infant mortality and child mortality rate almost always have the largest families. . . . If all three are not present and you still have rapid economic growth it's not necessarily going to work at all. The flip side of it is, that if all three of these factors are present, the demographic transition can occur *in the absence* of a big change in income levels.

"There is the province in southwestern India, Karela . . . one of the poorest parts of India, where there is virtually zero population growth, because these three factors are present. . . . [There is] a high level of literacy and education and empowerment among women, excellent child survival rates, and universal, ubiquitous availability of birth control and knowledge about birth control. And so even though they have remained poor, they have a stable population. Now it seems to me that our challenge ought to be to really focus on these three factors, and attempt to create a partnership between North and South, between the developed countries and the developing countries, in a way that is appropriate to the cultural, societal context in each nation . . . a worldwide



Vice President Al Gore shares the podium with U.N. Population Fund head Nafis Sadik (left), who is also the secretary general for the International Conference on Population and Development, and an uncomfortable Ambassador Ahmed Maher El Sayed of Egypt (right). The U.N. Cairo conference aims to enforce one-world government through depopulation.

effort to create these three conditions, everywhere on the face of this Earth” (emphasis in original).

Gore’s ‘final solution’

The moderator asked Gore to comment on the challenge of the Vatican to the globalist depopulators who are organizing the Cairo conference. Gore referred to the pope’s “excellent” stand on the environment. He said both sides can choose cooperation or confrontation. The best way to work this out, he asserted, is for the Catholic Church to continue to speak its mind and help with issues like health care which we all agree on, while he and his co-thinkers go ahead with birth control. He then added that both health care and birth control are necessary for the “final solu—” catching himself and continuing “resolution of the problem,” as the select pro-New Age audience laughed nervously.

Among the other panelists, Timothy E. Wirth, U.S. undersecretary of state for global affairs, declared, “We are the last great superpower.” He said people at the United Nations applaud the United States when it takes leadership on these issues.

Jack Rosenthal, assistant managing editor of the *New York Times*, said there are exaggerations on both sides, and he thought the United States should give up what he asserted was its overconsumption.

Wyoming Republican Sen. Alan Simpson, a 33rd Degree Mason and co-chairman of the editorial board of the *Scottish Rite Freemasons Journal*, said that he had sponsored a bill on population stabilization. “I got into this issue from the standpoint of immigration restriction,” Simpson explained.

He said that only a few other congressmen are going to accompany him to the Cairo conference; most are afraid of it because “extremists” keep raising extraneous issues such as abortion and sterilization, which get back to the voters.

Calling a spade a spade

When the moderator asked for audience questions, this reporter was first in line, with a query to Undersecretary Wirth: “Aside from public relations, what is the difference between the Cairo conference, and the 1932 Eugenics Congress in New York, where they called for sterilization and doing away with excessive non-white people, and whose participants went on to write the race laws for Adolf Hitler?”

Wirth angrily replied, “There is absolutely no reference anywhere in this [draft Cairo] document to any kind of racism or any kind of sterilization or whatever. There is a point of view taken by the Lyndon LaRouche group in the United States, which is reflected in the question here, that is certainly out of phase with, I think, any statement, any position taken by any nation around the world. Certainly radical elements have a right to state their position, but that is not found any place in any of the [Cairo] documents or the United States of America.”

Shortly after this interchange, panelist Rev. Joan Brown Campbell, general secretary of the National Council of Churches, pointed to the fact that “there is a demonstration outside the building” (see box). She called on the media present not to cover the protest. Rather, she said, the media should “expand the center” and make agreement and consensus exciting and not look for disagreement.

A jittery Marvin Kalb, a former national TV newsmen and now a Harvard professor, asked, "Will the demonstration be on the news?"

A woman college student asked the panelists: "Every baby is a potential vote in an increasingly democratic world. . . . Given the world's track record on minority rights, what would motivate political leaders to encourage their constituency to shrink in size, rather than to increase?" She was answered by Raúl Yzaguirre, head of the foundation-sponsored "La Raza" Hispanic organization, who responded that "we need to stress quality over quantity" (which, of course, had already been repudiated by the vice president). Dorothy Height, president of the National Council of Negro Women,

Protesters 'unfair' to Cairo-maniacs

A spirited demonstration against the Cairo '94 conference by members of the LaRouche political movement outside the National Academy of Sciences auditorium threw a spanner in the careful orchestration of the one-worldists. One protester, dressed in a robe as Death, sported a little button that said, "I Love Cholera." On his back he had a sign that said "My friends at the ADL say 'if you are against genocide you are anti-Semitic.'" Other demonstrators wore signs reading, "Boutros-Ghali is a new Ghengis Khan, killing nations with his condom on"; "U.N. equals United Nazis"; "U.N. Conference is Wirthless."

Picketers chanted, "U.N. goals for '94: famine, AIDS and bloody war"; "United Nations, Lucifer's slave, wants 3 billion in the grave"; "How does the U.N. fight disease, with condoms and vasectomies"; "Boutros-Ghali's killers in blue, after the Bosnians it will be you"; "Cairo conference says oh no, testicles have got to go."

An A-frame signboard informed passersby: "Free sterilizations, guest surgeon Lorena Bobbitt." A news reporter was seen taking notes on the signs and chants. To the great consternation of conference attendees, passersby laughed at the signs and loved the rally. A frantic official from the State Department Agency for International Development tried to buttonhole picketers, "You are wrong. You are lying."

Inside, as the meeting concluded, an enraged New Ager approached *EIR*'s Anton Chaitkin, gesticulating: "Your movement is causing terrible damage. It is not fair to compare this with Adolf Hitler." She did not wait for a reply.

hastily managed to change the subject to women's rights.

What are the actual limits to the ability of scientifically guided agriculture to produce food on an expanded scale for a growing population? asked another questioner. In reply, Stanford University biology professor Harold Mooney attacked scientific agriculture altogether, saying that hundreds of obscure species are disappearing, and that fertilization now applies 150 pounds of nitrogen per acre "that is not intended to go there. . . . How far can we go?"

Image-makers for genocide

Other panelists then added their comments:

● Ellen Goodman, a syndicated columnist, said that children used to be the very image and symbol of hope. Now we associate them with the population bomb. To help people to deal with this we have to manage this issue in a very careful way.

● Henry W. Kendall, physics professor at the Massachusetts Institute of Technology and chairman of the anti-science Union of Concerned Scientists, said that the public in the United States and other countries "believes there is a magic bullet or a set of magic bullets which will save us. The scientific community does not believe this." He asserted that population will be reduced voluntarily, with mercy, or naturally, with brutality.

● Ronald Lee, professor of demography and economics at the University of California at Berkeley, remarked that depopulation cannot be fit into a market schema; we have to be prepared to accept things we do not like, to effect the necessary changes.

● Partha Dasgupta, professor of economics at Cambridge University in England, in a perfect Bertrand Russell accent, said that we have to get the information from the experts, the scientists, to the population. This will lead to the necessary change in the popular conceptions of the problem in each country.

● Dr. José Barzelatto, head of the Ford Foundation's Reproductive Health and Population division, counseled that we must restructure nations to emphasize women's rights and an end to the patriarchal society.

● Prakash Narain Tandon, a professor of neurosurgery in India and a member of the Royal Society of London, proclaimed that he was speaking "for the world's academies of science." He described the recent meeting of many national academies in New Delhi, where self-professed scientists put their stamp of authority on the genocidal program of the U.N. In private discussion, this reporter asked Dr. Tandon if he didn't agree that depopulation pioneer Thomas Malthus was simply a paid liar for the British East India Company. He answered, "Yes, I quite agree, of course: We know what Malthus is, but we don't need him, we have assembled the facts anyway."

● Father David Toolan, associate editor of the Jesuit journal *America*, closed the panel by a direct challenge to the

Pew tells how to make genocide seem acceptable

A packet of literature was provided to participants at the National Academy of Sciences conference, including a "Journalist's Notebook" offering instructions on what Newspeak to use to make global depopulation palatable to readers. The instructions were paid for by the Pew Global Stewardship Initiative, whose advisory board includes Emma Rothschild of Cambridge University and Rabbi Alexander M. Schindler, president of the Union of American Hebrew Congregations. The sheet was prepared for Pew by the Population Reference Bureau, a eugenics organization founded in 1929 by pro-Hitler Guy S. Burch.

"What's in a word?" asked the handout. "Plenty when it comes to population terminology! . . . 'Population control' is a prime case in point. Once widely used, the term is now out of favor with experts in the field because it means negative things to so many people. . . . Nationalists in developing countries may fear that the U.S. is trying to weaken the power of their increasing numbers; people of color may feel that whites are practicing global eugenics.

"'Population control' is still heard on the Indian subcontinent, in China and other Third World places. But knowledgeable westerners wisely talk up less threatening phrases, like 'slowing population growth' or 'stabilizing world population growth.'

"Similarly, 'family planning' is preferred to 'birth control,' a term that dates back to the time of Margaret Sanger and the 'Birth Controllers,' the early crusaders for a woman's right to use contraceptives. In the Third World, however, the word 'control' smacks of coercion and imperialism.

"'Overpopulation' is also old hat. . . . If the world is 'overpopulated,' then who are the unneeded? To the extent that the rich view the poor as surplus, the term is not well taken in developing countries. While population specialists might agree that a country like Bangladesh

doesn't need more people, they assess the numbers in the context of desired human conditions and development.

". . . Population policy and diplomacy are particularly important at the moment. . . . Donor and developing countries are within reach of agreement on how to approach the problem" at Cairo.

Another item in the Pew package, "Population and Political Unrest: Anarchy or Global Security?" was less diplomatic:

"Some . . . suggest that western industrialized countries urge reductions in global population growth because they fear becoming 'outnumbered' and losing their economic ascendancy and strategic advantage. Accusations aside, the transnational nature of population and environment trends raises some basic political questions for the international community. . . . Can nation states tackle these challenges on their own? Or must sovereignty be ceded to new international mechanisms? The forthcoming ICPD [Cairo conference] provides a forum for airing these questions."

Gimme that New Age religion

A 30-page booklet, also prepared for Pew by the eugenicist Population Reference Bureau, on "Religious Communities and Population Concerns," offers the embrace of New Age religion to go with the journalists' Newspeak language:

The United States "has been dominated by the major faith groups linked to the Judeo-Christian tradition." Quoting from New Age authors, the booklet attacks "Christianity's traditional dogma of creation" which allows humanity to "exploit nature for its own ends." It calls for a "return to a kind of aboriginal consciousness of nature."

It quoted "Roman Catholic theologian Rosemary Radford Reuther, one of the leading eco-feminist thinkers": "The term 'Gaia' has caught on among those seeking a new ecological spirituality as a religious vision. Gaia is seen as a personified being, an immanent divinity. Some see the Jewish and Christian male monotheistic God as a hostile concept that rationalizes alienation from and neglect of the Earth. Gaia should replace God as our focus of worship.' "

pope: "My church," he said, will cooperate with this program "at the grassroots level . . . in the schools and the parishes" around the world.

Other panelists included Rep. Cynthia McKinney, a black congresswoman from Georgia; the Egyptian ambassador to the United States Ahmed Maher El Sayed, who said defensively that his country is "very proud" to be hosting the

Cairo conference; Dr. Nafis Sadik, executive director of the U.N. Population Fund, a Pakistani who is a leading figure in the globalist movement based on British colonial ideas.

It was announced that CNN will have a two-hour prime time broadcast advocating population reduction, on Aug. 29, shortly before the Cairo '94 conference opens in September. The hostess will be Jane Fonda.

NGOs flaunt bid for power at U.S. pre-Cairo meeting

by Carl Osgood

The dangerously growing clout of the United Nations "non-governmental organizations" or NGOs was made clear at the recent four-day conference on "Population and the Quality of Life," held in Arlington, Virginia, during the week of June 27, sponsored by the National Council on International Health. The conference, billed as a pre-Cairo session building up to the U.N. Conference on Population and Development (ICPD) in Cairo next September, was attended by about 1,000 people, including big names in the population-fear lobby, their junior partners from developing nations, and spokesmen from the top anti-human organizations ranging from International Planned Parenthood Federation to the Population Council.

A major theme of the conference was how NGOs could and will be used to effect changes in public policy, i.e., how to destroy the ability of any elected government to resist the Nazi-modeled policies of coercive eugenics which are the real Cairo agenda. This theme was emphasized in addresses to the conference by Undersecretary of State for Global Affairs Timothy "Globaloney" Wirth, the Clinton administration's point man for Cairo, and J. Brian Atwood, administrator of the U.S. Agency for International Development. This theme was also discussed in several working group sessions on NGOs.

The chairman of the NGO Planning Committee, Billie Miller of Barbados, went so far as to brag about the unprecedentedly high participation of NGOs in the Cairo conference, with over 1,000 accredited with the U.N. Secretariat. At the PrepComm III meeting in New York, "governments increased the access and influence of the nongovernmentals by inviting NGO colleagues onto their delegations" and "yielded time on the floor to NGO representatives to present positions on issues ranging from women's health to indigenous peoples rights." This NGO participation left "stronger language on reproductive health and rights" in the Cairo document, although much of this language is still in brackets, to be argued over at Cairo. Atwood added that U.S. AID is "emphasizing the involvement of NGOs at every stage of the development process, from planning to execution."

NGOs claim to represent grassroots activist movements, but in many cases, their funding comes from the major one-worldist American foundations, such as the Ford Foundation and the Pew Charitable Trust. NGOs dominate the delivery

of health services in many very poor countries, such as Bolivia and Cambodia. There are 120 NGOs operating in Cambodia alone. In Bolivia, the Andean Rural Health Care Project is the primary provider of health care in the rural regions. They act as a substitute for and a brake on the development of a government-backed health care infrastructure, for the exclusive purpose of foisting Darwinian policies on desperate rural populations, which will cut the birth rate and preclude modern health services.

Wirth attacks the pope

One of the worries of the malthusian fanatics which was in evidence at the NCIH conference is that opposition is developing against the Cairo agenda. Tim Wirth took great pains in attempting to refute some of the charges that have been leveled against the September conference, such as the charge that the draft program promotes policies like those of Communist China, in which the state forces couples into sterilization, abortion, and other violent methods of curbing births. He claimed that the Cairo Plan of Action "says it's wrong for family planning programs to be driven by population targets and quotas. Instead, programs should be based on provision of services that individuals want and will use." "We must reject the coercion that forces abortion or sterilization and," he added in a swipe at the Vatican, which insists on defending the rights of unborn human beings, too, "reject the coercion that forces a woman to bear a child, and we should reject strategies that in some way are intended to discourage contraceptive use." Wirth also railed at those who "have said that ours is an 'imperialistic' approach."

Accompanying this worry was the omnipresent concern to mitigate, coopt, or reinterpret the criticisms of the Catholic Church against the Cairo agenda. Diane Sherman, co-chairman of the communications working group within the U.S. Network for Cairo '94 said, during the U.S. Network's discussion group, that one of her duties was to "respond to the Vatican's attempts to undermine the Cairo document with its campaign of misinformation." Wirth dishonestly quoted the Pontifical Academy of Sciences on "the unavoidable need to confront the population issue" as if this represented the Vatican view, to imply that Pope John Paul II was isolated in his intransigent opposition to the Cairo conference. (The three-year-old Pontifical Academy of Sciences report, never ac-

cepted as the basis of church policy, was recently resurfaced by the media in Europe to fan dissension against the pope.)

Dr. Joseph Barzelatto, who runs the Ford Foundation's gamut of "family planning" programs, revealed, in response to a question from *EIR*, that a conference that he attended in Brussels, last May, which brought together Protestant, Muslim, Jewish, Catholic, and other theologians to discuss Cairo-related issues and gloated that "there were Catholic theologians there who were totally against what the pope is saying." This opposition will be expressed in a report which will be delivered to ICPD Secretary General Nafis Sadik on July 19.

Conference attendees and organizers were confronted twice during the conference by picket lines organized by the Schiller Institute, led by Alan Ogden, a Virginia congressional candidate who is a LaRouche Democrat, demanding the cancellation of the Cairo conference. The pickets, with signs demanding "No World Government" and "The World Needs More People," confronted each person entering the conference, to demand they cease working on this new Hitlerian genocide.

'Sexual rights' before governments

Population controllers have long realized they have to "sell" their programs in order to make them more palatable to those who might not accept them otherwise. "Eugenics," meaning "good birth," was a nice-sounding term until the atrocities of the Nazis were exposed to the world and the terms "birth control" and later "family planning" were invented. Now we have a campaign for the "empowerment of women," through giving them "reproductive rights" and education, or "human security" which, in the words of Tim Wirth, can be measured "most ominously in the rapid, unprecedented pace of population growth which dwarfs all trends in its implications." In his remarks, AID administrator Atwood blamed all the problems of Africa on population growth. On Rwanda, in particular, he said that "there are extremists in that society as there are extremists in every society. The elements that help those extremists are population growth, food scarcity, environmental degradation and the inability of governments to react to provide social services."

The policy is a carbon copy of Henry Kissinger's 1974 National Security Study Memorandum 200 which defined population growth in poor countries as the number-one threat to U.S. national security, but the insidious new twist is to induce poor women to inflict it on themselves under the illusion of acquiring greater rights and power.

There is to be a heavy emphasis on "women's health and reproductive rights" at Cairo and on making available reproductive health services (exclusively those services which *prevent* reproduction, of course) accompanied by a heavy dose of Madison Avenue-style marketing campaigns, such as that being used by the U.S. Department of Health and Human Services to increase condom use in order to "prevent" the spread

of AIDS. A speaker from the Mexican NGO, MexFam, delivered a paper on how such methods can be used to increase use of "family planning" services in rural Mexico.

This emphasis is not limited to NGOs, of course. The U.S. government, primarily through the offices of Tim Wirth and Brian Atwood, has made the cause of "women's reproductive rights" a centerpiece of its international policies. Atwood outlined how he is reorganizing AID to put women's issues at the "center of everything we do."

That the emphasis on "reproductive rights" is intended to bring about a fundamental change in traditional national structures is no secret. The Ford Foundation's Dr. José Barzelatto told the opening session that "it is reasonable to predict that, a few years from now, Cairo will be seen as representing a conceptual shift from family planning to sexual and reproductive health." What this means, is that there will be an "international recognition of sexual and reproductive rights" that goes beyond "improving existing health services" in the area of population control to recognizing that "sexual and reproductive rights are a social good, independent of the issue of population."

World Bank: Stop military, public industry, higher education

What was not discussed at the conference was the role of the International Monetary Fund and World Bank, the U.N.'s supranational siblings, in denying the nations of the developing world the ability to develop. National development is not only not promoted, but even ruled out, by being considered impossible. The most rabid malthusian to address the conference, Margaret Catley Carlson, the president of the Population Council, claimed that "there is nothing in human history that says we can adjust our food production systems, our distribution systems, our energy systems, the way we run our democratic societies. . . There is nothing that suggests that we can absorb that amount [1 billion people in a decade] of growth in that amount of time without causing major disruptions."

The question was raised of the impact of the IMF's structural adjustment policies to Tom Merrick, the senior population adviser, in the Population, Health, and Nutrition Department of the World Bank. Merrick claimed that the structural adjustment programs are designed to "address distortions in economic policy which keep countries from improving both at societal and individual levels." Among the "distortions" Merrick listed were state-owned industries, military spending, and higher education, which Merrick claimed, tends to produce gaps in education. He further claimed that "there's no evidence that the distorted policies which adjustment seeks to correct have ever really benefitted the poor or reduced poverty." There is certainly no evidence that these structural adjustment programs have ever done anything more than further impoverish nations that were already backward to begin with.

Restored paintings by two Renaissance geniuses: van Eyck and van der Weyden

by Warren A.J. Hamerman

One of the jewels of the National Gallery of Art's collection, and a treasure of early Renaissance painting, Jan van Eyck's *Annunciation*, is back on public display in Washington, D.C. after more than two years of cleaning and restoration.

The painting was done in oil on oak panel around 1434 in what is today Belgium. It was transferred to fabric at the Imperial Hermitage Museum in St. Petersburg in the last century (this happened to many panel paintings in Russia, because the wood deteriorated with the damp climate conditions there). In 1931, along with Raphael's *Alba Madonna*, now also in the National Gallery, it was one of the Czarist art treasures sold by Stalin to American millionaires, in order to buy food during the terrible famine caused by the forced collectivization of farms.

It was finally cleaned of its accumulated grime at the National Gallery last year, and old in-paint was removed. Then the holes were painstakingly in-painted anew by an expert restorer. Visitors to the National Gallery before Sept. 5 will be able to enjoy the van Eyck in a special room of its own, as part of mini-exhibit on the artist, the painting, and the restoration. As a special treat, the Gallery is offering a free booklet by curator John Oliver Hand with full-color illustrations.

Meanwhile, in Malibu, California, the J. Paul Getty Museum has also put on display through Oct. 23 a rare 15th-century masterpiece of the Northern Renaissance, the *Madonna and Child* of Rogier van der Weyden. This exhibit also celebrates the completion of a year-long conservation process by the museum's Department of Paintings Conservation. This work belongs to the Huntington Art Collections in San Marino. The conservation was undertaken as part of an ongoing program by the Getty Museum of offering assistance to other museums around the world to restore important paintings.

The Annunciation theme

I recently had the experience of touring a large group of schoolchildren through the National Gallery who were awestruck by the brilliance and color of van Eyck's painting. From two galleries away, a first-grader pointed through two open doorways to ask what the "glowing little lit up painting was way over there." This is all the more remarkable because

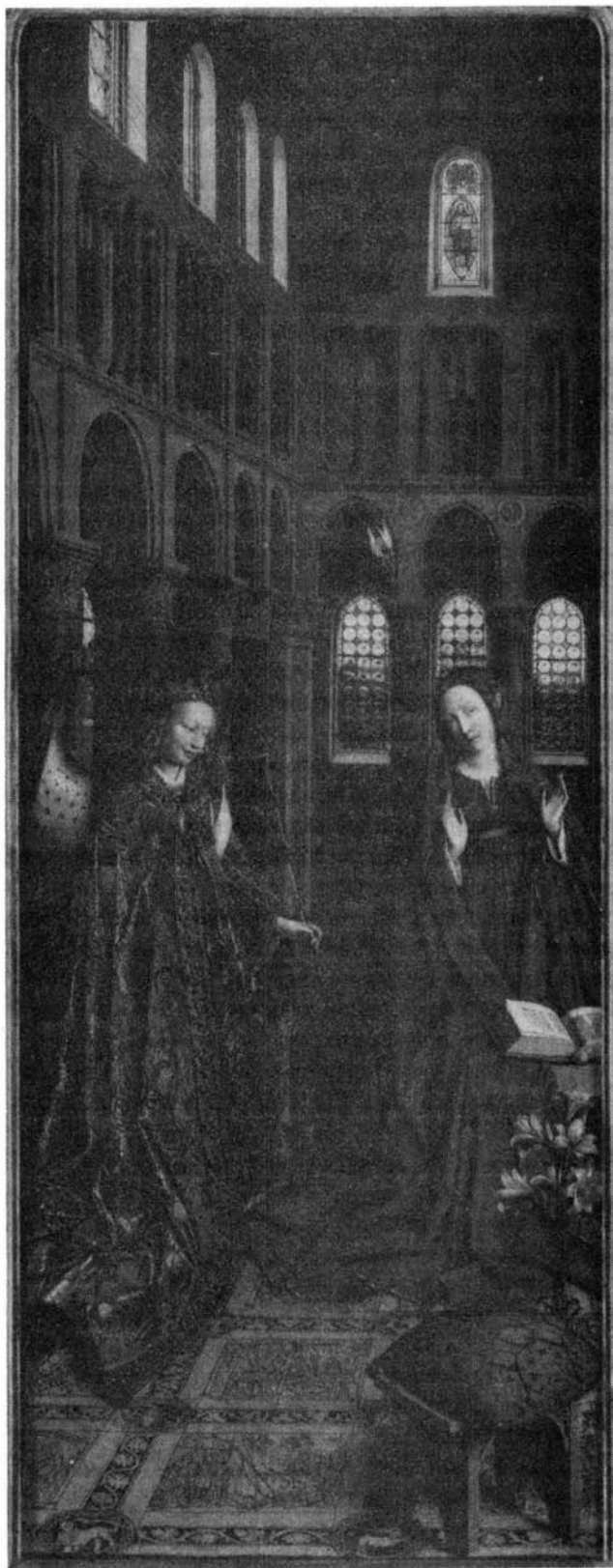
van Eyck's painting is a relatively small work, most likely the left panel of a triptych with a matching right wing and larger central panel, which are now both lost. Like so much of van Eyck's oeuvre, the other parts may well have perished in the violent iconoclastic outbreaks which occurred in northern Europe in the course of the 16th-century religious wars.

Extant altarpieces such as those by van Eyck's contemporary van der Weyden, suggest that the original triptych might have had the Adoration of the Magi as its missing center, and the Visitation in the right wing, thus complementing the story of the birth of Christ with the two major events that precede it in Luke's Gospel.

Van Eyck, long described as the "inventor" of modern oil painting because of his unique mastery of oil-based paints and glazing techniques, was born around 1390 in the town of Maaseik, north of Maastricht. He began his career as a court painter for John of Bavaria in The Hague. From 1425 until his death in 1444, he was the Flemish court artist of Philip the Good, Duke of Burgundy, first in Lille and then in Bruges. Philip said of him that he "would never find a man equally to his liking nor so outstanding in his art and science."

During the Renaissance, the Annunciation theme was among the most preferred by the masters from van Eyck through Fra Angelico to Leonardo da Vinci and Raphael, because of its fundamental importance to Christianity and all artistic creation and scientific discovery. Mary's willful assent to God is the model for how man can act in the image of God the Creator. As told in Luke 1:26-38, the Angel Gabriel announces to the Virgin Mary that she will conceive and give birth to Jesus Christ, the Son of God. Mary, most often depicted as being interrupted while reading, to emphasize her literate intellectual powers, says "yes" to God, thereby cooperating with God in making the Incarnation possible.

Van Eyck depicted Mary as large compared to the scale of the architecture which alludes to her identification with the church. The artist paints the letters spelling out the angel's salutation in Latin next to Gabriel's mouth—"Ave gratia plena" (Hail, full of grace, Luke 1:28). Mary's assent—"Ecce ancilla domini" (Behold the handmaiden of the Lord, Luke 1:38)—is written upside down so it can be read from above by the Lord.



The Annunciation by Jan van Eyck, ca. 1434-36 (oil on canvas transferred from panel, 36½ × 14⅞ in., National Gallery of Art, Andrew W. Mellon Collection).

Visible and invisible light

The Renaissance masters conveyed the interplay between what the Nicene Creed calls “all that is seen and not seen” through the metaphor of different types of light, divine and naturalistic. Van Eyck shows divine light streaming in from the window at the upper left in the form of seven symbolic golden rays. The Holy Spirit in the form of a dove rides the middle golden ray to the head of Mary. The seven rays represent the seven gifts of the Holy Spirit that Christ will receive as a Branch of the Tree of Jesse (Isaiah 11:2-3): wisdom, understanding, counsel, strength, knowledge, purity, and fear. A naturalistic light illuminates the scene from the right, lighting up the right sides of Mary, Gabriel, the open book and pillow, and casting shadows off the left as seen by the viewer.

On the top of the back far wall of the church there is a bright stained glass window showing God the Father standing atop a world globe. Below the stained glass window are the dark recesses of the far wall until one reaches perhaps the most technically spectacular of all light sources in the painting—the silvery-white light realistically radiating in through three lead-shot windows, which represent the One God in the Trinity. The interaction of these different levels of light presaged the frontiers Leonardo and Raphael explored more than a half-century later, and which, in a different way, Velázquez and Rembrandt explored considerably later.

Master detailists

Northern Renaissance art grew out of a long tradition of manuscript illumination. Painters like Jan van Eyck, Rogier van der Weyden, and Petrus Christus are rightly famed for the astonishing amount of detail in their paintings, often achieved with a magnifying glass and single-bristle brush.

In the van Eyck painting, the church architecture is a composite of older medieval Romanesque round arches, and the slightly pointed Gothic arches on the lower story. On either side of the stained glass window on the back wall of the church there are wall paintings of two scenes from the life of Moses which prefigure Christ. The floor of the church shows scenes of the Old Testament (mostly from Samson’s life) side by side with signs of the Zodiac.

Next to the Virgin is an open Bible, a pillow footstool and her characteristic vase of lilies, representing her intellect, humility, and purity.

Perhaps no Angel Gabriel in the history of painting has a more richly elaborate robe and crown, befitting a painting done in Bruges, the center of the most luxurious fabrics and metalworks north of the Alps at the time. Gabriel is wearing an elaborate liturgical vestment consisting of a sumptuous red velvet and gold decorated cope edged in red and blue gems and rows of pearls. Under the angel’s cope is a dark green velvet liturgical garment known as a dalmatic with flowers and foliage on a cloth-of-gold ground. The angel’s elaborate dress contrasts with Mary’s simple blue robe and



Madonna and Child by Rogier van der Weyden, ca. 1460 (oil on panel transferred to masonite, 19×12½ in., from the Huntington Art Collections, now on display at the Getty Museum in Malibu.)

headband. In the freshly restored painting, the viewer can even see the glistening brown marble in the perfectly painted columns along the side of the church behind the angel.

Restoration leads to discoveries

The National Gallery exhibition includes an infrared reflectography composite photograph of the underdrawing of van Eyck's paintings, which reveals a more tender expression on the face of the Virgin than the final panel. This is one of many discoveries which modern conservation techniques can afford to students of the old masters.

Similarly, according to Mark Leonard, Getty Museum Conservator of Paintings, "In the process of restoring the *Madonna and Child*, we learned valuable information about Rogier's inventive working methods. For instance, cross-sections of the painting's surface revealed that the artist experimented with an unusual combination of gilding techniques to create the ethereal gold background and distinctive haloes. While cleaning the work, we were delighted to find

that despite several past restorations, much of Rogier's original painting remains intact."

Rogier van der Weyden, considered the greatest Flemish master of the Renaissance together with van Eyck, lived from 1400 to 1464, and his patrons tended to come from municipal governments and middle-class burghers rather than the princes whom van Eyck served. He traveled to Italy and made paintings, which have survived, for the Este family of Ferrara and the Medici of Florence. Although like van Eyck he paid extraordinary attention to detail, he is known more for his expressive composition and the poignancy and religious feeling of his figures, than for the astonishing optical effects associated with the elder painter. The greater drama may partly be due to the strong influence of Italian narrative painting, for in Italy, ever since Alberti's work *On Painting*, written in 1435, the explicit ideal of painting was to express the "motions of the soul through the motions of the body."

In the picture displayed at the Getty Museum, the Christ Child is shown standing on a richly embroidered cushion, turning away from the Virgin while trying to unfasten the gold clasps of a book of hours, a popular prayer book used for the private devotions of wealthy laypeople of the day. The inclusion of the book of hours links the picture, probably destined also for private devotion, to the "Devotio Moderna" movement which played such an important role in the Renaissance in northern Europe, through its educational activities and the pervasive influence of *The Imitation of Christ*, the book written by the Devotio Moderna's most famous member, Thomas à Kempis.

Both exhibitions accompany the panel paintings with miniatures (book illustrations) of related themes or styles, as well as photographic enlargements of x-radiographs, cross-sections, and micro-details of paint samples to show some of the analytical techniques used.

Museum information

For those who wish to see the van Eyck or van der Weyden restorations or other exhibitions:

The **National Gallery of Art** in Washington, D.C. is on Fourth and Constitution. Hours are Monday-Saturday 10-5; Sunday 11-6. Admission is free. Parking is on the street; Archives stop on the Metro. Phone: (202) 737-4215.

The **J. Paul Getty Museum** in Malibu, California is at 17985 Pacific Coast Highway. Hours are Tuesday-Sunday 10-5. Admission is free, but advance parking reservations or Front Gate passes are required; MTA bus 434 (request museum pass from driver). Phone (310) 458-2003 (English) or (310) 458-1104 (Spanish).

Is eco-fascism on U.S. government agenda?

Two internal documents reveal that environmentalist zealots are redefining the philosophy of government.

Two internal documents have recently come to light which reveal that a profound transformation in the philosophy of government is now taking place in the U.S. federal bureaucracy. The documents, one from the Environmental Protection Agency (EPA) and one from the Department of the Interior show that environmentalist zealots are pushing through a redefinition of government, from one that protects the interests of the citizens, to one that fosters the protection of ecosystems.

The documents indicate that vast regions of the country will be turned into "ecosystems," or "bioregions" where all human and economic activity will be carefully regulated so as to prevent any further degradation of the ecosystem. Government will no longer protect just individual "endangered species" (over 900 and rising), but from now on their entire habitat will have to be protected.

According to sources, directing this operation are Interior Secretary Bruce Babbitt and Timothy Wirth, head of the State Department's Office of Global Affairs. They are being helped by a gaggle of environmentalists who have assumed key positions in federal agencies over the past several years.

The documents reveal that in order for this philosophy to be fully implemented, many constitutional mandates, including the separation of powers, must be overturned. The EPA document, issued on Aug. 6, 1993, emphasizes that one of the biggest obstacles is "primacy of state enforcement," because ecosystem management must be based on "ecological rather than political boundaries."

The Interior working document,

prepared for an April 30 Bureau of Land Management summit, reveals that the national goal of ecosystem management was initiated by Vice President Al Gore's National Performance Review in early 1993. As a result of this initiative, the Interagency Ecosystem Management Coordination group was created to coordinate all interagency efforts. This group is made up of 20 federal agencies, including the Bureau of Land Management, the Forest Service, the Soil Conservation Service, the National Park Service, the EPA, the Fish and Wildlife Service, the U.S. Geological Survey, the Bureau of Indian Affairs, the National Biological Survey, the Department of Energy, the Department of Defense, the Bureau of Mines, the Bureau of Reclamation, and the Mineral Management Service.

These federal agencies are ordered to redefine their activities according to the philosophy of ecosystem management. One of the redefinitions in the DOI document is that "all ecosystem management activities should consider human beings as a biological resource."

According to Tom McDonnell, political affairs director for the American Sheep Industry Association, who unearthed the documents, "under ecosystem management, the administration does not consider itself a government of the people, by the people, or for the people, but rather considers itself as having to manage people as biological resources similar to vegetation, minerals, water, wildlife, or predators."

This agenda also attacks national sovereignty. The EPA document reveals plans to bypass Congress and im-

plement U.N. international treaty provisions in the "bioregions." It states that "the Executive branch should direct federal agencies to evaluate national policies on environmental protection and resource management in light of international policies and obligations, and to amend national policies to more effectively achieve international objectives."

The EPA also pushes sustainable development. "The U.S. should develop human population policies that are consistent with sustainable economies and ecosystems," the document states.

The implementation of this agenda is in the final stages. One element is the National Biological Survey. Despite the fact that Congress has not approved the survey, it already has "1,850 employees, 4 Ecoregional offices, 13 research centers, over 60 cooperative research units, and 100 field stations," according to the Interior document.

The subversion may yet be stopped, however. More than 30 trade journals have recently published excerpts from these documents, setting off political shockwaves.

Fred Wortham, editor of *Western Livestock Journal*, reports receiving thousands of phone calls as a result of his coverage. He says that calls requesting more information have come from every state of the union, and that seven senators have personally called for more information. Dozens of journals have requested permission to reprint his article.

Other journals reporting on this include the *Livestock Market Digest*, *National Woolgrowers*, and *Loggers World*. The documents are circulating among groups involved in mining, logging, farming, and ranching, and among private property groups. Several senators are planning hearings to smoke out this agenda.

Motion against Haiti invasion plan fails

The House voted 185-214 on June 27 to reject a motion to strike \$25 million for U.N. peacekeeping operations in Haiti from the State, Commerce, Justice, and Judiciary appropriations bill.

The sponsor of the motion, Jim Lightfoot (R-Iowa), said on the House floor that the Clinton administration hadn't learned the lessons of the U.N. operation in Somalia and that the reason for the failure there was that "Congress did not exercise sufficient oversight."

Robert Livingston (R-La.) added that President Clinton should not be allowed to "risk the life of one single person in uniform for the likes of Jean-Bertrand Aristide" without the authorization of Congress.

On the other side of the aisle, Alan Mollohan (D-W. V.) complained that Lightfoot's amendment would "telegraph" the intentions of the government to countries where the use of U.S. military force is being considered.

Senate rejects bid to lift Bosnia embargo

By a 50-50 Senate vote, an amendment to lift the U.S. arms embargo against Bosnia was defeated on July 1. The vote followed a visit to Washington by British Foreign Minister Douglas Hurd on June 22; he met with 19 congressmen and senators, mainly discussing British opposition to a unilateral U.S. end to the embargo.

According to a British Embassy spokesman, Hurd was invited to a discussion with the Senate Armed Services Committee by its chairman, Sam Nunn (D-Ga.), which was also attended by Sen. John Warner (D-Va.). Hurd met separately with Senate

Majority Leader George Mitchell (D-Me). Two days later, those three senators co-sponsored legislation to implement Hurd's position.

A counter-amendment suggesting that President Clinton continue to appeal to the U.N. Security Council to lift the embargo passed the Senate on July 1 by a 52-48 vote. A conference committee will "reconcile" this with the McCloskey amendment for unilateral U.S. lifting of the embargo, which was passed overwhelmingly by the House on June 8. Senate sources said it was possible, but not likely, that unilateral action would remain in the final bill.

Fazio leads ADL charge inside Democratic Party

Rep. Victor Fazio (D-Calif.), head of the Democratic Congressional Campaign Committee, delivered a broadside against the Republican Party on June 21, based on the Anti-Defamation League (ADL) tract on the so-called "religious right."

Fazio told a gathering at the National Press Club that the Republican Party "is at a crossroads" and has to answer the question, "should they accept the winning tactics of the radical right at any costs?" He accused GOPers of buckling under to the influence of the religious right because "they are successful—they win." He pointed to the Oliver North campaign as the bellwether race, and demanded that Republicans repudiate the Christian activists who have mobilized behind North.

Fazio said that he and fellow Democrats are frightened of the possibility of major Republican gains in November, and are hoping to create a "backlash" among moderate Republicans which will help embattled Democratic

candidates.

At least one Democrat moved to distance himself from Fazio's remarks. Rep. Scotty Baesler (Ky.) told the *Louisville Courier Journal* on June 28 that "what I'm worried about on Vic's approach is, you're trying to divide the country rather than bring it together." He said he wouldn't be seeking funds for his reelection campaign from the DCCC because "it would look like I'm acquiescing in all their views."

Fazio's remarks provide the perfect foil for the North campaign, Pat Robertson networks, and various conservative "letter-head" organizations to identify Fazio's bigotry as a "Democratic" tactic—never mentioning the ADL.

House preserves funding for 'democracy' project

An amendment to the State, Commerce, Justice, and Judiciary appropriations bill to zero out funding for the National Endowment for Democracy, was defeated in the House by a vote of 89-317 on June 27. NED opponents attacked the lack of accountability for the program and the use of a publicly funded private group to carry out U.S. foreign policy.

Joel Hefley (R-Colo.), the sponsor of the amendment, argued that the NED has outlived its purpose to combat Soviet imperialism and that without that counterweight, its own activities "smack of the same imperialism the endowment was created to combat."

Despite the fact that the NED has been caught destabilizing governments of U.S. allies, its supporters, in the words of Ben Gilman (R-N.Y.), described it as "a key tool of U.S. foreign policy." Dana Rohrabacher (R-

Calif.), after bragging that he has the highest rating from the National Taxpayers Union for opposing "useless government spending," said that "we are not talking about cutting useless spending. We are talking about a program that bolsters the cause of freedom and democracy."

Woolsey warns mafia may steal the bomb

CIA head James Woolsey told the House International Security, International Organizations, and Human Rights subcommittee on June 27 that Korea and other "hostile states" threaten U.S. national security because they might use organized crime to procure or expand an arsenal of nuclear weapons. "We cannot rule out the possibility that organized crime groups will be able to obtain and sell nuclear weapons or weapons-grade materials as a target of opportunity. We're especially concerned that hostile states such as Iran, Iraq, Libya, and North Korea may try to accelerate or enhance their own weapons development programs by attempting to acquire weapons of mass destruction or weapons grade material through organized crime groups."

Pointing to the case where a janitor smuggled three kilograms of nuclear material out of a Moscow plant, Woolsey warned that the strength of Russian organized crime and the corruption of the Russian government make it difficult to stop the proliferation of bomb materials.

One congressman asked Woolsey to comment on the estimate that "30 to 50% of AID [U.S. Agency for International Development] money for privatization is spent in a way that ultimately benefits criminal interests," and that in "at one briefing last July, a CIA official provided a scathing re-

port on the Russian mafia's infiltration of the privatization program."

Woolsey replied that while there is corruption in the privatization program, there is a big distinction between corruption and organized crime, and that the Department of State, USAID, and the CIA are working together to monitor the program.

Woolsey cited "proliferation, terrorism, international organized crime, [and] anarchy in various parts of the world" as chief among the problems faced by the intelligence community in the post-Cold War era.

Gray says Aristide best President for Haiti

William Gray, President Clinton's special envoy for Haiti, praised ousted Haitian dictator Jean-Bertrand Aristide before a hearing of the Senate Foreign Relations Western Hemisphere subcommittee on June 28. Aristide's performance while he was President was far superior to "anything that I know that has been there before or since," Gray said.

In response to a question from committee chairman Claiborne Pell (D-R.I.), Gray said that people "don't have the right to take guns and turn [an elected official] out of office simply because they don't think you are the best. And when I look at President Aristide, I have not seen anything in my contact with him that would have me question his ability to be a democratically elected President in that country." Neither Pell nor Gray made any reference to the widely circulated reports of Aristide's fondness while he was President for advocating the murder of his political opponents by "necklacing."

When asked about provisional President Emile Jonassaint's announcement that there would be elec-

tions before the end of the year, Gray said that Jonassaint's government is "a puppet government put forth by the coup leaders, and as such we do not recognize its pronouncements or its statements and find they are unconstitutional and illegal."

Senate panel okays 'soft trigger' health plan

The Senate Finance Committee voted 12-8 on June 30 in favor of an amended "soft trigger" health care proposal put forth by committee chairman Daniel Moynihan (D-N.Y.) and John Chafee's (R-R.I.) "rump" group of bipartisan committee members, which would set up a National Health Commission to make recommendations to Congress to devise a "universal" health care plan in the event that inducements to employers did not achieve coverage of 95% of the population by the year 2002.

The committee earlier rejected by a vote of 14-6 a proposal that contained a delayed employer mandate known as the "hard trigger" employer mandate.

Moynihan and the rump group have diverged from the Clinton plan for so-called universal coverage and the employer mandate provisions, in favor of a go-slow approach that would expand the number of people covered as the "savings" from reform become available. Both plans would use incentives to induce employers to voluntarily purchase insurance for their employees. If voluntary participation does not provide coverage for 95% of the population by the year 2000 or so, the plan's enforced employer mandate would go into effect.

A third cost-control proposal by Bill Bradley (D-N.J.) would impose a 25% tax on insurance companies for their high-cost health care plans.

National News

Spannaus forms PAC to stop Oliver North

Nancy Spannaus, who ran in the Democratic primary for U.S. Senate in Virginia, announced on June 21 that she was forming a political action committee (PAC) to defeat the Republican nominee Oliver North, whom she characterized as a "Bush operative and drug-runner."

"The first campaign of the committee will be to flood Virginia with a special version of the bumper sticker LaRouche Democrats are putting out in Texas and Florida [where George W. Bush and Jeb Bush are running for governor], 'Don't Elect That Son-of-a-Bush.'"

"It is our intention to spearhead the kind of campaign that will eliminate the threat that Ollie North might enter the Senate of the United States. Once Virginians get the story that he ran plane loads of drugs into our country, and conspired to destroy anyone who got in the way, they won't buy this story that Ollie is a folk-hero representing family values. They'll run that son-of-a-Bush out of here in no time," she said.

During the June 28 nationally televised debate of the four Virginia Senate candidates on "Larry King Live," North gave the lie to his own claims to being an outsider when he praised Bush as a "great statesman": "I'd have sent George Bush to Bosnia, Haiti, and then the rest of them—because he knows how to solve them." He told King he would "call [Bush] tonight," and ask him to campaign for North.

Lewis du Pont Smith to run for Minnesota AG

Lewis du Pont Smith, DuPont chemical heir and associate of Democratic presidential precandidate Lyndon LaRouche, declared his candidacy for the Democratic-Farmer-Labor Party nomination as Minnesota's Attorney General, challenging incumbent Hubert ("Skip") Humphrey III. In 1992, Humphrey investigator Rick Munson was caught on an FBI wiretap discussing a national "get LaRouche" campaign with former Loudoun County, Virginia Sheriff's Lt. Donald

Moore. The FBI wiretap led to Moore being charged in a plot to kidnap and "deprogram" Smith and his wife in 1992.

Smith's statement detailed some of the unsavory characters that back his opponent:

"1) Humphrey backer and regular contributor Fred Isaacs went to jail in 1961 for defrauding the Twin City Rapid Transit Co. in cahoots with the infamous Meyer Lansky partner Kid Cann;

"2) Humphrey intimate Deil Gustafson was convicted of 24 felonies for skimming from the Tropicana Casino in Las Vegas in partnership with Kansas City mob figures;

"3) Humphrey backer Hal Greenwood was convicted of 25 felonies relating to savings and loan fraud;

"4) Skip's brother-in-law and political crony C. Bruce Solomonson was sentenced to 46 months in prison for defrauding his own insurance companies."

'Jane Roe' hailed as feminist anti-heroine

Far from being the "abortion rights" movement's version of Rosa Parks, a new book, *I Am Roe: My Life, Roe v. Wade, and Freedom of Choice* by Norma McCorvey, depicting the Kafka-esque life of its lesbian heroine, shows her to be almost entirely without principles.

According to a review in the *New York Times* on July 3, McCorvey was sent away to live with relatives as a child, where she was sexually abused; she later married a man who physically abused her. She "realized she was pregnant," divorced her husband, and moved in with her mother. Wrote the *Times*, she "began discovering that she was attracted to women." Her mother induced her to sign away custody of her child after getting her drunk. Despite the fact that she was now a practicing lesbian, she became pregnant again. (The child was placed for adoption.)

Yet a third time, she "realized she was pregnant," during which she was picked up by a wealthy Texas lawyer named Sarah Weddington, who was looking for a case to overturn Texas's abortion laws. McCorvey became "Jane Roe."

The case did not bring McCorvey fame and fortune: Weddington, not wanting to dirty her hands further with McCorvey after

Roe, ended contact with her. McCorvey now lives with her lesbian lover, whom she met when she, McCorvey, was caught shoplifting from her store. The *Times* concluded that "in a country where the rights of women and children are still under attack," Norma McCorvey "as Jane Roe is not the symbol we would have chosen; but she is the symbol we deserve."

Wolf urges Virginia: Resist casino gambling

Concerned that there will be another try to legalize casino gambling in Virginia next year, U.S. Rep. Frank Wolf (R-Va.) wrote a commentary in the July 2 *Richmond Times-Dispatch* urging Virginia to "resist" its lure. Wolf cited a recent study funded by the Aspen Institute and Ford Foundation, denouncing casino gambling for promoting organized crime, destroying the economy, and harming the people involved in it.

The study's author, Prof. Robert Goodman, cites the following statistic: Casino gambling was legalized in Atlantic City, New Jersey in 1976. Since 1978, the city's crime index exceeded that of the state as a whole. By 1981, there was a near-tripling of total crimes. That brought Atlantic City from 50th in the nation in per capita crime to first.

Wolf concluded, "Virginians should resist bringing casino gambling to the Commonwealth because of the adverse impact it may have on our tourism and other business concerns."

Chicago Tribune boosts integral fast reactor

An editorial in the *Chicago Tribune* on June 24 supported the fight to restore funding to the integral fast reactor nuclear program. Headlined "Fighting to Save Good Nuclear Science," the editorial reported that Sen. Paul Simon (D-Ill.) was preparing to lead a fight to restore funding for the IFR, and noted that Simon might face opposition from the Clinton administration and Energy Secretary Hazel O'Leary. The IFR, being developed at Argonne National Laboratory in

Illinois, was cancelled this year under the rationale that the United States should discourage plutonium use around the world by discontinuing its civilian plutonium program.

The editorial cited the reactor's merits: While a "conventional reactor burns just 1% of its uranium fuel, leaving radioactive waste and about 500 pounds of plutonium each year . . . Argonne's fast reactor is designed to consume 99% of its fuel, leaving virtually no plutonium behind. Furthermore, it can burn waste from other nuclear plants or from nuclear warheads."

The editorial concluded: "Since other nations, like nuclear-dependent Japan and France, aren't likely to shut down their reactors any time soon, the Clinton position is politically unrealistic and Argonne's reactor may offer the best long-term solution to reducing nuclear proliferation. . . . The Senate should follow Simon's leadership and restore funds for the fast reactor."

Washington Times blasts harsh Waco sentences

The *Washington Times* denounced the barbaric sentences meted out to seven members of the Branch Davidian religious group in its lead editorial on June 26, and defended the innocence of the accused. The defendants were charged with using firearms in a violent crime, during the shoot-out with federal agents in Waco, Texas in February 1993. "Last week a federal judge hit church members who survived the attack with 40-year sentences for their non-part in a non-conspiracy to kill federal agents," said the editorial. "Federal prosecutors couldn't have been happier."

After a pro forma effort to blame the firestorm at Waco on Attorney General Janet Reno, who became AG in the middle of the siege (which was stage-managed from beginning to end by Bush-era federal agents), the *Times* accurately summarized the 51-day "standoff": "Naturally, the feds blamed the whole disaster on church members (carefully referred to as 'cult members' by government officials). Trouble was, a jury of 12 impartial citizens did not. [Federal prosecutor] Mr. Jahn and company wanted to convict the Branch Davidians of murdering federal agents. The jury refused. Mr.

Jahn wanted to convict them of conspiracy to commit murder. Again the jury refused. But faced with confusing jury instructions, the panel did convict several of the defendants of carrying a firearm in the commission of the crime that, remember, the jury had already said they didn't commit. Seeing the contradiction, the judge threw out that conviction."

Despite the protests from the jury that they had mistakenly arrived at the firearms conviction, the judge agreed to reinstate it, and further ruled that the firearms were automatic weapons, which means a stiffer sentence.

The *Times* concluded, "The defendants in this case should move swiftly to appeal the court's ruling, and people ought to pay attention to what happens."

Columnist: Norplant is 'gas chamber economics'

Leftist columnist Alexander Cockburn penned a scathing attack on the contraceptive implant Norplant in the *Los Angeles Times* editorial section on June 30. Cockburn began his column by quoting the infamous Dr. J.N. Baker, before the Alabama State Legislature in 1935: "With bated breath . . . the world is watching the bold experiment in mass sterilization recently launched in Germany."

Cockburn continued, "Before Hitler and his fellow Nazis (who said they learned much from U.S. sterilization laws) made the discipline unfashionable, eugenics and the prevention of unworthy babies were hot topics among American social engineers. The keenest engineers were not Southern crackers but Northern liberals. . . . States pioneering sterilization laws early in the century included Robert M. LaFollette's Wisconsin and Woodrow Wilson's New Jersey. . . .

"Beyond these, there is the profoundest myth of all, which blames young, poor, unmarried mothers for drug abuse, slums and poverty. . . . Norplant will turn society around. These are gas chamber economics and social prescriptions. . . . Wait for the social engineers to start insisting that poor black female teenagers accept Norplant as a condition for probation or any form of social benefit, or for living in public housing, or for existing."

Briefly

● **OKLAHOMA** became the first state in April whose legislature passed a resolution "Memorializing Congress to Cease Certain Activities Concerning the United Nations." Among other things, it calls on Congress to cease any support for the establishment of a "new world order" or to any form of global government. A nearly identical bill has been introduced into the California Senate.

● **PAULA CORBIN JONES**, the woman who is suing President Clinton for alleged sexual harassment when he was governor has been awarded \$50,000 from No Excuses designer jeans to model their wares. The deal promotes Jones as being the most "Alive and Uncensored" woman in America as the ceremony on June 23 in New York was the latest in Jones's promotional tour.

● **WALTER CRONKITE** told the Discovery Channel that "we cannot afford not to keep going into outer space," referring specifically to manned missions. "We should not abandon a program that pushes human capabilities, that recognizes that failing to accept the challenges before us invites stagnation," he said.

● **PEG LUKSIK**, who ran for governor of Pennsylvania in 1990, winning 42% of vote on a shoestring budget, is considering running again, as an independent. Four years ago, Luksik won widespread support through her strong campaign against "outcome-based education." She reported that the camp of Republican candidate Tom Ridge has both offered her jobs and made threats in order to keep her out of the race.

● **MARY SUE TERRY**, Virginia's former "get LaRouche" Attorney General, whose gubernatorial ambitions were smashed in 1993, was recently invited to address a forum on "Overcoming Political Defeat." When only a dozen people showed up, the moderator suggested the forum be cancelled. Terry, who is still without a job, gratefully left.

Editorial

Let's win the war on drugs

Nancy Reagan's campaign to "Just say no!" was a sad parody of the kind of war that must be fought if we are to stop the spread of drugs. As the election of Ernesto Samper Pizano to the position of President of Colombia shows, and the present senatorial campaign of Ollie North in the United States, the power of the drug mafia digs deep in our society. Crucial to this is the role of laundered drug money in sustaining the crisis-ridden global economic structure.

The recent revelations that the Samper Pizano election campaign was bankrolled by the cocaine cartel are creating shock waves in Colombia and also have already had important repercussions in the United States, where forces in the State Department and the Drug Enforcement Administration substantiate the charges that he cut a deal with the Cali mafia in order to win the run-off election. This has created sufficient concern to place a question mark over the actual inauguration of Samper Pizano next month.

This scandal has come as no surprise to *EIR*. For the past 15 years, as part of our campaign to stop the spread of drugs by hitting at the jugular—the connection of these criminal cartels to the banking system—we have documented the role which Samper Pizano has played as an interface between financial and criminal institutions. For this whole period, Samper has acted as a broker for banking interests who were willing to support the drug cartel on behalf of Colombian and foreign banks.

Ten years ago, on the occasion of the abduction of Patricia Paredes de Londoño, who with her husband is a leading anti-drug fighter in Colombia, we demonstrated the overlap of these networks, in detail. We documented Samper's role as a collaborator of Carlos Lehder, a partner of dope-lobby financier Robert Vesco in Caribbean operations. Lehder was sent to a U.S. federal prison as a major criminal. As we wrote in the Aug. 14, 1984 issue of *EIR*, in 1982 Lehder "gave over 20 million pesos to the López Michelsen campaign at a meeting in a Medellín hotel with Ernesto Samper Pizano, López Michelsen's campaign manager."

Samper was a member of the executive council of

the International Cannabis Alliance for Reform, which was calling upon the United States to legalize Colombian marijuana imports into the United States. In this he had and still has, the support of the Ollie North wing of the Republican Party which sought support for their own involvement in drug trafficking from the writings of Adam Smith on behalf of the ideology of free trade. Smith, of course, was on the payroll of the British East India Company at the time, and his advocacy of the non-regulation of drug trafficking coincided with the interests of British opium interests.

Ollie North's boss, George Bush, attempted to justify the U.S. invasion of Panama by the lying pretext that Panama's leader, Gen. Manuel Noriega, was using Panama as a base for drug trafficking. It would certainly be correct now for the United States to announce that it will sever diplomatic relations with Colombia should Samper be inaugurated, for the duration of his term in office.

One very forceful move which the United States can make to defeat the drug cartel here and in Ibero-America, is to offer full support to Venezuelan President Caldera in his fight to stop drug-money laundering by imposing stringent controls on the Venezuelan banking system. He did this to stem the flow of money out of the country in the wake of the collapse of Banco Latino. It should be noted that the problems in Venezuela are of the same magnitude as a series of other collapses of financial institutions in the United States and in Europe.

Venezuela's economic crisis, then, comes within conditions of the collapse of the international financial system, but it is complicated by the role of the Cisneros financial interests in Venezuela and Colombia who are tied in to drug-running interests in Ibero-America and Spain. Thus, by protecting the the integrity of the Venezuelan economy, President Caldera has struck a blow at the very same drug interests who are trying to seize power in Colombia. Here is a perfect opportunity for the Clinton administration to weaken the drug cartel at home and abroad, merely by offering the support of his administration to Venezuela's President, while denying it to Colombia's Samper.

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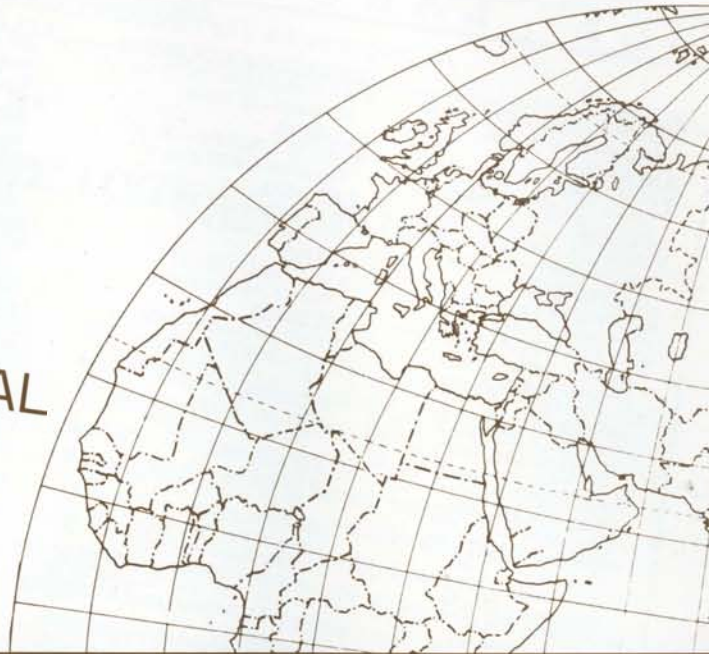
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