

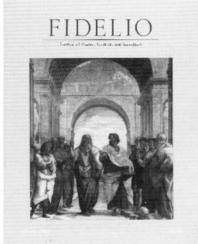
Ex-DEA agent nails North on drug-running Museveni's Uganda: IMF 'success story'? How Venice corrupted science

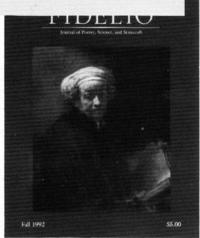
Haiti invasion: It's a Bush baby



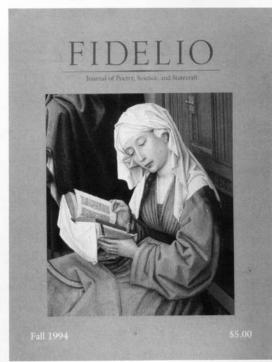
"I hope to convince you that, in order to solve the political problem in experience, one must take the path through the aesthetical, because it is through Beauty that one proceeds to Freedom."

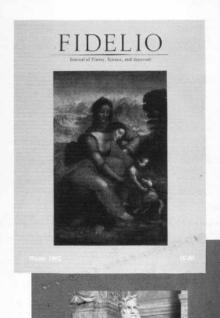
- Friedrich Schiller













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From the Editor

There is a thread running between the cover story, our exclusive analysis of the U.S. threat of a military invasion of Haiti—coming closer and closer to reality as we send this issue to print—and the Feature essay by Webster Tarpley on "How the Dead Souls of Venice Destroyed Science." The thread is the urgent necessity to defeat mankind's age-old enemy of oligarchy.

Haiti is, of course, designed to be a foreign policy disaster for Mr. Clinton. Who designed it that way? The people who backed Mr. Bush. They don't like Clinton's successes in the Mideast, North Korea, Ireland, and Germany one bit—especially since these were achieved by flouting the Anglo-American "special relationship." After reading our Haiti report in *International*, you may turn to a short article in our *National* section, which tells what a big swindle is Barbara Bush's recent foray into the media to portray her husband as the standardbearer of pro-life forces.

As Lyndon LaRouche emphasized, most recently in an article in *Fidelio* magazine and in his presentation to the ICLC/Schiller Institute conference, what is really afoot here is a battle more than five centuries old, between the creative energies unleashed at the watershed Council of Florence of 1439-40, and the oligarchist reaction which hunkered down in Venice. If you believe the myth that deified Isaac Newton as "Reason" personified on his death in 1727; or if you join with those admirers of the Age of Voltaire, whose 300th birthday occurs this year, then you need Tarpley's study to rescue you from the same mind-benders who are locking the Clinton administration into a suicidal Haiti policy.

Two interviews in the *National* section are key to helping defeat the "Venetian" oligarchy:

- Former Drug Enforcement Administration agent Celerino Castillo reveals that all of Oliver North's pilots in Central America ran drugs, and shows how the evidence leads back to North's superior, George Bush. Mr. North, who was convicted of lying to Congress, aspires to join the body he mocked, by getting elected as a U.S. senator from Virginia.
- Lyndon H. LaRouche, Jr.'s remarks on a wide range of issues, transcribed from the Sept. 14 edition of "EIR Talks," are important for communicating the *method* by which all strategic developments must be viewed.

Nova Hamarman

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EXECONOMICS

Derivatives whirlwind could sweep away markets

by Anthony K. Wikrent

Just like the swirling winds of a developing tornado or hurricane, the \$1 trillion-plus a day derivatives markets continue to surge to new levels of velocity. But recent statements by prominent elites suggest a growing awareness that the world's financial markets are about to be swept away in a whirlwind of derivatives destruction, just as U.S. physical economist Lyndon LaRouche forecast in June of this year.

Derivatives are financial contracts the value or market price of which are based on (hence, "derived") from other, underlying contracts, or indices of other contracts. The Wall Street Journal has estimated that the notional amount of derivatives outstanding at the end of 1993 in the world was \$35.098 trillion, almost exactly three-quarters of the total \$47.8 trillion of bonds, cash, and stock outstanding in the world. By contrast, the estimated Gross Domestic Product of all countries in the world is about \$23 trillion.

In a news release dated Sept. 12, the International Swaps and Derivatives Association (ISDA) announced that the notional amount of swaps outstanding jumped 58.5% at yearend 1993 to \$8.475 trillion, compared to the end of 1992. Swaps are one of the five major types of financial derivatives, and are "over the counter" (OTC); that is, they are not traded on a financial exchange, as are futures and options (the two major types of derivatives that are traded on exchanges, and hence, are called "listed").

Swaps are contracts in which two counterparties agree to exchange payments based on respective principal amounts that have different characteristics. According to the ISDA news release, \$1.398 trillion of the swaps outstanding was accounted for by more exotic contracts, such as caps, floors, collars, and swaptions (a form of a swap tied to an option). An excellent indicator of where the derivatives market is

heading is the fact that the amount outstanding of these more exotic contracts more than doubled, from \$634.5 billion outstanding at the end of 1992.

On Sept. 13, the Chicago Mercantile Exchange (CME)—the largest financial marketplace in the world—began trading in currency forwards denominated in deutschemarks. These are the first forwards to be listed on an exchange. Previously, forwards were OTC customized agreements between two companies that exchanged like amounts of principal, each in a different currency, on an agreed-upon future date. There were an estimated \$9 trillion of forwards outstanding as of the end of 1993—the largest of the major types of derivatives.

The real attractiveness of the new exchange traded forwards, the Merc boasts, is that when traded in conjunction with deutschemark rolling spot futures contracts, the interest rate differentials between the United States and Germany can be "captured." This marks the new exchange-traded forwards as a highly speculative instrument, with no real relationship to raising capital for economic activity. Moreover, the *Financial Times* noted that a bank trading the CME forwards does not have to meet the capital requirements for forwards laid down by the Bank for International Settlements.

Confirming the explosive growth of derivatives, the Merc boasted that trading in August set another record, totaling 16,473,911 futures and options contracts worth \$13.2 trillion in underlying value. With year-to-date volume up 55.4%, trading at the Merc so far this year has already surpassed the volume of trading for the entirety of 1993.

Did derivatives work for Wall Street?

But the foundation beneath this rococo facade is developing cracks that are becoming chasms that will swallow

the whole structure. During the second quarter, Wall Street posted a pre-tax loss of \$623 million, its worst quarterly loss since the 1987 stock market crash, when U.S. investment banks recorded a loss of \$2.33 billion before taxes in the fourth quarter of 1987. In the second quarter of 1993, U.S. investment banks posted a profit of \$2.38 billion.

The losses of this year's second quarter are largely a result of the collapse in bond prices since the U.S. Federal Reserve began raising interest rates in February, and of losses in bond trading. But the point is, losses of this magnitude are supposed to be negated if not entirely eliminated by financial derivatives. As George Monahan, director of research for the Securities Industries Association, told an EIRNS interviewer on Sept. 14, the securities industry is very cyclical, and securities firms have been repeatedly caught holding large inventories of bonds when interest rates began to rise, causing bond prices to tumble.

Perhaps it is these losses that explain the sudden resignation of Stephen Friedman from the chairmanship of Goldman Sachs. The day after that resignation was announced, it was revealed that Goldman Sachs is casting about for a private investor to inject \$250 million in fresh capital into the firm.

But the monotonous mantra from the investment and commercial banks that have developed and sold derivatives is that the risks of rising interest rates can be "managed" by those derivatives. What does it say about derivatives if the investment banks themselves—supposedly the most skilled adepts at derivatives—were unable to successfully manage their interest rate risk in this latest cycle of rising interest rates?

First lawsuit filed

And what about the hapless buyers of derivatives? Hoping to avoid lawsuits, derivatives dealers have paid out over \$500 million since May to make good customers' losses on derivatives. The latest such instance is that of Prudential Securities, which announced on Sept. 14 that it was buying back \$70 million in mortgage derivatives its brokers had sold improperly, by telling retail customers who bought the collateralized mortgage obligations that they were less risky than they really are.

The issue has finally landed in the courts: On Sept. 12, greeting card maker Gibson Greeting Inc. filed a suit in a federal court in Cincinnati seeking the restoration of \$23 million in losses it suffered from interest rate swaps that Gibson had bought from commercial bank Bankers Trust, plus \$50 million in punitive damages. It is believed to be the first time ever that a U.S. company has filed suit against a derivatives dealer because of OTC (as opposed to listed) derivatives losses, the Wall Street Journal reported.

The Gibson suit alleges that Bankers Trust, "recognizing its opportunity for gain at the expense of an unknowing customer and ignoring its obligations as Gibson's adviser and banker," sold Gibson increasingly complex derivatives over a period of 16 months, and that Bankers Trust "knowingly and deliberately did not reveal the material risks and misrepresented the nature of the transactions and thereby deceived and defrauded" Gibson.

"Bankers Trust and BT Securities repeatedly and intentionally falsely advised Gibson that by entering into proposed transactions, its risks and exposure would be substantially reduced. . . . In reality, Gibson's aggregate risks stemming from these [contracts] dramatically increased. . . . Bankers Trust failed to ensure that Gibson understood the nature of the risks inherent in these transactions."

LaRouche proposal

The portent of all this derivatives news is apparently beginning to be understood among some of the world's elites. At the yearly meeting at Bürgenstock, Switzerland, organized by the Swiss Commodities Futures and Options Association (SCFOA) held over Sept. 3-4, Lord Denis Healey, former British Chancellor of the Exchequer, reportedly noted that about 98% of all foreign exchange transactions are purely speculative and only 2% are related to the financing of world trade, and called for levying a tax on all financial derivatives transactions as a means of dampening speculation, according to the German economic daily *Handelsblatt* (see interview with LaRouche, p. 57). This is exactly the proposal first made by LaRouche in March 1993.

In the Sept. 13 issue of the Paris monthly *Le Monde Diplomatique*, senior French commentator Claude Julien, wrote in a front-page article that governments must reassert control over the liberal free markets, which have run amok and have caused massive damage to the economies of the western countries. Julien also proposed a "tax on speculative capital transactions."

But these proposals are actually too late. LaRouche now warns that the world's financial institutions must be put into bankruptcy organization by the key national governments of the world. Even this is not enough. "These measures cannot launch the urgently needed physical-economic recovery," LaRouche warned his associates on Sept. 15. "Without a dramatically accelerating physical-economic recovery, the financial reorganization will not hold for long, but will simply pass over through crises into a new process of disintegration.

"The only possibility for a physical-economic recovery is the use of state credit, by methods of 'Hamiltonian national banking,' to fund very, very, large-scale, national, regional, and global public works projects in science 'crash programs' and building of basic economic infrastructure in water-management (including ports and inland waterways), modern power systems, modern (e.g., magnetic levitation) railway nets (lessening the emphasis upon highway transport), and systems of classical modes of primary and secondary education and culture, health-care systems, and science and technology institutions."

EIR September 23, 1994

5

Caldera revives role of Venezuelan state

by David Ramonet

In the name of the Venezuelan government headed by President Rafael Caldera, on Sept. 12 Finance Minister Julio Sosa Rodríguez presented a Program of Economic Stabilization and Recovery (PERE). The most important aspect of the plan is that it revives the role of the state as a guiding force for economic development, something which has been unheard-of for the past 15 years. The International Monetary Fund (IMF) and the international banks have done everything possible to try to force Caldera to abandon this dirigist orientation.

The plan was announced in the context of President Caldera's recent visit to Brazil as the specially invited guest of President Itamar Franco. The Presidents consolidated what is, in effect, a "special relationship" between their nations.

In Brazil, Caldera promoted the idea of adding an Ibero-American seat to the U.N. Security Council, which would go to Brazil, and spoke of the great potential for integration projects in the region. It is precisely such an economic and political alliance for growth which could wreck the British geopolitical gameplan of free-market looting. It's no coincidence that British agent-of-influence Henry Kissinger has urged a postponement of the summit of Ibero-American heads of state with President Clinton in Miami, scheduled for December.

In the midst of the worst crisis ever to face the world financial system, the Brazilian-Venezuelan agreements hold an enormous potential for building a bridge toward a new economic order, distinct from that of the IMF. Perhaps President Caldera anticipated this when he declared that Venezuela and Brazil "could do many things in common, to the benefit of both countries and to the benefit of the entire continent and the whole of humanity."

Not surprisingly, certain financial circles have been whispering about the need to get Caldera out of office by December, or risk his actions becoming contagious.

Creating a harmony of interests

"The market by itself is no guarantee of economic stability nor of socially equitable growth," repeats the PERE plan several times; therefore, the state is required to provide regulatory guidelines that will guarantee social "harmony." In the case of Venezuela, if the state had not seized control over the financial system, including the establishment of exchange controls, the crisis caused by the criminal behavior of the "market" would have brought about the country's disintegration. It was the "market" that led to the bankruptcy of fully one-half of Venezuela's banking system, and the government had to take over three of the country's five largest banks and intervene into eight more.

The Caldera plan has as a top priority an immediate clampdown on the financial crisis, while at the same time reactivating the productive sectors of the economy which generate the most jobs (agriculture, construction, small and medium industry). Unemployment has already reached 11% of the work force, which in Venezuela is quite serious, since at least 40% of those considered "employed" actually work in the "informal economy."

To begin with, the plan will replace the onerous zerocoupon bonds which the Venezuelan central bank issues as a means of exercising control over money in circulation, with long-term government bonds, Treasury letters, and dollardenominated bonds (the latter of doubtful viability). This will allow the state greater and more direct control of financial and monetary policy, leading to a greater reduction of interest rates. This control will, in turn, allow the government to restructure the agricultural sector's debt, and that of small and medium-sized industry. It is hoped that this will guarantee the winter 1994 and spring 1995 harvests, as well as reactivate some 1,600 middle-sized companies in the short term.

The plan proposes to contain inflation at 65% this year, and under 25% next year. To achieve these goals, it makes several major concessions to liberal orthodoxy, promising austerity in public expenditure that will be difficult to carry out. Nonetheless, it postponed the increase in domestic gasoline prices demanded by the IMF until a plan for direct subsidies to students, truckers, and low-income workers is firmly established.

In the medium and long term, the plan proposes to use all mechanisms at the government's disposal, within the framework of already-established trade treaties, to protect domestic production, while encouraging private investment in hydrocarbons, mining, metallurgy, and forestry, which had previously been under exclusive state control. At the same time, the state will stimulate this process through state-owned companies such as Petroven (Petróleos de Venezuela SA) and other basic strategic industries, providing a technological orientation that can develop Venezuela's industrial base without developing a dependency on technological input from abroad.

The most promising long-term project was announced by President Caldera himself, while in Brazil: "An old idea is being reactivated, which is the possibility of making waterway navigation between the Orinoco and Amazonas rivers feasible. The idea of joining the Orinoco, Amazonas, Paraná, and Plata rivers is one of the greatest ideas for the future of Latin America, and is clearly no longer a chimera, but something toward which we can now take concrete steps."

Science in the 21st century: strategic and philosophic aspects

by Marjorie Mazel Hecht

The following is the written text of Mrs. Hecht's address at the closing session of the Congress of the Brazil Nuclear Energy Association (ABEN) on Sept. 2. Hecht is the managing editor of 21st Century Science & Technology magazine.

More than 500 nuclear scientists and engineers attended the week-long conference in Rio de Janeiro, whose theme was "Nuclear Energy and the Revival of Economic Development." A main topic of the conference was the fight to ensure that the Brazilian nuclear program continues and that construction of Angra 2, the long-delayed second nuclear plant, is completed.

I am very happy to be here at this congress, first because I believe that nuclear energy and, in particular, advanced forms of nuclear energy and fusion, are the key to our being able to support a growing world population at increasing living standards. Second, I am happy because your country, Brazil, is still a country of optimism, and it is this scientific optimism, combined with political will, that make progress possible and that can rescue the world from its precarious state.

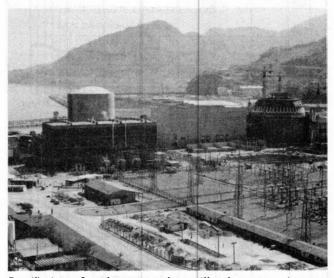
For the past 20 years or so, I have been a science writer and editor.

I am lucky to be old enough to have known in person some of the great scientific figures of this century: Dr. Robert Moon, a nuclear physicist who worked in the Manhattan Project and invented and built many of the scientific instruments in the project and who worked closely with 21st Century; the space scientist Krafft Ehricke, who developed the science and technology to industrialize the Moon; Dixy Lee Ray, who needs no introduction to you, and whose courage in telling the truth and fighting for progress—even when this meant saying some harsh things to her colleagues in the nuclear community—have been an inspiration to me; and Edward Teller, whose wit, creative ideas, and tenacity are still impressive.

Only 'extremists' still believe in progress

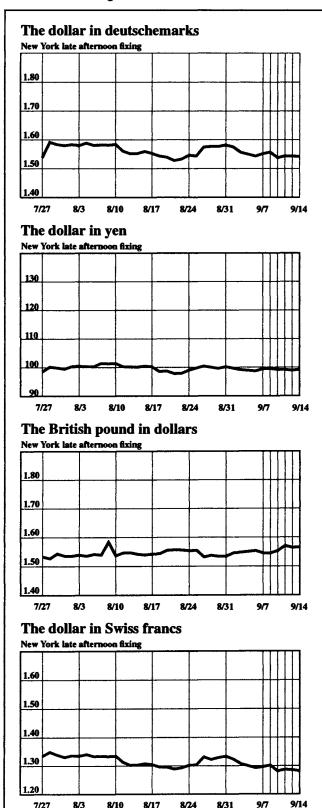
I'm also old enough to have had grandparents and greatgrandparents who came to America at the end of the last century from Eastern Europe, to make a better life for their children. They told me stories of the old country, the poverty, the oppression, the hard work just to survive—and they gave me an appreciation of how technology can improve the quality of life—basics like electricity, central heating, refrigeration, for example—by lightening the physical labor required to raise a family, giving people time to develop their minds. And, as it has been throughout history, it is those minds, their creativity, that are the hope for the future by coming up with new solutions to new problems.

I have mentioned these personal things, because today in the United States, to believe in progress, to see science and technology as the hope for the future, is not "politically correct." Thus, 21st Century magazine and I are attacked as "right wing" or even "extremist" because of these views. In the past 25 years, pessimism, cynicism, irrationality have taken hold. Children are routinely indoctrinated in school into a world view that sees man only as a polluter, a rapacious being, the essence of whose lifestyle is to trample on other



Brazil's Angra 2 nuclear power plant, still under construction. Will Brazil's nuclear scientists and engineers ensure that the nuclear program survives?

Currency Rates



species. So, today, to assert that mankind is qualitatively a higher species than plants and animals makes me an "extremist" in an atmosphere where the outgoing president of the American Association for the Advancement of Science, Sherwood Rowland, who is also the inventor of the ozone depletion theory, can state in the *New York Times*:

"If the latter half of the 20th century has been marked by human liberation movements, the final decade of the second millennium will be characterized by liberation movements among species, so that one day we can attain genuine equality among all living things."

This is an example of what science has become in the United States.

During the past 25 years, America has declined from being an industrial and agricultural leader, a country that produced real goods and creative science to a country with a service economy. Industries have closed down, food and steel are imported, basic infrastructure—water systems, bridges, sewage systems—is collapsing, environmental regulations that do almost nothing to improve the quality of life cost each American family several thousand dollars a year, and science and technology have shrinking budgets.

Having lived through this decline, and having fought it through the pages of 21st Century as well as politically, and having proposed positive solutions, I can say that truly this is a war, and at stake in this war is the future of civilization. Already there have been many casualties—millions of people, for example, who died of malaria and other debilitating diseases because a small group of U.S. environmentalists decided in 1972 to ban DDT, and then went on to ban other useful and relatively harmless pesticides.

The two sides in this war are diametrically opposed. One side sees a world based on reason, science, and technology, where the human soul is considered sacred and where the development of the mind, creativity, is nurtured. The other side measures a human being solely by the amount of solid waste it produces in one year. (For your information, the *Environmental Almanac* states that each person in the United States creates three-quarters of a ton of solid waste per year.)

What does this mean for you, the Brazilian nuclear community? I think that whether we win or lose this fight will depend on what you do, whether you will have the courage to fight to win.

Know your enemy

This means telling the truth about your "enemy," stating in as stark as terms as possible the consequences of the enemy's proposals and policies, telling them that people will die as a result of their anti-technology views. It means standing up to the establishment, when, for fighting for science and telling the truth about the environmental extremists, you yourself are called an extremist or an exaggerator. It means not following the example of the American nuclear industry, which decided to be "nice" to the environmentalists, to work

with them, to fund them over the last 20 years, an industry that considered our pronuclear magazine "too radical."

It means digging into the history of the environmental movement: who funds them, who is behind them. The facts will shock you. They have continued to shock me, although I have been looking at this for many years.

What rational person could conceive that, immediately after World War II, after millions of people had been killed, a small group of oligarchs would rush to put into effect a plan for population control, aimed especially at black, brown, and yellow peoples? Who could conceive of the evil ideas of Bertrand Russell or H.G. Wells, who were willing to support anything—including nuclear war—to stop civilian nuclear power from being developed and enabling the world to support a growing population? Who could imagine that behind the nice cute-animal-loving environmental groups there is a small group of the wealthiest people in the world, including the royalty, who have created animal preserves and land preserves in order to run drugs, smuggle goods, loot raw materials, and train guerrilla armies to carry out the wars that depopulate places such as Rwanda. Who would imagine that behind the enviro-babble of "empowering women" and "reproductive health," stands this same small group of oligarchs and their helpers which intends to use the population conference in Cairo to put into place a one-world government whose draconian, anti-science, and anti-people regulations will supersede national laws?

This is some of the shocking history that 21st Century will present in detail in future articles. Our aim is to give "ammunition" to the scientific soldiers in this war to save civilization, to arm them so that they can fight to win over the minds of the majority of the so-called environmentalists who think that they are saving a fragile Earth or a cute species and have no idea of the consequences of their actions.

The future we can build

But the picture is not entirely grim. Our world is a mess, yet change for the better is within our reach. Who would have thought that the Berlin Wall would come down, that Israelis and Arabs would not only decide on peace but would do so around a development program that includes great projects and nuclear-powered desalination? Even in the United States, where there is a nominally antinuclear administration and a Department of Energy whose top staff is right out of the anti-nuclear Natural Resources Defense Council and Union of Concerned Scientsts, there is hope for change. The administration is backing a civilian nuclear program for North Korea, for example, as a way of bringing that nation into the 20th century. This is a very important political opening, and one we have to support and broaden.

And there is more on the good side: Today we have so many exciting technologies that are state of the art, but that have not been developed to their full potential: Food irradiation, superconductivity, nuclear propulsion, magnetically levitated trains, biotechnologies, advanced nuclear reactors. There are yet even more technologies not yet at this stage, technologies that will be created by the next generation. And science today has the potential of discovering and understanding how the universe works, from the very small—biophysics—to the very large—astrophysics.

This scientific legacy is ours. It is what scientists and intellectuals of the past few hundred years fought for. Its development will enable us to lengthen the human lifespan, to bring the developing sector up to the living standards of the industrialized nations, to take mankind out to settle other planets.

But this can only happen if you act now and fight for it, not just in the confines of the scientific community, but in the broader world community. It can only happen if you see in the sharpest way possible that whether civilization survives or we devolve to a Stone Age culture depends on what you do.

I appeal to you, to ABEN, to fight. Don't let the environmentalist leaders—these elitists with their six-figure salaries—don't let these yuppies take your scientific optimism away. Don't let them steal your future and your children's future.

Letter to the editor

More people needed to maximize development

The Aug. 26 Feature story comparing the physical economy of Taiwan to the People's Republic of China was an excellent demonstration for the policies of *The Science of Christian Economy* [by Lyndon LaRouche, Washington, D.C.: The Schiller Institute, 1991]. But I want to volunteer one possible shift of emphasis.

The authors imply at several points that the continuous technological progress in Taiwan's physical economy—the rise in potential population density—made possible the rapid growth in Taiwan's population density since World War II. Actually, it appears from the data presented, that Taiwan's already high population density as of 1960 (higher then, than Japan's today), preceded the greatest boom period of Taiwan's physical economy. Taiwan's population density in the 1960s was nearly five times that of the Mainland; now it is about three times as high. The gap in productivity and wealth per capita, however, is greater now, than it was then.

Why not conclude that Taiwan's relatively very high population density in the postwar period, when its growth seemed to be most rapid in that parameter, was an essential condition for the rapid technological progress and per capita growth of its physical economy since? It is not simply that nations *may have* higher population density by virtue of economic development; they need more people in order to maximize that development.

Sincerely, Paul Gallagher Dillwyn Correctional Center Dillwyn, Virginia

Uganda under President Museveni: This is 'an IMF success story'?

by Linda de Hoyos

"I have never blamed the whites for colonizing Africa; I have never blamed these whites for taking slaves. If you are stupid, you should be taken a slave."

—Ugandan President Yoweri Museveni to Atlantic Monthly

Ugandan President Yoweri Museveni has been hailed by the western press as the man who has put Uganda back on its feet. He was called the "darling of western donors" in an article in the September issue of *Atlantic Monthly*; paeaned as "the most able administrator in Africa" by one British newsletter on Africa; and described by a British expert on East Africa as "definitely the blue-eyed darling of the British government in Africa today." The approval from London is personally delivered to Museveni by Lynda Chalker (Lady Die), Minister of Overseas Development, during her frequent excursions to Kampala.

Museveni, the Atlantic Monthly article declares, since coming to power in 1986, has turned "Uganda, of all places,"

into a "model of tranquility." Museveni himself, avers the magazine, believes that his economic program is the key to the country's stability. "It is," writes the *Monthly*'s correspondent Bill Berkeley, "a virtual textbook of the International Monetary Fund's structural adjustment program: free markets, a convertible currency, an independent central bank, selling off state-owned companies, tight budget, and downsizing the civil service and the army." In fact, Uganda has been heralded in the western press as "the IMF success story."

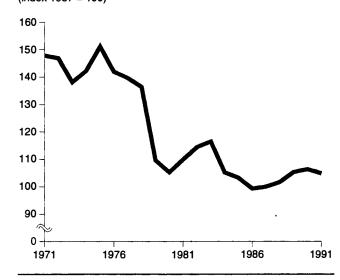
Yet, a look at the actual statistics registered even by such agencies as the World Bank and the United Nations shows that amidst this supposed tranquility and success, life expectancy in Uganda continues to zoom downward. Life expectancy, the most accurate reflection of mortality rates across all ages, now stands at 42.6 years in Uganda, among the lowest in all of Africa (Figure 1). Although the AIDS epidemic, which has hit Uganda hard, is definitely partially responsible for this downward trend, no other country with

FIGURE 1
Life expectancy at birth
(age in years)

52
50
48
46
44
42
0
1971
1976
1981
1986
1991

Source: World Bank.

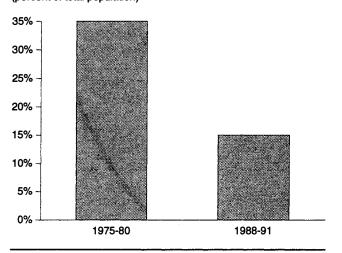
FIGURE 2
Food production per capita
(index 1987 = 100)



Source: World Bank.

FIGURE 3

Population with access to safe water (percent of total population)



Source: UNDP.

comparable HIV infection levels—Kenya, Zaire, Zambia, Central African Republic, or Burundi—registers any decline in life expectancy. Only Rwanda, in civil war since 1990, showed a tenth of a percentage decrease in life expectancy in the 1990s, nothing like the collapse that has continued in Museveni's Uganda.

Food production per capita (**Figure 2**), while showing a slight uptick from the collapse of the Idi Amin regime and subsequent war years, also is beginning to fall again, as per capita caloric supply is slowly but steadily falling. **Figure 3** shows that only 15% of Ugandans today have access to safe water, as opposed to 35% in 1975-80. Only the Central African Republic, in all of Africa, has a lower percentage of its population with access to safe water (12%). There is no indication that Museveni's success has brought any improvement in this area. As Minister of State for Finance Matthew Rukikaire notes, "Social sectors tend to suffer."

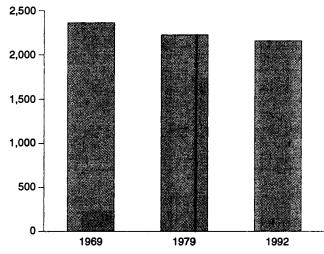
Annual energy consumption per capita (Figure 5) also shows that after eight years in power, Museveni has brought no rebound in this area since the collapse in consumption during the war years.

Museveni's 'achievement'

The increasing immiseration of Uganda's 16.8 million people is the direct result of the "IMF success." Museveni's "achievement" lies in his ability to enforce harsh austerity on the population, and enhance the flow of resources out of the country. Statistics on financial flows tell the story. The mirror reflection of the life-expectancy graph is the graph of consumer price inflation, which continued its zoom upward under Museveni (Figure 7). Ditto for the value of the dollar relative to the Ugandan shilling. The shilling has been steadi-

FIGURE 4

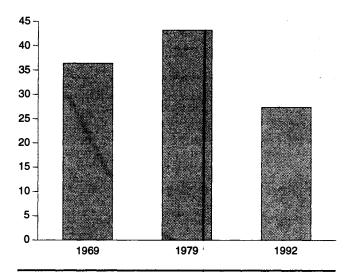
Daily caloric supply per person
(calories per day)



Source: World Bank.

FIGURE 5

Annual energy consumption per capita
(kilograms oil equivalent)



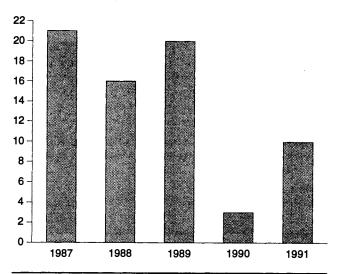
Source: World Bank.

ly devalued, while at the same time, the terms of trade of Uganda's chief export, coffee, have fallen precipitously.

Museveni's ruthless pursuit of the approval of his owners is further demonstrated in **Table 1**, Uganda's paid debt service from 1986 to 1992 totals the debt owed in 1986—despite the fact that the collapse in terms of trade had nearly doubled

FIGURE 6 Road freight in Uganda

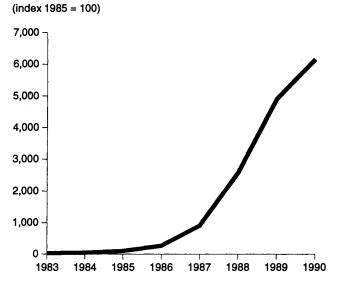
(million ton-kilometers)



Source: Uganda Ministry of Planning and Development.

Consumer prices inflation index

FIGURE 7



Source: International Monetary Fund.

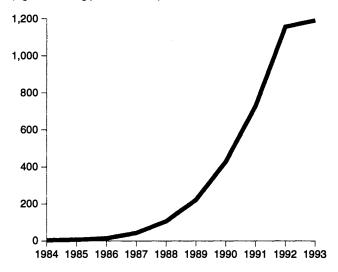
the actual cost to the economy of paying that debt. Yet, today, Uganda's debt is close to \$3 billion, having climbed upward steadily since Museveni came to power.

According to the U.N.'s Africa Recovery, in 1993-94, Uganda is projected to pay out 60% of its export earnings in debt service. This is after the donors had rewarded Museveni

FIGURE 8

Uganda's currency exchange rate

(Uganda shilling per U.S. dollar)

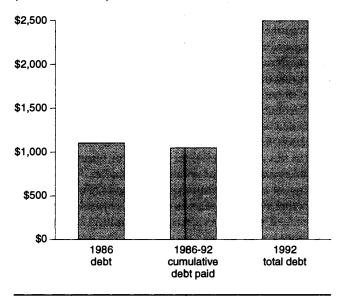


Source: Economist Intelligence Unit.

FIGURE 9

Summary of Uganda's debt

(million U.S. dollars)



Source: World Bank.

with debt cancellations and reschedulings and an 88% writedown of Uganda's commercial debt. "Without this relief, Uganda's debt service ratio would exceed 100%," reports Africa Recovery.

TABLE 1

Total debt and debt payments

Year	Total outstanding debt (US\$ millions)	Debt paid (US\$ millions)	Debt-service/ export eanings ratio
1986	1,105	166	41.8
1987	1,595	159	43.6
1988	1,629	196	62.6
1989	1,917	171	62.0
1990	2,231	127	57.2
1991	2,352	139	70.6
1992	2,495	81	41.0

Museveni launched his IMF program in May 1987, which initiated steep devaluations of the Ugandan shilling, a tighter fiscal policy, slashing of government expenditure, and liberalization of trade. As per IMF instructions, Uganda places no restrictions on foreign exchange flows out of the country or similar transactions.

Museveni's policy has been to leave the producing population—the more than 80% of the population that lives in the countryside—to cope with the destruction of the country since Idi Amin's ascent to power in 1972. His urban target has been the civil service, which has been steadily reduced, despite the fact that the government admitted that civil service pay falls 10% short of subsistence levels.

Simultaneously, Museveni has rolled out the red carpet for British, Belgian, and French corporations to "invest" in Uganda. This has been accomplished under the rubric of "privatization." Museveni invited back to Uganda the Asian Madhvani group, handing over to the group its old Nile Breweries. This is the first big group of Asian businesses to return to Uganda, after they were kicked out by Idi Amin.

Museveni has brought back the colonial plantations as well. British American Tobacco Corp. repossessed its former plantation properties in 1993. The Mehta and Madhvani groups have been invited back to rehabilitate their former Kakira and Lugazi sugar estates. A huge vanilla plantation north of Kampala has been established with a Chinese company, Seico, and a private Ugandan investor. This plantation policy requires land expropriation. According to one Ugandan source, the government has recently passed a measure that any uncultivated land can be taken over by the first comer. Since the AIDS epidemic has forced reduction in production in many areas due to lack of manpower, families cannot maintain cultivation. Now, the uncultivated land is up for grabs.

In the commercial sector, under a five-year privatization plan, Museveni intends to hand over 46 state-owned enterprises. Already, he has turned over nationalized properties formerly belonging to Prince Karim Aga Khan. Hotels once owned by the government are being sold off: The Lake Victoria Hotel near Entebbe has been taken over by the British-based Windsor Holdings. Lonrho has been bidding to buy out the government's 49% stake in the Lint Marketing Board, which monopolizes the country's garment manufacturing.

While handing over the country's industries to foreign "investors," Museveni has also brought British civil servants directly into the government. Under Museveni, the British post-colonial formula for "indirect rule" is slipping back into "just about direct" rule. Personnel placements have been made by the British Overseas Development Ministry under Chalker, according to one British banker. "They virtually run the ministries. That is how you get things done." For instance, Britisher Martin Hogg is the "deputy" director of the Ugandan Investment Authority; James Cartwright is the "adviser" to the finance ministry's Export Policy Analysis and Development Unit.

Marcher lord for East Africa

In exchange for his handing Uganda back to such entities as Windsor Holdings, Museveni has been given the franchise as the marcher lord for East Africa. While the "social sector" is starved of funds, Museveni has poured millions into the military, his only political base of support. In 1986, when he took power, his National Resistance Army was comprised of 20,000 men. Museveni increased that to over 120,000 men. A foreign-financed demobilization of some 50,000 men in 1992 was a hoax for a clean-up operation that would not run the danger of creating a military backlash against Museveni. Donor countries, reported Africa Recovery, "estimate that at least 30% of those demobilized are HIV-positive, with others ill or otherwise 'socially maladjusted.'"

In addition, since 1990, Museveni's Uganda has armed and financed the Rwandan Patriotic Front, whose leaders were to a man top officers of Museveni's National Resistance Army. At the point that Museveni sent RPF leader Paul Kagame, now vice president and defense minister of the Kigali government in Rwanda, to Fort Leavenworth, Kansas, for strategic military training, Uganda's military was eating up 48% of all government expenditure, reported Africa Analysis, even though Museveni faced insurgency in only two districts.

Museveni has also been heavily involved in arms procurement, not only for his own forces. In August 1992, Museveni's private secretary, Innocent Bisangwa-Mbuguje, and the Ugandan ambassador to the United States were arrested for illegally attempting to buy 400 TOW anti-tank missiles and 34 TOW launchers for \$18 million. In this case, the weapons were believed to be bound for the Sudan People's Liberation Army of John Garang, for use against the Sudan government. As the Rwandan debacle shows, Museveni's antics in this field have only escalated—backed 100% by Lady Lynda Chalker. Recent reports that Museveni is now arming "Zairean rebels" should not be taken lightly, as Museveni aims for the next British target: Zaire.

On the Green Front by Rogelio A. Maduro

A gold heist in the California desert

Behind the Desert Wilderness Act of 1994 lies a plan to tap one of the choicest gold deposits in the United States.

As the U.S. Congress prepares to vote on a final version of the Desert Wilderness Act of 1994, evidence has surfaced indicating that the act may be a vehicle to hand over the richest gold deposits in the United States to Santa Fe Pacific Corp. If the act becomes law, a series of land exchanges will take place that could end up handing over a \$100 billion gold deposit to Catellus Corp., a subsidiary of Santa Fe Pacific.

According to a congressional aide, Sen. Dianne Feinstein (D-Calif.) and Rep. Bruce Vento (D-Minn.), the most active promoters of the act, know very well of the existence of the gold deposits. "This is the reason behind the Desert Wilderness Act." the aide said.

The Desert Wilderness Act will seize over 8 million acres of land in the California desert and turn it into a "wilderness" preserve. This area is larger than the State of Maryland and represents over 10% of California's territory. Not only is the "wilderness" designation unnecessary, but it will actually be detrimental to wildlife, since the act will shut down hundreds of waterholes maintained by people who will be driven out of the area.

While wildlife in the new "wilderness" dies of thirst, some creatures may be drinking from golden goblets. Catellus and other landowners will receive government land in exchange for land they own in the designated wilderness areas. According to officials from the Bureau of Land Management, the BLM does not have any land to give to the landowners, so the only land available for trade will be from decommissioned military bases. One of these is the Chocolate Mountain gunnery range, site of the world's richest gold rift zone. Mining engineers and geologists estimate that the gold contained in this rift zone is worth over \$100 billion. These are surface gold deposits, which are more profitable to mine than the mile-deep gold deposits in South Africa.

Senator Feinstein, who has staked her political career on the passage of this act, has made it very clear that the subsidiary of Santa Fe Pacific should receive preferential treatment in the land exchange. Catellus owns over 400,000 acres of worthless land in the Mojave Desert.

Santa Fe Pacific already owns and operates the Mesquite gold mine, located on the Chocolate Mountain rift zone. The Mesquite mine is one of the top 10 mines in the United States, and has some of the most profitable gold deposits in the world. To the south of the Mesquite mine is the American Girl gold mine, owned by Morrison Knudsen, which has extremely highgrade gold. To the north is the Chocolate Mountain gunnery range.

It just happens that the Chocolate Mountain gunnery range will soon be decommissioned and its land made available for exchange with desert wilderness land. The Mesquite gold mine stops right at the border with the gunnery range. According to mining engineers who have worked at the Mesquite mine, the main gold ore body is north of the fence, inside the gunnery range.

The engineers maintain that in 1981 and 1982, Consolidated Goldfields, which owned the mine at the time, illegally drilled into the gunnery range area to determine the composition of the ore body. The samples proved to be of very high quality. Beginning in the mid-1980s, military helicopters brought high-ranking military officers, congressmen, and senators to the area to examine these huge gold deposits. Representative Vento was one of the congressmen who received the tour.

The purpose of these tours, the engineers note, was to come up with a way to hand these gold deposits over to Consolidated Goldfields. At the time, however, there was no legal mechanism to transfer this land without alerting the public to the existence of the gold, and thus force an open bidding situation. It was shortly after these trips began that the Desert Wilderness Act was introduced into Congress.

In 1993, Santa Fe Pacific Gold Corp. swapped its coal mines with Consolidated Goldfields in exchange for the Mesquite gold mine. This placed both the Mesquite mine and Catellus Corp. under the control of Santa Fe Pacific Corp. It also hid the price paid by Santa Fe Pacific for the Mesquite mine, because they did not have to reveal the cost of the swap. This asset swap increased the possibility of a land exchange, since Santa Fe Pacific has enormous political clout in California and in Washington. In addition to having Feinstein as their champion in Washington, former California Gov. George Deukmejian is one of the company's directors.

If Catellus receives land from the Chocolate Mountain gunnery range, then Santa Fe Pacific would have the exclusive rights to mine this gold.

Instead of approving the Desert Wilderness Act, Congress should investigate what is really behind S.21 and H.R.518.

Agriculture by Rosa Tennenbaum

German farming: full steam backward!

If the SPD wins the Oct. 16 election, Greenpeace's Monika Griefahn could be Germany's agriculture minister.

Over recent weeks, the chancellor candidate of the German Social Democratic Party (SPD) has been putting out the names of his shadow cabinet members. Rudolf Scharping made one announcement likely to send chills down the spines of farmers: There will no longer be an agriculture portfolio in a future SPD government. Instead it will be subordinated to the Environmental Protection Ministry. The best person for the job would be Monika Griefahn, he said.

Griefahn is no mystery woman. For the past four years she has been environment minister in the state of Lower Saxony and always in the headlines, because she never misses a chance to take aim against nuclear energy and nuclear waste storage. In her opinion, all nuclear power comes straight from hell and should be shut down. Her profound scientific insights were gained in the international environmentalist outfit Greenpeace.

This multinational's leaflets and actions call farmers "poisoners" and "environment destroyers" who pollute the drinking water with "poison and liquid manure." Among the organization's clever campaigns are a total ban on manure ("no more manure should be allowed in the fields") and of course also on "chemical fertilizers" and "pesticides" which supposedly "endanger" all our drinking water. The only salvation lies in a radical "ecological reform of agriculture," which Greenpeace is pulling for.

Such charges appeared, for example, in 1989 in a Greenpeace fundrais-

ing appeal, while Griefahn was still chairing Greenpeace Germany. The specter of polluted drinking water and poisoned food obviously served their purpose then, of browbeating their audience into "regular contributions."

Griefahn not only led the German executive body of Greenpeace, but she also sat on the international executive of this eco-multinational and therefore must also answer to the public forits actions, statements, and programs. Her husband. Michael Baumgart, is also in the environment business, and a master fundraiser. He has been criticized for drawing up an "environmental scorecard" of industrial firms, in which all the companies that got good marks are lavish funders of his Hamburg Environment Institute (HUI). As reported by the *Hannover* Allgemeine Zeitung, he wrote the puzzled firms an overbearing letter informing them of his plans and demanding some \$3,000 from each ("We require that each participant. . .").

In Griefahn's era as chairman, Greenpeace Germany also put out declarations such as the assertion that world cattle stocks are much too high and ought to be drastically reduced, because the innocent beasts were guilty of emitting ammonia and methane gas and hence causing the threat of global warming. Of course, the cows also digest, which is especially disreputable, because their manure not only bothers finicky city folks' noses, but also contains mineral nutrients which act as natural fertilizers to increase the yields of fields and pastures. Hence, the Lower Saxony Environment Ministry has been fighting, ever since Griefahn took office, for a new manure law, under which a maximum of only 1.5 units of dung may be applied per hectare per year.

The food supply has no priority for these ladies and gentlemen, and modern agriculture none whatsoever, because it feeds far too many people. So it must be shut down. Measures to that end have been widely tested in the last few years in selected regions, for example, in protected wetlands; and fertilizers and pesticides were further restricted. In the long run, at best, what would remain would be what these authorities think of as "ecological agriculture" covering the landscape. In an interview with the Süddeutsche Zeitung, Griefahn said that she wants more "extensive farming" i.e., lowtechnology farming. She also wants to end farm subsidies and "to open up other income sources" for farmers, "such as in tourism or through the use of renewable energy sources." To do this, she is mainly promoting non-farm "moonlighting" occupations.

"We want an agriculture which gives farmers a chance—the family farms in the West and the quite differently structured farms in the East," she stated. Thus we will "assuredly not make it so that each individual company can be kept." Not by a long shot. The "family farm's sideline business" no longer needs any public support, as the family gets its income from outside agriculture and only works the farm in their free time. The "quite differently structured farms in the East" will survive in such a framework only as writeoff objects for wealthy flight capitalists.

Griefahn would do well to put the farmers on an endangered species list, because if Scharping wins and puts her in office, soon there will be fewer of them than the baby seals everyone makes such a fuss over.

Business Briefs

Middle East

World Bank cancels Palestinian aid meeting

Using a political dispute between the Israelis and Palestinians as a pretext, the World Bank has cancelled a crucial meeting of aid donors to have been held at the headquarters of the World Bank in Paris. The move once again demonstrates that the World Bank is doing everything possible to sabotage the Israel-Palestine Liberation Organization peace accord. Of the \$2.4 billion pledged by international donors over a year ago, only a few million has been released.

The political dispute is over the question of Jerusalem. The PLO wished to use \$4 million of \$160 million being negotiated for release, to fund the reconstruction of schools and other social institutions there. The Israelis claimed this violates the agreement not to discuss the status of Jerusalem until a later period of the talks.

PLO negotiator Nabil Shaath denounced the World Bank move and charged that no more than \$80 million of the \$2.4 billion pledged had been released, an amount that is not even enough to pay the operating expenses of the Palestinian National Authority, which now must take over operation of services once financed by the Israeli occupation authorities.

Finance

'L'Italia' covers LaRouche on financial collapse

The Sept. 8 issue of the Italian weekly magazine L'Italia covered the ninth forecast by American economist Lyndon LaRouche, on the coming disintegration of world financial markets (see EIR, June 24, p. 24). "Neither London, nor all the George Soroses of this world can control the biggest looming financial crash in history. As economist Lyndon LaRouche declared in a long essay which will soon come out in Italian, 'the global financial monetary system is going to disintegrate," "it said.

"We are witnessing, LaRouche explains, the exhaustion of the economic basis for the 'leverage' multiplier, which has grown like a cancerous bubble upon a pre-existing 'classical' speculative bubble. Particularly responsible for such a bubble are asset-stripping practices applied to entire national economies and the unlimited growth of so-called 'derivative instruments, "L'Italia reported. "Therefore, LaRouche states, the bubble is destined to collapse. The collapse 'can be prevented only through an improbable political decision by major governments, to reorganize financial and monetary institutions.' If this analysis is correct, the biggest strategic blunder any govemment could make today is to move as if the International Monetary Fund, the central banking systems, financial markets, etc. were still a reference point."

The two-page article by Claudio Celani, headlined "London Plots against Italy," also outlines the dynamics of the City of Londondirected financial destabilization of the country, including an S. G. Warburg newsletter on the imminent government collapse and David Roche's prediction of an Italian financial collapse before Christmas. The destabilization is a reaction, among other things, to the end of the U.S. special relationship with Britain and the beginning of a unique relationship between the United States and Germany, the magazine

Eurasia

CIS leaders strengthen economic, monetary ties

The prime ministers of the Community of Independent States (CIS) strengthened economic and monetary ties at a summit meeting in Moscow on Sept. 9. With the exception of the three Baltic states (Latvia, Lithuania, and Estonia) and the governments of Azerbaijan and Turkmenistan, all other former U.S.S.R. republics are orienting their economies to Moscow, in what appear to be moves toward restoration of the old Soviet economic system. The fact that Ukraine gave up its resistance and endorsed the initiatives is highly significant.

Among the integrative steps that were passed, is the formation of a payments union and of an interstate economic committee that is to consult and coordinate all vital initiatives in the sphere of economic and monetary policies among the signatory states.

Furthermore, the summit agreed to prepare policies that are to coordinate the CIS military-related industries, as well as looking forward to closer cooperation and consultation in foreign and military-strategic policies.

Nuclear Energy

Use said to be imperative to raise living standards

"The use of atomic energy is imperative for mankind if we are to raise living standards," Dr. Marcelo Damy Souza Santos, one of the pioneers of Brazil's nuclear program, said at the fifth annual Congress of the Brazilian Nuclear Association in Rio de Janeiro on Aug. 29. Dr. Santos, who is now in his 80s, quoted his friend, Indian nuclear scientist Homi Bhabha, who in the early 1960s had concluded from his study of the evolution of civilization that industrial development was possible only in countries that had plentiful energy sources. Since oil and gas supplies are limited and should be saved for other industrial and medical uses, Bhabha concluded that in order to develop, a country had to go nuclear.

Santos stressed the importance of the plutonium economy. Plutonium is more efficient than uranium as a nuclear fuel: 800 grams of plutonium will do the same work as 12-13 kilograms of uranium. "As a scientist," he said, "I refuse to believe that our nuclear policy must be defined simply by fear of nuclear weapons." Any technology can be used for good as well as evil, he said, and we cannot let this fear stop countries such as Brazil from developing nuclear energy.

Until the beginning of the 19th century, Santos said, Brazil and the United States had about the same level of development. But what happened? Santos compared international nuclear policy and, specifically, the postwar Baruch Plan to control nuclear knowledge, to the Methuen Treaty proposed by the British beginning in the 18th century. Essentially, the British wanted Portugal to give up all manufacturing and let Britain supply it with manufactured goods, while Portugal would supply Britain with raw materials.

And so, Brazil had to develop nuclear technology on its own. And in the postwar period, what were the odds that Brazil could do this? he asked. About the same as the chances of the Allied countries to succeed in World War II, he answered. Santos concluded, "The use of nuclear energy is imperative for the survival of Brazil as a strong and independent country."

Russia

Suspend payments on old debt, urges Buchanan

Russia should declare a unilateral suspension of payments on its old debt, U.S. economist James M. Buchanan, a Nobel Prize winner in 1986, said at the Alpbach Forum in Austria in early September. In a speech on private and public debt, he said that, from time to time, states should declare bankruptcy as a "disciplinary measure against the international financial markets." Because the taxpayer finally has to make good for uncontrollable public debt, such a sovereign default would be a "healthy solution," even for creditors.

On the Ibero-American debt crisis, Buchanan spoke of a coordinated manipulation of bank balance sheets at the expense of taxpayers by creditor banks, western creditor governments, and international financial institutions. A default right at the outbreak of the debt crisis in 1982 would have caused much less of a problem for the ordinary taxpayer, he said. Taxpayers had to pay for most of the huge amount of interest created by debt rescheduling packages. "Occasional state bankruptcies," Buchanan said, "wouldnotbe aproblem for the international development of wealth."

In the case of Russia, Buchanan claimed that President Boris Yeltsin should have, in general, rejected the assumption of the Soviet Union's foreign debt. "In this historic circum-

stance, the West would have accepted such a unilaterally declared payment refusal." Even today, it is still advisable for the Russian government to call for very deep cuts in the old debt. Otherwise, "coming Russian governments will be much more radical" in this respect, Buchanan warned.

Agriculture

Growing population can be nourished, says FAO

Even a growing world population can be nourished, the U.N. Food and Agriculture Organization (FAO) said, in a paper which runs contrary to the malthusian outlook, the German daily Frankfurter All gemeine Zeitung reported on Sept. 5. During the past 30 years, food production grew even faster than the world population. Right now, 20% more food is available for the world population than 30 years ago. Instead of 2,300 calories per capita back then, 2,700 calories are available today.

During the past 20 years, the number of people who are chronically malnourished decreased from 940 million to 780 million. But 20% of people in developing countries still suffer malnutrition. That is why, the FAO said, it is concerned with the imbalance in distribution of food. While there are only 2,100 calories available per capita in black Africa and 2,200 in India and Bangladesh, 3,600 calories are available per capita in North America and 3,500 in western Europe.

But to only consider redistribution is wrong and prevents one from recognizing that it is necessary to upgrade food production overall, the FAO warned. The most important reason for hunger is *not* the lack of food, but poverty, which prevents much of the world population from buying food. Therefore, it is necessary to upgrade food production in the developing countries, which would raise living standards and broaden the availability of food

FAO General Director Abdou Diouf is stressing the need to reemphasize the green revolution in Asia, Chile, and Mexico. There, the rise of productivity inagriculture led to visibly higher living standards for entire nations.

Briefly

- FRENCH companies won \$2.5 billion in deals with China during Chinese President Jiang Zemin's trip to France during the second week in September. Elf Aquitaine will build a \$2.3 billion oil refinery in Shanghai, and French wheat will be sold in China for the first time in two years.
- RUSSIAN coal production should be cut by almost 50%, the World Bank recommended in a memorandum to the Russian government that links a \$1.5 billion loan to the shutdown of 40 mining complexes with an output of 140 million tons (out of 300 million tons total) per year. It urged Moscow to liquidate the state coal agency Rosugol and privatize the entire coal-mining sector.
- THE CHINESE State Council will rescue "a number" of ailing state firms in 18 cities across China, China Daily reported Aug. 27. "Without strong and economically efficient state-owned enterprises, there will be no socialism with Chinese characteristics," Prime Minister Li Peng told the council.
- KIDDER PEABODY, General Electric's financial trading house, is lying about its derivatives losses, a faction of shareholders is charging, according to a Wall Street source. The shareholders are demanding that GE/Kidder Peabody get rid of its exposure in derivatives. GE is offering Kidder Peabody up for sale.
- A STUDY commissioned by Imperial Tobacco of Canada and released on Sept. 1 said that smoking may be bad for your health, but because it kills people before they become a health-care burden, it is good for the economy, Reuters reported. "A person who dies of lung cancer at age 70 will not be hospitalized later with another disease," the study said.
- MIKE ESPY, U.S. secretary of agriculture, said on Sept. 7 in Moscow that the United States stands ready to fill Russia's food and feed import needs, Reuters reported.

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PIRFeature

How the dead souls of Venice corrupted science

by Webster G. Tarpley

This speech was delivered to the Labor Day conference of the Schiller Institute and International Caucus of Labor Committees in Vienna, Virginia on Sept. 4. It followed a presentation by Carol White on "The Evil Bertrand Russell: Nuclear Terror and the Destruction of National Sovereignty."

Bertrand Russell thus stands out as one of the most evil persons in recent history. We must now explain whence this evil comes, and how it is possible that such a person could enjoy a public reputation as a scientist. The reasons for this have to do with the cancer growing on world history—the cancer of oligarchism. Between 1200 A.D. and about 1600 A.D., the world center of gravity for the forces of oligarchism was the oligarchy of Venice. Toward the end of that time, the Venetian oligarchy decided for various reasons to transfer its families, fortunes, and characteristic outlook to a new base of operations, which turned out to be the British Isles. The old program of a worldwide new Roman Empire with its capital in Venice was replaced by the new program of a worldwide new Roman Empire with its capital in London—what eventually came to be known as the British Empire.

This was the metastasis of the cancer, the shift of the Venetian Party from the Adriatic to the banks of the Thames, and this has been the main project of the world oligarchy during the past five centuries. The Venetian Party, wherever it is, believes in epistemological warfare. The Venetian Party knows that ideas are more powerful weapons than guns, fleets, and bombs. In order to secure acceptance for their imperial ideas, the Venetian Party seeks to control the way people think. If you can control the way people think, say the Venetians, you can control the way they respond to events, no matter what those events may be. It is therefore vital to the Venetians to control philosophy and especially science, the area where human powers of hypothesis and creative reason become a force for improvements in the order of nature. The Venetian Party is implacably hostile to scientific discovery. Since the days of Aristotle, they have attempted to suffocate scientific discovery



Venice's Bridge of Sighs, with "a palace and a prison on each hand." Etching by D. Cameron (1865-1945).

by using formalism and the fetishism of authoritative professional opinion. The Venetian Party has also created over the centuries a series of scientific frauds and hoaxes, which have been elevated to the status of incontrovertible and unchallengeable authorities. These have been used to usurp the rightful honor due to real scientists, whom the Venetians have done everything possible to destroy.

We can identify the Venetian faction which has been responsible for the most important of these scientific and epistemological frauds. They can be called the "dead souls" faction, or perhaps the "no-soul brothers" of Venetian intelligence. This is because their factional pedigree is based on the belief that human beings have no soul. Their factional creed is the idea that human beings have no creative mental powers, are incapable of forming hypotheses, and cannot make scientific discoveries.

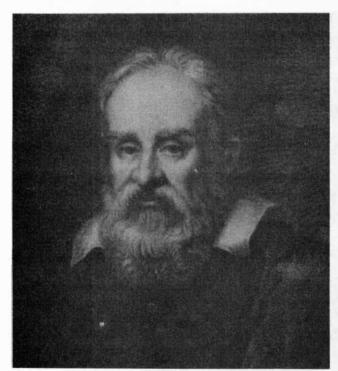
Three groups of Venetian gamemasters

We can approach these Venetian dead souls in three groups. First there is the group around Pietro Pomponazzi, Gasparo Contarini, and Francesco Zorzi, who were active in the first part of the 1500s. Second, there is the group of Paolo Sarpi and his right-hand man Fulgenzio Micanzio, the case officers for Galileo Galilei. This was the group that opposed Johannes Kepler in the early 1600s. Third, we have the group around Antonio Conti and Giammaria Ortes in the early 1700s. This was the group that created the Newton myth and modern materialism or utilitarianism and combatted Gott-

fried Wilhelm Leibniz. These three groups of Venetian gamemasters are responsible for a great deal of the obscurantism and garbage that weighs like a nightmare on the brain of humanity today. These Venetian intelligence officials are the original atheists and materialists of the modern world, as reflected in the sympathy of Soviet writers for figures like Galileo, Newton, and Voltaire as ancestors of what was later called dialectical materialism.

The leading figure of the first grouping in the early 1500s was Gasparo Contarini. In other locations we have told the story of how Contarini, for Venetian *raisons d'état*, set into motion the Protestant Reformation, including Martin Luther, King Henry VIII of England, Jean Calvin of Geneva, and the Italian crypto-Protestants known as the *Spirituali*. At the same time, Contarini was the cardinal of the Roman Catholic Church who masterminded the early phases of the Catholic Counter-Reformation. Contarini was the personal protector of Ignatius of Loyola, and played a decisive role in establishing the Jesuit Order. Contarini also convoked the Council of Trent on an Aristotelian platform.

It is with Pietro Pomponazzi that we see the explicit factional pedigree of the dead souls faction. Pomponazzi started from Aristotle, as the Venetian Party always does. Aristotle asserted that there is no thought which is not mixed with sense impressions. This meant that there is no part of our mental life which is not contaminated by matter. For Pomponazzi, this proved that the soul does not exist, since it has no immaterial substance. Contarini warned Pomponazzi



Galileo Galilei was the paid agent of the Venetian Paolo Sarpi, and his empiricist epistemology comes straight from Sarpi.

not to take this matter any further, but also remarked that the only time that the existence of the soul is really certain is when the person is already dead. For Contarini, as a practical matter, there is no empirical human soul that you can be aware of while you are still alive.

Francesco Zorzi was the envoy of this group to Henry VIII, to whom he became the resident sex adviser. Zorzi illustrates the typical profile of a Venetian intelligence operative in the early 1500s: He was a Franciscan friar whose main occupation was black magic of the Rosicrucian variety. He was a conjurer, a necromancer, an apparitionist. Think of Christopher Marlowe's Doctor Faustus, and you have the portrait of Zorzi. Not exactly a role model for science nerds of any age. As the 1500s turned into the 1600s, this profile began to present serious drawbacks and limitations.

Sarpi and Galileo

Until about 1600, the posture of the Venetian Party toward science was one of more or less open hostility, favoring black magic. But in the early 1600s, the group around Sarpi succeeded in changing their public profile from being the enemies of science to being the embodiment of the most advanced and sophisticated science. For several centuries after this, the Venetians would work inside the scientific community to take it over. They would claim to represent the highest expression of scientific values. In this way, they could institutionalize the dead hand of formalism and the fetishism of authority, so as to stifle the process of discovery.

The chief of Venetian intelligence who made this possible was Paolo Sarpi. Sarpi and his friend Fulgenzio Micanzio were Servite monks. Sarpi was part of an important Venetian salon of the day, the Ridotti Morosini, which met for discussions in the palace of the Morosini family on the Grand Canal. The Morosini were the direct ideological heirs of Gasparo Contarini. The Morosini salon centered on a discussion of science, and it became the nucleus for the youthful faction of the Venetian oligarchy, the so-called Giovani, who became powerful after 1582. The Giovani favored a policy of cooperation with Holland, England, and France in conflicts with the Austrian and Spanish Hapsburgs and the papacy. The Vecchi, the oldies, serviced the Venetian networks on the Spanish and papal side, which were also quite extensive.

We have told in other locations how Sarpi organized and unleashed the Thirty Years' War in Central Europe, using agents like Max von Thurn und Taxis, Christian von Anhalt, Christoph von Dona, and the Elector Palatine Frederick, the so-called Winter King. In this sense, Paolo Sarpi personally exterminated about one-third of the entire population of Europe, and about one-half of the population of Germany and surrounding areas. Sarpi also caused the assassination of King Henry IV of France when Henry opposed Sarpi's designs and exposed him as an atheist. Paolo Sarpi, we see, is a worthy predecessor to Bertrand Russell.

But Sarpi in his own time was considered an eminent mathematician. One contemporary wrote of him: "I can say about him without any exaggeration whatsoever that no one in Europe excels him in the knowledge of [mathematical] sciences." This is the view of Sarpi held by Galileo Galilei.

Sarpi's companions at the Ridotto Morosini during the 1590s included the influential mystic Giordano Bruno. Starting in 1592, there was also a professor of mathematics at the nearby University of Padua: Galileo Galilei, a native of Florence. Galileo taught mathematics in Padua from 1592 to 1610, and it was during his stay on Venetian territory that he became a celebrity. Galileo was a paid agent of Sarpi and, after Sarpi's death, of Sarpi's right-hand man Micanzio. There is a correspondence on scientific subjects between Sarpi and Galileo, including on magnetism, which was Sarpi's favorite, because he found it occult. Galileo proposed some of his first ideas on falling bodies to Sarpi, who enthused that Galileo had been born to solve the question of motion.

Galileo's fame was procured when he used a small telescope to observe the moons of Jupiter, the rings of Saturn, and the phases of Venus. He reported these sightings in his essay The Starry Messenger, which instantly made him the premier scientist in Europe and thus a very important agent of influence for the Venetian Party. This entire telescope operation had been devised by Paolo Sarpi.

The first telescope had been built by Leonardo da Vinci about a hundred years before Galileo. Susan Welsh has called attention to the research of Domenico Argentieri on Leonardo's optical manuscripts, which demonstrates that Leonardo's telescope had a convex lens at one end and a concave lens at the other. Its magnifying power was rather weak, but it was a telescope. There are reports of a telescope made in Italy in 1590. By 1608, telescopes began to turn up in Holland, and Galileo says he was encouraged by reports of them to build his own telescope in 1609.

Sarpi's version of these events is more revealing. He wrote on March 16, 1610 that a telescope had been found in Holland two years before, therefore in spring 1608. "Once this was found," wrote Sarpi, "our mathematician of Padua [Galileo] and some of our other people who are not ignorant of these arts began to use the telescope on celestial bodies, adjusting it and refining it for the purpose. . . ." Notice: Galileo and some of our other people. It would appear that the observations were made not from Padua, but from Paolo Sarpi's Servite monastery in Venice. Sarpi wrote about Galileo as "our mathematician," saying that he had "frequently discussed with him at the time" about the results of the telescopic observations, and did not need to read what Galileo had written about them.

In 1611, a Polish visitor to Venice, Rey, wrote that Galileo had not really been the inventor of the telescope, but that the "adviser, author, and director" of the telescope project had been Father Paolo Sarpi, "who is considered the greatest mathematician here."

In 1597, Johannes Kepler had sent a copy of his new book, Mysterium Cosmographicum, to Galileo. This was the work in which Kepler proposed the Platonic solids as the basis for understanding the harmonic ordering of the planetary orbits around the Sun. Galileo thereupon sent a letter to Kepler, explaining that he, too, was a follower of the Copernican or heliocentric view, but that he "had not dared" to come forward with this view because of fear, and preferred to sit on the whole business because of the climate of opinion. Kepler had written back urging Galileo to be confident and to go forward with the struggle for truth, offering to find publishers in Germany if the Italian climate were too oppressive. Galileo did not do this, and refused to comment in detail on Kepler's book. According to Kepler's biographer Max Caspar, in the following years Galileo used material from Kepler in his lectures, but without giving Kepler credit.

Kepler and Galileo were in frequent contact for over 30 years. Kepler commented with benevolent interest—and with subtle polemics—about Galileo's published works. But Galileo never commented systematically on Kepler's laws. In 1609, Kepler published his Astronomia Nova, expounding his first and second laws of planetary motion—that the planets move in ellipses of which the Sun is one focus, and that the planets sweep out equal areas in equal times between themselves and the Sun as they revolve. In Galileo's Dialogues on the Two Great World Systems, published in 1533, Kepler is hardly mentioned, while the discussion centers on Copernicus, with his perfect circle orbits of the planets

around the Sun, which had no hope of accounting for the observed positions of the planets. At the end, one of the characters says that he is surprised at Kepler for being so "puerile" as to attribute the tides to the attraction of the Moon.

During the first years of the pontificate of Pope Urban VIII Barberini, Galileo was the semi-official scientist for the pope. But in 1631, when the Swedish Protestant army of Gustavus Adolphus fought its way through Germany, reached the Alps, and seemed ready to sweep down on Rome, Urban VIII turned abruptly from a pro-French to a pro-Spanish policy. The Spanish ascendancy is the backdrop for the trial of Galileo carried out by the Dominicans with Jesuit support. Some years earlier, Sarpi had forecast that if Galileo went to Rome, the Jesuits and others were likely to "turn... the question of physics and astronomy into a theological question," so as to condemn Galileo as "an excommunicated heretic" and force him to "recant all his views on this subject." Sarpi in 1616 seemed to know very well what would happen more than 15 years later, well after his own death. It is evident that the scenario sketched here corresponded to Sarpi's own long-term plan. For Galileo, the trial was one of the greatest public relations successes of all time. The gesture of repression against Galileo carried out by the Dominicans of Santa Maria Sopra Minerva in Rome established the equation Galileo=modern experimental science struggling against benighted obscurantism. That equation has stood ever since, and this tragic misunderstanding has had terrible consequences for human thought. Lost in the brouhaha about Galileo is the more relevant fact that Kepler had been condemned by the Inquisition more than a decade before.

Sarpi's philosophical and scientific writings were not published until after World War II. These are the Pensieri, or Thoughts, and the Arte di Ben Pensare, the Art of Thinking Well. Sarpi's achievement for Venetian intelligence was to abstract the method of Aristotle from the mass of opinions expressed by Aristotle on this or that particular issue. In this way, sense certainty could be kept as the basis of scientific experiments, and Aristotle's embarrassingly outdated views on certain natural phenomena could be jettisoned. This allowed the Venetians to preserve the essential Aristotle, while attacking exponents of the Aristotelian or Peripatetic school, such as the Jesuits of the Collegio Romano. These writings by Sarpi have not been translated, but they are the basis of everything written by Sir Francis Bacon. The Bacon-Hobbes menage was in close contact with Sarpi and Micanzio. Sarpi can also be found in Locke, who took almost 1,000 pages to write what Sarpi had put down in 30.

In the Art of Thinking Well, Sarpi starts from sense perception and sense certainty. He suggests that an impression made on our sensory apparatus by outside objects has to be distinguished from those objects. Especially he points to tastes, odors, and sounds, which he thinks are a matter of our nervous system, not of outside reality. In a different category are ideas of quantity, size, and time, which are objective. In

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the same manuscript, Sarpi lists the immortality of the soul as one on a list of wrong ideas. Sarpi repeats the argument of Pomponazzi that since there is no knowledge without sensation, the soul dies with the body. Again, the trademark of the Venetian dead souls faction.

Galileo's epistemology comes straight from Sarpi. We can see this in Galileo's 1623 essay Il Saggiatore, The Assayer. For Galileo, colors, tastes, sounds, smells, are mere words. They exist only for our bodies. Galileo makes the famous comparison of these to tickling. If you brush a feather over the soles of the feet or the armpits of a marble statue, you will not produce a tickle. But if you do this to a human being, you will cause that tickling sensation. So, Galileo says, it is time to get rid of ears, tongues, and noses, and go for shapes, numbers, and motions, and never odors, tastes, and sounds. From this he proceeds quickly to a reductionist theory of atoms, in which heat is explained as the effect a "fiery minims" of igneous atoms. Galileo's epistemology is identical with that of Sarpi. This is what Galileo means when he denies Aristotle to say that the truth is written in the book of nature, and written in mathematical characters. Galileo was a reductionist.

Sarpi died in 1623, and Galileo's case officer became the Servite monk Fulgenzio Micanzio. After Galileo had been condemned, Micanzio reminded Galileo of the assignment he had received from Sarpi 20 years earlier: to write a treatise on motion. And by the way, added Micanzio, I have 258 pounds here for you. Later, Micanzio would procure Galileo a pension of 60 scudi per year from the coffers of the Venetian state.

Galileo responded to Micanzio's orders with the 1638 Discourses on Two New Sciences, Mechanics and Local Motion. Because Galileo had been condemned by the Inquisition, he could not be published anywhere that papal authority was strong. Micanzio therefore arranged for Galileo's book to be printed by the Dutch Elsevir press in Leyden.

In 1634, Micanzio wrote to Galileo that he had been talking to an expert in science and philosophy—called a *virtuoso* in the parlance of the day—who had commented that although he did not deny Galileo's scientific ability, "the things that you bring are not new, but are already in Kepler." Indeed. Galileo wrote back that the correct answer to this *virtuoso* is that although Galileo and Kepler may sometimes seem to agree about certain astronomical phenomena, "my way of philosophizing is so different from his." (Nov. 19, 1634).

In letters written in 1640, Galileo threw further light on his own scientific method. Galileo complained that he had been misunderstood: "Against all the reason in the world, I am accused of impugning Peripatetic doctrine, whereas I profess and am certain of observing more religiously the Peripatetic—or, to put it better, Aristotelian—teachings than many others..." (Aug. 24, 1640).

Galileo asserted that he had tried to study phenomena

"that in all natural effects assure me of their existence, their an sit [if it be], whereas I gain nothing from their how, their quomodo." (June 23, 1640). Some might try to dismiss these admissions as a distortion of Galileo's outlook caused by the crackdown of which he was still a victim, but I would submit that this is the real Galileo talking. What Galileo is trying to express here is the same thing Isaac Newton meant with his infamous "hypotheses non fingo," "I do not fabricate hypotheses." Which brings us to Newton.

Newton: a cultist kook

The next phase of the corruption of science by Venice depends on a rather obscure Cambridge don by the name of Isaac Newton. For the oligarchy, Newton and Galileo are the only two contenders for the honor of being the most influential thinker of their faction since Aristotle himself. The British oligarchy praises Newton as the founder of modern science. But, at the same time, they have been unable to keep secret the fact that Newton was a raving irrationalist, a cultist kook. Among the oligarchs, it was the British economist Lord John Maynard Keynes and a fellow Cambridge graduate who began to open the black box of Newton's real character. Was Newton the first and greatest of the modern scientists, the practitioner of cold and untinctured reason? No, said Keynes, Newton was not the first of the Age of Reason. He was the last of the magicians, the last of the Babylonians and Sumerians, the last wonderful child to whom the Magi could do sincere and appropriate homage. Keynes based his view on the contents of a box. What was in the box? The box contained papers which Newton had packed up when he left Cambridge for London in 1696, ending his Cambridge career and beginning his new life in London as member and president of the British Royal Society, director of the mint, resident magus of the new British Empire.

Inside the box were manuscripts and papers totalling some 1.2 million words. After Newton's death, Bishop Horsley was asked to inspect the box, with a view to publication, but when he saw the contents, he recoiled in horror and slammed the lid. A century passed. Newton's nineteenth-century biographer, Sir David Brewster, looked into the box. He decided to save Newton's reputation by printing a few selections, but he falsified the rest with straight fibbing, as Keynes says. The box became known as the Portsmouth Papers. A few mathematical papers were given to Cambridge in 1888. In 1936, the current owner, Lord Lymington, needed money, so he had the rest auctioned off. Keynes bought as many as he could, but other papers were scattered from Jersualem to America.

As Keynes points out, Newton was a suspicious, paranoid, unstable personality. In 1692, Newton had a nervous breakdown and never regained his former consistency of mind. Pepys and Locke thought that he had become deranged. Newton emerged from his breakdown slightly "gaga." As Keynes stresses, Newton "was wholly aloof from women," although he had some close young male friends. He once angrily accused John Locke of trying to embroil him with women.

In the past decades, the lid of the box has been partially and grudgingly opened by the Anglophile scholars who are the keepers of the Newton myth. What can we see inside the box?

First, Newton was a supporter of the Arian heresy. He denied and attacked the Holy Trinity, and therefore also the *Filioque* and the concept of *imago viva Dei*. Keynes thought that Newton was "a Judaic monotheist of the school of Maimonides," which suggests that he was a cabbalist. For Newton, to worship Christ as God was idolatry and a mortal sin. Even in the Church of England, Newton had to keep these views secret or face ostracism.

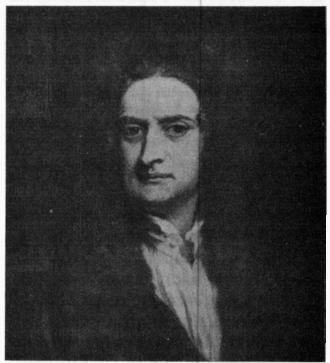
Alchemy and green lions

Newton's real interest was not mathematics or astronomy. It was alchemy. His laboratory at Trinity College, Cambridge was fitted out for alchemy. Here, his friends said, the fires never went out during six weeks of the spring and six weeks of the autumn. And what is alchemy? What kind of research was Newton doing? His sources were books like the *Theatrum Chemicum Britannicum* of Elias Ashmole, the Rosicrucian leader of British speculative Freemasonry. Newton owned all six heavy quarto volumes of Ashmole.

The goal of the alchemists was the quest for the mythical philosopher's stone, which would permit the alchemist to transmute lead and other base metals into gold. The alchemists hoped the philosopher's stone would give them other magical powers, such as rejuvenation and eternal youth.

Alchemy also involved the relations between the astrological influences of the planets and the behavior of chemicals. One treatise that dealt with these issues was the *Metamorphosis of the Planets*. Since the planet Jupiter had precedence among the planets, it also occupied a privileged position among the reagents of alchemy. Newton expressed this with a picture he drew of Jupiter Enthroned on the obverse of the title page of this book.

What were Newton's findings? Let him speak for himself: "Concerning Magnesia of the green Lion. It is called Prometheus & the Chameleon. Also Androgyne, and virgin verdant earth in which the Sun has never cast its rays although he is its father and the moon its mother. Also common mercury, dew of heaven which makes the earth fertile, nitre of the wise. *Instructio de arbore solari*. It is the Saturnine stone." This would appear to have been written in the 1670s. A sample from the 1690s: "Now this green earth is the Green Ladies of B. Valentine the beautifully green Venus and the green Venereal emerald and green earth of Snyders with which he fed his lunary Mercury and by virtue of which Diana was to bring forth children and out of which saith Ripley the blood of the green Lyon is drawn in the beginning of the work."



Isaac Newton: His real interest was neither mathematics nor astronomy, but alchemy.

During the 1680s Newton also composed a series of aphorisms of alchemy, the sixth of which reads as follows: "The young new born king is nourished in a bigger heat with milk drawn by destellation from the putrefied matter of the second work. With this milk he must be imbibed seven times to putrefy him sufficiently and then dococted to the white and red, and in passing to the red he must be imbibed with a little red oil to fortify the solary nature and make the red stone more fluxible. And this may be called the third work. The first goes on no further than to putrefaction the second goes to the white and the third to the red." (Westfall, pp. 292, 293, 358).

And so it goes for more than a million words, with Green Lions, Androgynes, male and female principles, Pan and Osiris. Truly it has been said that Newton had probed the literature of alchemy as it had never been probed before or since, all during the time he was supposedly writing his *Principia Mathematica*. In addition, he drew up plans for King Solomon's Temple, and later a chronology of Biblical events which foreshortened that history by cutting out several hundred years.

Newton's 'discoveries'

And what about Newton's supposed discoveries? Upon closer scrutiny, it turns out that he had no discoveries. Take, for example, Newton's alleged law of universal gravitation, which states that the force of attraction of two point masses is equal to the product of the two masses divided by the

square of the distance between them, times a constant. This is Newton's so-called inverse square law. It has long been known that this was not really a new discovery, but rather derived by some tinkering from Kepler's Third Law. Kepler had established that the cube of a planet's distance from the Sun divided by the square of its year always equaled a constant. By supplementing this with Huygens's formula for centrifugal acceleration and making some substitutions, you can obtain the inverse square relationship. This issue is settled in the appendices to *The Science of Christian Economy*

The apotheosis of Newton was arranged by Antonio Conti of Venice, the center of our third grouping of the dead souls faction. In order to create the myth of Newton as the great modern scientist, Conti was obliged to do what might well have been considered impossible at the time: to create a pro-British party in France.

[by Lyndon LaRouche, Washington, D.C.: Schiller Institute, 1991]. But the partisans of Newton still claim that Newton explained gravity.

By opening the lid of the box, we find that Newton himself confesses, in an unpublished note, that his great achievement was cribbed from Kepler. Newton wrote, "I began to think of gravity extending to the orb of the Moon and (having found out how to estimate the force with which a globe revolving presses the surface of a sphere) from Kepler's rule of the periodical times of the Planets being in sesquialterate proportion of their distances from the center of their Orbs, I deduced that the forces which keep the Planets in their Orbs must be reciprocally as the squares of their distances from the centers about which they revolve. . . . " (Westfall, 143). Newton "arrived at the inverse square relation by substituting Kepler's Third Law into Huygens's recently published formula for centrifugal force" (Westfall, 402). Hooke and Sir Christopher Wren claimed to have done the same thing at about the same time.

Newton's love of alchemy and magic surfaces as the basis of his outlook, including in his supposed scientific writings. In his *Opticks*, he asks, "Have not the small particles of bodies certain powers, virtues, or forces, by which they act at a distance. . . . How those attractions may be performed, I do not here consider. What I call attraction may be performed by Impulse, or some other means unknown to me." This is Newton's notion of gravity as action at a distance, which Leibniz rightly mocked as black magic. Newton's

system was unable to describe anything beyond the interaction of two bodies, and supposed an entropic universe that would have wound down like clockwork if not periodically re-wound. Newton also wrote of an electric spirit, and of a mysterious medium he called the ether. What the basis of these is in alchemy is not clear.

Then there is the story of Newton's invention of the calculus. In reality, Newton never in his entire life described a calculus. He never had one. What he cooked up was a theory of so-called fluxions and infinite series. This was not a calculus and quickly sank into oblivion when it was published nine years after Newton's death. By 1710, European scientists had been working with Leibniz's calculus for several decades. It was about that time that Newton and the British Royal Society launched their campaign to claim that Newton had actually invented the calculus in 1671, although for some strange reason he had never said anything about it in public print during a period of 30 years. This was supplemented by a second allegation, that Leibniz was a plagiarist who had copied his calculus from Newton after some conversations and letters exchanged between the two during the 1670s. These slanders against Leibniz were written up by Newton and put forward in 1715 as the official verdict of the British Royal Society. The same line was churned out by scurrilous hack writers directed by Newton. But scientists in continental Europe, and especially the decisive French Academy of Sciences, were not at all convinced by Newton's case. Newton's reputation on the continent was at best modest, and certainly not exalted. There was resistance against Newton in England, with a hard core of 20-25% of anti-Newton feeling within the Royal Society itself. How then did the current myth of Newton the scientist originate?

The myth of Newton as a great scientist

The apotheosis of Newton was arranged by Antonio Conti of Venice, the center of our third grouping of the dead souls faction. In order to create the myth of Newton as the great modern scientist, Conti was obliged to do what might well have been considered impossible at the time: to create a pro-British party in France. Conti succeeded, and stands as the founder of the Enlightenment, otherwise understood as the network of French Anglophiles. Those Frenchmen who were degraded enough to become Anglophiles would also be degraded enough to become Newtonians, and vice versa. The British had no network in Paris that could make this happen, but the Venetians did, thanks most recently to the work of such figures as Montaigne and Pierre Bayle. What the British could never have done, the Venetians accomplished for the greater glory of the Anglo-Venetian Party.

Born in Padua in 1677, Conti was a patrician, a member of the Venetian nobility. He was a defrocked priest who had joined the Oratorian order, but then left it to pursue literary and scientific interests, including Galileo and Descartes. Conti was still an abbot. In 1713, Conti arrived in Paris. This was at the time of the Peace of Utrecht, the end of the long

and very bitter War of the Spanish Succession, in which the British, the Dutch, and their allies had invaded, defeated, and weakened the France of Jean-Baptiste Colbert. Louis XIV had only two more years to live, after which the throne would go to a regent of the House of Orléans.

In Paris, Conti built up a network centering on the philosopher Nicholas de Malebranche. He also worked closely with Bernard Le Bovier de Fontenelle, the permanent secretary of the French Academy of Sciences, still the premier research center in Europe. Conti saw immediately that Fontenelle was a follower of Giordano Bruno of the Ridotto Morosini. Conti become a celebrity in Paris, but he soon announced that he was growing tired to Descartes, the dominant figure on the French intellectual scene. Conti began telling the Paris salons that he was turning more and more to Newton and Leibniz. He began to call attention to the polemic between Newton and Leibniz. What a shame that these two eminent scientists were fighting each other! Perhaps these two outlooks could be reconciled. That would take a tactful mediator, an experienced man of the world. Since the English and the German scientists were at war, who better than an Italian, a Venetian, to come forward as mediator? Perhaps such a subtle Venetian could find a way to settle this nasty dispute about the calculus and propose a compromise platform for physics.

A solar eclipse was in the offing, and Conti organized a group of French astronomers to go to London and observe it—probably the London fog would be helpful. With Conti's help these Frenchmen would be turned, made members of the Royal Society, and when they got back to France, they would become the first French Anglophiles of the eighteenthcentury French Enlightenment. Before leaving Paris, Conti, with classical Venetian duplicity, wrote a very friendly letter to Leibniz, introducing himself as a supporter of Leibniz's philosophy. Conti claimed that he was going to London as a supporter of Leibniz, who would defend his cause in London just as he had done in Paris. By 1715, Leibniz's political perspectives were very grim, since his patroness, Sophie of Hanover, had died in May 1714. Leibniz was not going to become prime minister of England, because the new British king was Georg Ludwig of Hanover, King George I.

When Conti got to London, he began to act as a diabolical agent provocateur. Turning on his magnetism, he charmed Newton. Newton was impressed by his guest and began to let his hair down. Conti told Newton that he had been trained as a Cartesian. "I was myself, when young, a Cartesian," said the sage wistfully, and then added that Cartesian philosophy was nothing but a "tissue of hypotheses," and of course Newton would never tolerate hypotheses. Newton confessed that he had understood nothing of his first astronomy book, after which he tried a trigonometry book with equal failure. But he could understand Descartes very well.

With the ground thus prepared, Conti was soon a regular dinner guest at Newton's house. He seems to have dined with Newton on the average three evenings per week. Conti also had extensive contacts with Edmond Halley, with Newton's anti-Trinitarian parish priest Samuel Clarke, and other selfstyled scientists. Conti also became friendly with Princess Caroline, the Princess of Wales, who had been an ally of Leibniz. Conti became very popular at the British court, and by November 1715 he was inducted by Newton as a member of the Royal Society.

Conti understood that Newton, kook that he was, represented the ideal cult figure for a new obscurantist concoction of deductive-inductive pseudomathematical formalism masquerading as science. Thanks to the Venetians, Italy had Galileo, and France had Descartes. Conti might have considered concocting a pseudoscientific ideology for the English based on Descartes, but that clearly would not do, since Venice desired to use England above all as a tool to tear down France with endless wars. Venice needed an English Galileo, and Conti provided the intrigue and the public relations needed to produce one, in a way not so different from Paolo Sarpi a century before.

The Leibniz-Newton contest

Conti received a letter from Leibniz repeating that Newton had never mastered the calculus, and attacking Newton for his occult notion of gravitation, his insistence on the existence of atoms and the void, his inductive method. Whenever Conti got a letter from Leibniz, he would show it to Newton, to stoke the fires of Newton's obsessive rage to destroy Leibniz. During this time, Newton's friend Samuel Clarke began an exchange of letters with Leibniz about these and related issues. (Voltaire later remarked of Clarke that he would have made an ideal Archbishop of Canterbury if only he had been a Christian.) Leibniz wrote that natural religion itself was decaying in England, where many believe human souls to be material, and others view God as a corporeal being. Newton said that space is an organ, which God uses to perceive things. Newton and his followers also had a very odd opinion concerning the work of God. According to their doctrine, "God Almighty wants to wind up his watch from time to time; otherwise, it would cease to move. He had not, it seems, sufficient foresight to make it a perpetual motion." This gave rise to the Leibniz-Clarke correspondence, in which we can also see the hand of Conti. By now, the chameleon Conti was a total partisan of Newton's line of atoms and the void, the axioms of Newtonian absolute space. "If there were no void," wrote Conti, "all bodies would be equally heavy and the comets could not pass through heavenly spaces. . . . M. Leibniz has written his speech to Princess [Caroline], and he presents the world not as it is, but as it could be." (Badaloni, Antonio Conti, 63).

Newton tried to get the ambassadors of the London diplomatic corps to review his old manuscripts and letters, hoping they would endorse the finding of the Royal Society that Leibniz had plagiarized his calculus. Leibniz had pointed out that the Royal Society had stacked the evidence. Conti used this matter to turn George I more and more against Leibniz. Conti organized the Baron von Kilmansegge, the Hanoverian

minister and husband of George I's mistress, to take the position that the review of documents would not be enough; the only way to decide the Leibniz-Newton controversy was through a direct exchange of letters between the two. King George agreed with this. Conti encouraged Newton to make a full reply to Leibniz, so that both letters could be shown to the king. When he heard Newton's version, the king indicated that Newton's facts would be hard for Leibniz to answer.

Conti tried to convince Leibniz to accept the 1715 verdict of the Royal Society which had given credit for the calculus to Newton. In return, to sweeten this galling proposal, Conti generously conceded that Leibniz's calculus was easier to use and more widely accepted. By now Leibniz was well aware that he was dealing with an enemy operative, but Leibniz died on Nov. 4, 1716, a few days before Conti arrived in Hanover to meet him. Newton received word of the death of his great antagonist through a letter from Conti.

Conti's deployment to France

Thanks to Conti's intervention as agent provocateur, Newton had received immense publicity and had become a kind of succès de scandale. The direct exchange mandated by George I suggested to some an equivalence of Leibniz and Newton. But now Conti's most important work was just beginning. Leibniz was still held in high regard in all of continental Europe, and the power of France was still immense. Conti and the Venetians wished to destroy both. In the Leibniz-Newton contest, Conti had observed that while the English sided with Newton and the Germans with Leibniz, the French, Italians, Dutch, and other continentals wavered, but still had great sympathy for Leibniz. These powers would be the decisive swing factors in the epistemological war. In particular, the attitude which prevailed in France, the greatest European power, would be decisive. Conti now sought to deliver above all France, plus Italy, into the Newtonian camp.

Conti was in London between 1715 and 1718. His mission to France lasted from 1718 through 1726. Its result will be called the French Enlightenment, L'Age des Lumières.

The first components activated by Conti for the new Newtonian party in France were the school and followers of Malebranche, who died in 1715. The Malebranchistes first accepted Newton's *Opticks*, and claimed to have duplicated Newton's experiments, something no Frenchman had done until this time. Here Conti was mobilizing the Malebranche network he had assembled before going to London. Conti used his friendship with Fontenelle, the secretary of the French Academy of Sciences, to secure his benevolent neutrality regarding Newton. Conti's other friends included Mairan, Réaumur, Freret, and Desmolets.

During the late teens and '20s in Paris, an important salon met at the Hôtel de Rohan, the residence of one of the greatest families of the French nobility. This family was aligned with Venice; later, we will find the Cardinal-Prince de Rohan as the sponsor of the Venetian agent Count Cagliostro. The librarian at the Hôtel de Rohan was a certain Abbé Oliva. Oliva presided over a Venetian-style *conversazione* attended by Conti, his Parisian friends, and numerous Italians. This was already a circle of freethinkers and libertines.

In retrospect, the best known of the participants was Charles-Louis de Secondat, Baron de la Brède et de Montesquieu. Montesquieu, before Voltaire, Rousseau, and the Encyclopedia, was the first important figure of the French Enlightenment—more respectable than Voltaire and Rousseau—and the leading theoretician of political institutions. Conti met Montesquieu at the Hôtel de Rohan, and at another salon, the Club de l'Entresol. Later, when Conti had returned to Venice, Montesquieu came to visit him there, staying a month. Montesquieu was an agent for Conti.

Montesquieu's major work is *The Spirit of the Laws*, published in 1748. This is a work of decidedly Venetian flavor, with republic, monarchy, and depotism as the three forms of government, and a separation of powers doctrine. Montesquieu appears to have taken many of his ideas from Conti, who wrote a profile of France called *Historical and Political Discourse on the State of France between 1700 and 1730*. In his treatise, Montesquieu points out that France has an independent judiciary, the *parlements*, which became a main focus for Anglo-Venetian destabilization efforts going toward the French Revolution.

Montesquieu raises the theme of Anglophilia, praising Britain's allegedly constitutional monarchy as the ideal form. With this, the pro-British bent of Conti's Enlightenment *philosophes* is established. The ground is being prepared for Newton.

Another Conti agent: Voltaire

One of Conti's other friends from the Hôtel de Rohan was a Jesuit called Tournemine, who was also a high school teacher. One of his most incorrigible pupils had been a libertine jailbird named François-Marie Arouet, who was so stubborn and headstrong that his parents had always called him "le volontaire," meaning self-willed. Gradually this was shortened to Voltaire.

French literary historians are instinctively not friendly to the idea that the most famous Frenchman was a Venetian agent working for Conti, but the proof is convincing. Voltaire knew both Conti personally and Conti's works. Conti is referred to a number of times in Voltaire's letters. In one letter, Voltaire admiringly shares an anecdote about Conti and Newton. Voltaire asks, should we try to find the proof of the existence of God in an algebraic formula on one of the most obscure points in dynamics? He cites Conti in a similar situation with Newton: "You're about to get angry with me," says Conti to Newton, "but I don't care." I agree with Conti, says Voltaire, that all geometry can give us are about 40 useful theorems. Beyond that, it's nothing more than a fascinating

subject, provided you don't let metaphysics creep in.

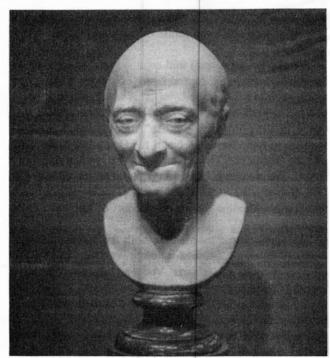
Voltaire also relates Conti's version of the alleged Spanish conspiracy against Venice in 1618, which was supposedly masterminded by the Spanish ambassador to Venice, Count Bedmar. Conti's collected works and one of his tragedies are in Voltaire's library, preserved at the Hermitage in St. Petersburg.

The book which made Voltaire famous was his *Philosophical Letters*, sometimes called the English letters, because they are devoted to the exaltation of all things British, which Voltaire had observed during his three years in London. In the essay on Shakespeare, Voltaire writes that Shakespeare is considered the Corneille of England. This is a quote from Conti, taken from the head note to Conti's tragedy *Giulio Cesare*, which had been published in Paris in 1726. Voltaire's view of Shakespeare as sometimes inspired, but barbarous and "crazy" for not respecting French theatrical conventions, is close to Conti's own practice. We can thus associate Conti with Voltaire's first important breakthrough, and the point where Anglophilia becomes Anglomania in France.

But most important, Voltaire's *Philosophical Letters* center on the praise of Newton. After chapters on Francis Bacon and John Locke, there are four chapters on Newton, the guts of the work. For Voltaire, Newton was the first discoverer of the calculus, the dismantler of the entire Cartesian system. His "sublime ideas" and discoveries have given him "the most universal reputation." Voltaire also translated Newton directly, and published *Elements of Newtonian Philosophy*.

The *Philosophical Letters* were condemned and Voltaire had to hide in the libertine underground for a time. He began to work on another book, *The Century of Louis XIV*. The idea here was simple: to exalt Louis XIV as a means of attacking the current king, Louis XV, by comparison. This was an idea that we can also find in Conti's manuscripts. Louis XV was, of course, a main target of the Anglo-Venetians.

In 1759, Voltaire published his short novel Candide, a distillation of Venetian cultural pessimism expressed as a raving attack on Leibniz, through the vicious caricature Dr. Pangloss. Toward the end of the story, Candide asks Pangloss: "Tell me, my dear Pangloss, when you were hanged, dissected, cruelly beaten, and forced to row in a galley, did you still think that everything was for the best in this world?" "I still hold my original opinions, replied Pangloss, because after all, I'm a philosopher, and it wouldn't be proper for me to recant, since Leibniz cannot be wrong, and since preestablished harmony is the most beautiful thing in the world, along with the plenum and subtle matter." When Candide visits Venice, he meets Senator Pococurante, whom he considers a great genius because everything bores him and nothing pleases him. Senator Pococurante is clearly a figure of Abbot Antonio Conti. Conti was, we must remember, the man whom Voltaire quoted admiringly in his letter cited



François Voltaire, the most famous of Antonio Conti's Enlightenment philosophers, in a bust by Jean-Baptiste Houdoun in the National Gallery of Art, Washington.

above telling Newton that he didn't care—non me ne curo, perhaps, in Italian. Among Conti's masks was certainly that of worldly boredom.

Conti later translated one of Voltaire's plays, *Mérope*, into Italian.

Conti and the French Revolution

Conti's discussion of the supremacy of the sense of touch when it comes to sense certainty is echoed in the writing of the philosopher Condillac. Echoes of Conti have been found by some in Diderot's Jacques the Fatalist. And then there is Buffon, who published Newton's book on fluxions in French. More research is likely to demonstrate that most of the ideas of the French Enlightenment come from the Venetian Conti. The creation of a pro-Newton, anti-Leibniz party of French Anglomaniacs was a decisive contribution to the defeat of France in the mid-century world war we call the War of the Austrian Succession and the Seven Years' War, which gave Britain world naval supremacy, and world domination. Conti's work was also the basis for the later unleashing of the French Revolution. In the epistemological war, the French Newtonians were indispensable for the worldwide consolidation of the Newton myth. In Italy, there were Venetian writers like Voltaire's friend Algarotti, the author of a book of Newtonian Philosophy for Ladies. Newton's ideas were also spread by Abbot Guido Grandi, who labored to rehabilitate Galileo inside the Catholic Church. Another Italian intellectual in Conti's orbit was Gimbattista Vico, later popularized

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by Benedetto Croce. The main point is that only with the help of Venice could the senile cultist kook Newton attain worldwide respect.

Conti was active until mid-century; he died in 1749. In Venice he became the central figure of a salon that was the worthy heir of Ridotto Morosini. This was the sinister coven that called itself the philosophical happy conversazione ("la conversazione filosofica e felice") that gathered patrician families like the Emo, the Nani, the Querini, the Memmo, and the Giustinian. These were libertines, freethinkers, Satanists. We are moving toward the world protrayed in Schiller's Geisterseher. After Conti's death, the dominant figure was Andrea Memmo, one of the leaders of European Freemasonry.

An agent shared by Memmo with the Morosini family was one Giacomo Casanova, a homosexual who was backed up by a network of lesbians. Venetian oligarchs turned to homosexuality because of their obsession with keeping the family fortune intact by guaranteeing that there would only be one heir to inherit it; by this time more than two-thirds of male nobles, and an even higher percentage of female nobles, never married. Here we have the roots of Henry Kissinger's modern homintern. Casanova's main task was to target the French King Louis XV through his sexual appetites. There is good reason to believe that Louis XV's foreign minister

Correction

Helga Zepp-LaRouche's speech, "Ghost of Martin Heidegger **Haunts Cairo** Conference,"published last week in EIR. included an inaccurate reference on p. 21 to "Al Gore's speech in Rio, that he wanted the population to be

only 1 billion." Mrs. LaRouche meant to refer to writer Gore Vidal, who in 1988 had stated on German television that "there are 4 billion people too many" in the world. Vidal's genocidal ravings were reported in detail on p. 50 of EIR of Oct. 23, 1993.

De Bernis, who carried out the diplomatic revolution of 1756, was an agent of Casanova. One may speculate that Casanova's networks had something to do with the approximately 25 assassination plots against Louis XV. Finally, Louis XV banned Casanova from France with a lettre de cachet.

Another agent of this group was Count Cagliostro, a charlatan and mountebank whose targets were Louis XVI and Marie Antoinette, whom he destabilized through their own folly in the celebrated Queen's Necklace Affair of 1785. Cagliostro was able to make Louis and especially Marie Antoinette personally hated, a necessary precondition for mass insurrection against them. Emperor Napoleon later said that this operation by Cagliostro had marked the opening phase of the French Revolution of 1789.

Conti's legacy of evil

Another member of the Conti-Memmo conversazione was Giammaria Ortes, who had been taught Newton by Conti personally, as well as by Grandi. Ortes was another defrocked cleric operating as an abbot. Ortes is the author of a manual of Newtonian physics for young aristocrats, including a chapter on electricity which manages to avoid Benjamin Franklin, in the same way that Galileo avoided Kepler. Ortes carried out Conti's program of applying Newtonian methods to the social sciences. This meant that everything had to be expressed in numbers. Ortes was like the constipated mathematician who worked his problem out with a pencil. He produced a calculus on the value of opinions, a calculus of the pleasures and pains of human life, a calculus of the truth of history. This is the model for Jeremy Bentham's felicific or hedonistic calculus and other writings. Using these methods, Ortes posited an absolute upper limit for the human population of the Earth, which he set at 3 billion. This is the first appearance of carrying capacity. Ortes was adamant that there had never been and could never be an improvement in the living standard of the Earth's human population. He argued that government intervention, as supported by the Cammeralist school of Colbert, Franklin, and others, could never do any good. Ortes provided all of the idea-content that is found in Thomas Malthus, Adam Smith, Jeremy Bentham, the two Mills, and the rest of Lord Shelburne's school of British philosophical radicalism in the time after 1763.

Conti has left a commentary on Plato's *Parmenides*, which he interprets as Plato's self-criticism for the mistake of having made ideas themselves the object of philosophical attention. In his Treatise on Ideas, Conti writes that the fundamental error of Plato is to attribute real existence to human ideas. All our ideas come from sense perceptions, says Conti.

In 1735 Conti was denounced to the Venetian Inquisition because of his reported religious ideas. Conti was accused of denying the existence of God. True to his factional pedigree, Conti also denied the immortality of the human soul. Conti reportedly said of the soul: "Since it is united with a material

body and mixed up with matter, the soul perished with the body itself." Conti got off with the help of his patrician aristocrat friends. He commented that God is something that we cannot know about, and jokingly confessed his ignorance. He even compared himself to Cardinal Nicolaus of Cusa. Conti described his own atheism as merely a version of the docta ignorantia [referring to Cusa's book by the same name, On Learned Ignorance]. But this Senatore Pococurante still lives in every classroom where Newton is taught.

Surely it is time for an epistemological revolution to roll back the Venetian frauds of Galileo, Newton, and Bertrand Russell.

For further reading

On the general thesis involving Contarini as the instigator of the Reformation and Counter-Reformation, Sarpi and the Giovani as the organizers of the Enlightenment, and the post-Cambrai metastasis of the Venetian fondi to England and elsewhere, see Webster G. Tarpley, "The Venetian Conspiracy" in The Campaigner, September 1981. For other articles by Webster Tarpley on Venice, see "The Role of the Venetian Oligarchy in the Reformation, Counter-Reformation, Enlightenment, and Thirty Years' War," New Federalist, March 30 and April 5, 1993; "Giammaria Ortes and the Venetian Hoax of 'Carrying Capacity,' "New Federalist, June 20, 1994; and "Lord Palmerston's Multicultural Human Zoo," EIR, April 15, 1994.

On Leonardo da Vinci and the origins of the telescope, see Domenico Argentieri, "Leonardo's Optics," in Istituto Geografico de Agostini, Leonardo da Vinci, New York: Reynal and Co., no date.

On Sarpi: The most essential works of Sarpi's epistemology are the *Pensieri* and the *Arte di Ben Pensare*. They are available only in Italian as Fra Paolo Sarpi, Scritti Filosofici e Teologici (Bari: Laterza, 1951). But this collection is not complete, and many Pensieri and other material remain in manuscript in the libraries of Venice. Other works of Sarpi are assembled in his *Opere*, edited by Gaetano and Luisa Cozzi. There is some discussion of the Pensieri in David Wootton, Paolo Sarpi: Between Renaissance and Enlightenment (Cambridge, U.K.: Cambridge University Press). An overview of the Galileo-Sarpi relationship is found in Gaetano Cozzi, Paolo Sarpi tra Venezia e l'Europa (Turin: Einaudi, 1979); Cozzi avoids most of the implications of the material he presents.

On Galileo: Pietro Redondi, Galileo: Heretic (Princeton, N.J.: Princeton University Press, 1987) has material on the political background of Galileo's relations with the papacy and the holy orders of the day. The Galileo-Kepler correspondence is in Galileo's 20-volume Opere, edited by A. Favaro and I. Del Lungo (Florence, 1929-39).

On Kepler: The standard biography is Max Caspar,

Kepler (New York: Dover, 1993). Some of Kepler's main works are now in English, including The Secret of the Universe, translated by A.M. Duncan (New York: Abaris Books, 1981); and The New Astronomy, translated by William H. Donahue (New York: Cambridge University Press, 1992).

On Conti: A recent biography is Nicola Badaloni, Antonio Conti: Un Abate Libero Pensatore fra Newton e Voltaire (Milan: Feltrinelli, 1968). Selections from Conti's many manuscript works are in Nicola Badaloni (ed.), Antonio Conti: Scritti Filosofici (Naples: Fulvio Rossi, 1972). For Conti as the teacher of Ortes, and on Ortes as a popularizer of Newton, see Mauro di Lisa, "'Chi Mi Sa Dir S'io Fingo?': Newtonianesimo e Scetticismo in Giammaria Ortes," in Giornale Critico della Filosofia Italiana, LXVII (1988), pp. 221-233. For the Conti-Oliva-Montesquieu Paris salons, see Robert Shackleton, "Montesquieu: A Critical Biography." Voltaire's Candide and Philosophical Letters are available in various English language editions. For Voltaire's references to Conti, see Voltaire's Correspondence, edited in many volumes by Theodore Besterman (Geneva-Les Delices: Institut et Musée Voltaire, 1964). Note that Voltaire also had extensive correspondence and relations with Algarotti. For Voltaire's possession of Conti's books, see the catalogue of Voltaire's library published by the Soviet Academy of Sciences in 1961, p. 276. Gustave Lanson is an example of French literary critics who stubbornly deny the obvious facts of Conti's piloting of Voltaire; see his edition of Voltaire's Lettres Philosophiques (Paris, 1917), vol. II p. 90.

On Newton: Lord Keynes's revelations on Newton's box are in his Essays in Biography (New York: W.W. Norton, 1963), pp. 310-323. Louis Trenchard More, Isaac Newton: A Biography (New York: Dover, 1962) includes a small sampling of material from Newton's box. Richard S. Westfall, Never at Rest: A Biography of Isaac Newton (New York: Cambridge University Press, 1987) dips somewhat deeper into the box and supplies the green lion quotes, but still tries to defend the hoax of Newton as a scientist. For the typical lying British view of the Newton-Leibniz controversy, see A. Rupert Hall, Philosophers at War (Cambridge, U.K.: Cambridge University Press). See Leibniz's letters for what really happened.

EXAMPLE 1 International

Haiti trap was set by the British and Bush

by Anton Chaitkin

As we go to press, the drumbeat is rising for an invasion of Haiti, and the warships are moving. President Clinton is falling into a trap set by his enemies, who have gleefully positioned themselves to pick up the pieces after his Haitian disaster. This is a British-run operation, in collusion with former President George Bush. They want an invasion which blows up in Clinton's face, bringing down his presidency after all earlier efforts to do this have failed or backfired.

George Bush and Henry Kissinger now sanctimoniously denounce the approaching invasion. They themselves earlier organized the starvation-embargo, to try to force the puppet terrorist Jean-Bertrand Aristide back into power. The British want a U.S. invasion of Haiti as a precedent for one-worldist destruction of sovereignty, for establishing the U.N.'s authority to overthrow any government where they claim democracy is being violated.

The immediate targets of this "human rights" assault are the black nations of Haiti and Nigeria. To get away with it, America's black public leaders have been intimidated into silence or complicity through totalitarian prosecutions and witchhunts. The invade-Haiti lobby is nothing but the FBI, as we shall see below. This is true psychological warfare: to make black leadership disgrace itself by participating in the destruction of black leaders and nations.

The Sept. 13 London Times divulged that those seeking the overthrow of the government of Nigeria, and the possible dismemberment of the nation, are "looking to America and Britain" to "persuade" the country's leader to step aside. "If the U.S. invades Haiti, this will be a strong signal to the Nigerian government to rethink its position," the British paper said. It added that a crucial factor will be the U.S. Congressional Black Caucus. Jesse Jackson, of course, has vociferously joined the British chorus.

In Haiti, that country's Congress and the military re-

placed Aristide after he negotiated a surrender to the International Monetary Fund's demands for total economic control and austerity to worsen Haiti's desperate poverty. He used murder and terrorist tactics to destroy all opposition to his dictatorial role.

Nigeria's Sani Abacha government has suspended usurious debt payments to international banks, and claims the right to use its oil to develop its own and Africa's industrial power. On Aug. 3, the London Financial Times asserted that after the regime is overthrown, the International Monetary Fund must directly control Nigeria's finances.

Black Caucus 'silent as lambs'

The acquiescence of most of America's black leadership in the British-Bush Haiti policy is the consequence of brutal police state tactics over many years. A 1987 study by Iowa State University Prof. Mary R. Sawyer showed that 43% of all U.S. black elected officials at that time had been investigated or indicted, including over half of those who were most influential. The Sawyer study documented a widespread pattern of improper investigations and charges against black elected officials, and suggested that the criminal and civil justice system was being misused from a political motivation.

On Jan. 27, 1988, Rep. Mervyn Dymally (D-Calif.) told Congress of the existence of an FBI program entitled "Frühmenschen," a German term meaning "primitive people." He cited an FBI directive calling for the investigation of black elected officials across the nation "without the need for probable cause" on the theory that blacks are "intellectually and socially incapable of governing."

The recent target list is astonishing:

 A special prosecutor has been appointed to investigate Agriculture Secretary Mike Espy, a former member of the Congressional Black Caucus. Secretary Espy is under investigation for allegedly accepting the gift of football tickets and an airplane ride from a poultry producer.

- Another black member of Clinton's cabinet also came under this kind of scrutiny: Commerce Secretary Ron Brown was eventually cleared of charges that he had illegally accepted money to influence a business deal between an American company and a foreigner.
- William Gray III, the U.S. special envoy for Haiti and lobbyist for an invasion, was appointed to this post May 8, 1994. Gray used to be the House Majority Whip (the third ranking Democrat) and head of the Congressional Black Caucus—before the secret police worked him over. The U.S. Department of Justice (DOJ) publicly lied in June 1989 that Congressman Gray was not a target of investigation—a month after the FBI had interrogated Gray. Under unrelenting DOJ/FBI pressure, Gray resigned from Congress on Sept. 11, 1991. Keeping the heat on, the U.S. Attorney's office in Philadelphia issued a subpoena on Nov. 6, 1991, demanding from Gettysburg College all records concerning Gray and payments to him from 1986 to 1989. Gray had spoken at the college in March 1989, and a \$2,000 honorarium was paid as a contribution to Gray's church. On Nov. 14, 1991, an FBI agent visited a former employee of the college and said Gray was under investigation for asking to be paid for speaking.
- In August 1994, under financial blackmail and political extortion, the executive board of the National Association for the Advancement of Colored People (NAACP) fired Benjamin F. Chavis as executive director. Chavis, who had good access to President Clinton, was reliably reported to be opposed to an invasion of Haiti.

The Anti-Defamation League of B'nai B'rith (ADL) demanded Chavis's scalp because of his alliance with the Nation of Islam and had moved to cut off corporate and foundation funding for the NAACP. The anti-Chavis campaign was pushed to a successful conclusion by nationally syndicated columnist Carl Rowan, who accused Chavis of being a thief and adulterer. Rowan, the winner of the ADL's "Communications" award, had played a similar role in the public slander of Dr. Martin Luther King before King's 1968 assassination. Guided by the FBI's J. Edgar Hoover, Rowan wrote a notorious article in the September 1967 Reader's Digest: He said that King had created the impression that blacks were disloyal to their country because he opposed the war in Vietnam, and that it was being whispered that King was under communist direction.

• In collaboration with the Washington Post, the Department of Justice spent seven years (and millions of dollars) trying to destroy Washington, D.C. Mayor Marion Barry. In 1990, when all else failed, the Bushites employed a woman to give Barry cocaine. Jesse Jackson demanded that Barry drop out of the race for re-election, in return for having the charges dropped. Barry went to jail—but unintimidated D.C. voters this month renominated Marion Barry as Democratic candidate for mayor.

'Human rights' defined by secret police

Jonathan Demme is the founder and boss of "Artists for Democracy in Haiti." Demme's New York office shepherds the celebrities who lobby the government to invade Haiti, and who interact with the Congressional Black Caucus. Demme's staff members fax out the pro-Aristide literature and arrange the television appearances of Aristide's champions. To turn U.S. policy toward invasion, Demme-managed black movie stars such as Harry Belafonte and Danny Glover have worked in tandem with TransAfrica director Randall Robinson, a jacobin leftist associated with the British secret service wing of the intelligence community.

The only office of this invade-Haiti lobby is in fact the film company of director Jonathan Demme, famous for his movie "The Silence of the Lambs." Demme has avoided the spotlight despite personally lobbying President Clinton and the National Security Council.

Demme moved to England in 1968 and began his career there making horror movies. In 1987, Demme made a documentary, "Haiti Dreams of Democracy." His Haiti propaganda was commissioned and financed by a British government agency chaired by Lord Thomson of Monifieth, the former British Secretary of State for Commonwealth Affairs.

"The Silence of the Lambs," a celebration of Satanism, cannibalism, and insanity, was co-produced by Demme and the Federal Bureau of Investigation. Filming took placed at the FBI's Quantico, Virginia training center. The film stars Jodie Foster as a heroic FBI agent, a protégé of the FBI's Behaviorial Sciences Unit. This is a group whose Kenneth Lanning is notorious with local police for sabotaging their investigations of satanic pedophile rings and child murderers. At the Academy Awards presentation, Foster thanked the FBI for its role in creating the movie.

Demme's recent film "Philadelphia" depicted so-called "gay rights" as the vanguard of the current civil rights struggle.

Demme typifies the pit in which British and allied psychological warfare agencies have manufactured the zombies who have mis-governed Haiti. Former dictator François "Papa Doc" Duvalier, the high priest of voodoo, was guided by the Rockefeller Institute of New York, and the Rockefellers remained his patrons until his death. Aristide, a rewarmed leftist version of "Papa Doc," is a psychologist trained in Israel and Canada. Anglo-American globalist financiers sent Haitian agents to Africa, spreading primitivism and superstition as an antidote to black demands for technological progress.

The British never forgave Haiti for being the first black republic, and an ally of the American Revolution, after Haiti's slaves revolted and defeated the British and French armies. They have exacted terrible revenge. Impoverished Haiti in recent years became a haven for high-living Anglo homosexuals, and an AIDS death camp. Along with Jonathan Demme and the FBI, the "Homintern" has lobbied hard for the British Haiti policy.

The invasion of Haiti: a Bush administration policy

by Valerie Rush

Over the last months, as the Clinton administration edged closer and closer to invading Haiti, the public has been treated to the spectacle of George Bush, Henry Kissinger, and other advocates of British geopolitics all publicly "opposing" such an invasion in the most strident terms. Americans with a shorter memory span may not register just how outrageous and hypocritical this is. But *EIR* documented these facts at every step along the way, from 1991 to the present, as we summarize them in the brief chronology below.

The following conclusions emerge:

- It was the Bush administration that first decided to forcibly reimpose the unstable and murderous Jean-Bertrand Aristide on the Haitian people, as part of its support for the pro-terrorist São Paulo Forum, of which Aristide and his Lavalas movement are a part;
- It was Bush who imposed a genocidal economic embargo on that impoverished country;
- It was Bush who first drew up plans to occupy Haiti militarily; and
- It was Bush who proclaimed that it was a matter of "U.S. national security" to use the U.N. apparatus to impose limited sovereignty on the small Caribbean nation.

Bush bequeathed this entire disastrous policy package, lock, stock, and barrel, to Clinton when the latter took office in January 1993, and then set the incoming administration on auto-pilot for an invasion of Haiti in the medium term. And when Clinton, over the course of 1993, began to distance himself from this Bush policy and look for ways out of the Haitian trap, the Bush apparatus and its British-run allies in Hollywood and elsewhere came down on Clinton like a ton of bricks.

A two-pronged attack

In the critical period of March-April 1994, the Bush apparatus launched a two-pronged operation to break Clinton on Haiti policy:

1) Using the pretext of Clinton's continued application of Bush's repatriation policy toward Haitian refugees, Clinton was cynically smeared for being a "racist" by people like Randall Robinson of TransAfrica and members of the Black

Congressional Caucus, to force a policy reversal.

2) A promotion job was done on behalf of Aristide, to once again "sell him" to reluctant layers of the U.S. military and intelligence establishment, who accurately and publicly had denounced him as a psychotic and murderer. The key here was a study prepared by Bush-linked specialists at the Strategic Studies Institute of the U.S. War College, entitled "Reconciling the Irreconcilable: The Troubled Outlook for U.S. Policy Toward Haiti," which, among other things, argued that Aristide's "instability" notwithstanding, his restoration was essential to Haiti's required "cultural revolution."

Once the Bush-British crowd had achieved their objective of driving Clinton back onto the suicidal course of invading Haiti, they turned around and began attacking him for it!

Now, the United States stands poised to invade Haiti—thanks to George Bush.

Chronology of events

Sept. 30, 1991: The Haitian military ousts Aristide from power; Aristide eventually settles into exile in Washington, under the protection of George Bush.

Oct. 8, 1991: The Bush administration convinces the Organization of American States (OAS) to impose a total economic embargo against Haiti and recommend sending a "security force" toward reinstating Aristide. Bush's Secretary of State James Baker tells the OAS that while the purpose of such collective action is to restore Aristide to power, "our interests do not stop there. . . . This is the hemisphere that is building a future of free trade from Alaska to Argentina."

Three years later, Baker would tell the media that an invasion of Haiti to restore Aristide "is not in the national interest."

Oct. 18, 1991: EIR publishes a feature article entitled "Bush Readies Invasion to Re-install Haitian Pol Pot." The article describes Bush's campaign to restore Aristide to power as a means "to turn the poorest country in the Western Hemisphere into the next new world order 'test case.' The plan is to use the Haitian crisis to replace national sovereignty

and national armies in the Western Hemisphere with a 'collective security' doctrine mandating supranational armed enforcement of International Monetary Fund debt collection and Pol Pot-style genocide."

December 1991: EIR News Service reports that the Bush administration is trying to force the appointment of Haitian Communist Party boss René Theodore as Haitian prime minister, over the opposition of the Parliament and Armed Forces.

February 1992: The Bush administration dubs Haitians fleeing the effects of its economic embargo "economic refugees," and proclaims them therefore ineligible for political asylum in the United States, as justification for a repatriation policy which is dubbed "Operation Racist Shield" by the *Miami Herald*.

Feb. 24, 1992: EIR News Service reports that Bush Defense Secretary Dick Cheney has been sent to tour Ibero-America to, among other things, start building support for a "collective military intervention" into Haiti. A Pentagon spokesman dubs his trip a Bush "military initiative for the Americas."

January 1993: William Clinton is inaugurated President of the United States.

July 1993: The Governor's Island Accord is signed separately by Jean-Bertrand Aristide and by Haitian military chief Gen. Raoul Cédras, whereby Aristide—under Clinton administration pressure—agrees to an amnesty for the Haitian military in exchange for Cédras's resignation. The U.S./ U.N. embargo is temporarily lifted.

Aristide later reneges on the pledge when his allies inside the Haitian Parliament refuse to pass legislation approving the amnesty, and General Cédras therefore refuses to resign.

September 1993: Aristide calls on the United Nations to reimpose the embargo, which it does in October.

October 1993: The CIA leaks a profile of Aristide which it had prepared shortly after his September 1991 ouster from power, which portrays the man as suffering from severe depression and nervous breakdown, and which quotes from one neurosurgeon who worked closely with Aristide in Haiti, describing him as a "psychotic manic depressive." The report serves to encourage the Clinton administration to seek alternative solutions to the Haiti crisis.

Feb. 24, 1994: Clinton's special envoy to Haiti, Lawrence Pezullo, pressures Aristide to accept a broadened Haitian government, while President Clinton resists pressure to heighten the sanctions against Haiti.

March 1994: A full-page advertisement is taken out in several major U.S. newspapers by the lobbying group Trans-Africa, headed by the British intelligence-linked Randall Robinson, and by various Hollywood, Jewish, and black organizations. The ad charges President Clinton with racism for continuing Bush's refugee repatriation policy.

March 1994: The Strategic Studies Institute of the U.S. Army War College publishes a study for the Pentagon and other government agencies, which is subsequently adopted

as policy by the Clinton administration. It argues explicitly that Haitians were better off as a slave colony of France than at any other time in their history, and suggests that the restoration of Aristide be the start of a decades-long "whole-sale cultural revolution" under foreign occupation.

The authors of the study include Gabriel Marcella, a leading contributor to the Bush project for dismantling the armed forces of Ibero-America, presented in the 1990 government-funded book *The Military and Democracy, the Future of Civil-Military Relations in Latin America*, which later became widely known as "the Bush Manual." Described as an adviser to the War College report is Luigi Einaudi, the man known as "Kissinger's Kissinger for Ibero-America," who was not only the architect of George Bush's Haiti policy as U.S. ambassador to the OAS, but was also one of the key forces behind the Bush Manual.

In his new book Warriors in Peacetime: The Military and Democracy in Latin America, Marcella describes his "intellectual debt" to British agents-of-influence Henry Kissinger and Samuel Huntington.

April 1994: TransAfrica's Randall Robinson begins a highly publicized hunger strike to force Clinton to end the policy of repatriating Haitian refugees, and go all the way with Aristide. Comparisons of Aristide to South Africa's Nelson Mandela begin to appear in the media, and Congressional Black Caucus members chain themselves to the White House gate to dramatize Robinson's cause.

April 26, 1994: Lawrence Pezullo is forced to resign and Clinton announces that he is "reviewing" his administration's Haiti policy.

May 4, 1994: Henry Kissinger writes a column calling Aristide unbalanced and opposing the invasion of Haiti.

May 8, 1994: President Clinton names former Pennsylvania congressman and former Black Caucus leader William Gray to replace Pezullo. President Clinton reverses his policy on repatriation of Haitian refugees, and transports all Haitian refugees picked up on the high seas to Guantanamo Naval base holding camps. Robinson ends his hunger strike.

In an interview to the press, former Haiti envoy Pezullo says, referring to Robinson, "We've got a new foreign policy man now. I don't know where he came from."

May 10, 1994: Clinton's Secretary of State Warren Christopher announces that the United States is urging other Western Hemisphere nations to join a supranational military force to enforce Haiti's transition to "democracy."

May 12, 1994: Former President George Bush calls on the Clinton administration to break with an "unreliable" Aristide and strongly opposes invasion of Haiti. The Bush crowd all suddenly discover Aristide's "volatile temperament, refusal to compromise, proclivity for violence," and urge Clinton to distance himself from the Haitian madman.

July 31, 1994: At U.S. insistence, the United Nations Security Council votes to authorize "the use of all necessary means" to topple Haiti's embattled military leadership and restore Aristide to power, effectively giving a green light for invasion.

São Paulo allies scramble in Argentina

by Roberto Rodríguez

Leaders of Argentina's leftist electoral coalition, the Broad Front (Frente Grande), are nervous about the recent defeats suffered in several Ibero-American nations by their allies in Fidel Castro's narco-terrorist alliance, the São Paulo Forum. Following elections in Venezuela and Mexico, where the electorate voted for institutional stability rather than the destabilization and violence offered them by Forum-linked candidates, the Broad Front's presidential hopeful, Carlos "Chacho" Alvarez, who expects to run against President Carlos Menem in 1995, announced that he "was never a leftist."

His model, he said, isn't Brazil's Luís Inacio da Silva a founder of the São Paulo Forum and presidential candidate of the Workers' Party (PT) for that country's October elections—but rather Chile. Earlier this year, Alvarez had boasted that his movement could be similar to Brazil's PT, and he met with PT leaders.

What Peronist "dissident" Alvarez means by the Chilean model is a "democratic and pluralist" coalition similar to that which put current Chilean President Eduardo Frei in power. Member groups disagree on secondary matters, but agree on one crucial issue: the need for economic liberalism (another name for British free trade and austerity). The Broad Front's "Chilean" project came into being on Aug. 8, when Alvarez consummated his long courtship with Radical Party social democrat Federico Storani and former Mendoza governor and Inter-American Dialogue member José Octavio Bordón. All of these figures have cultivated their images as socially conscious, anti-corruption leaders who oppose the status quo within their own parties. Bordón recently resigned his position as a senator, underscoring that he was not leaving the tradition of Argentina's former President Juan Perón, founder of the Peronist mass movement, which has traditionally been nationalist in its outlook, but was only leaving Peronism's "Menemist" current.

A motley crew

The Broad Front is a motley crew of communists, Christian Democrats, Christians, socialists, and former officials of the 1976-83 military government. There are even rumors that Menem's former Interior Minister Gustavo Béliz, an advocate of the pseudo-Catholic theories of American Michael Novak, who left office over a year ago because he opposed corruption within the government, may officially join the Front. The weekly intelligence newspaper El Informador Público reported recently that journalist Mariano Grondona, a Henry Kissinger intimate who poses as a Catholic theoretician, may be a candidate on a Broad Front ticket to offer an image of "undeniable morality and capability."

As the London Financial Times indicated earlier this year, Carlos Menem is definitely expendable as Argentina's President. Bordón has said that he wants to put an end to the "Menem dynasty," while earlier this year, Storani charged that Menem was "like Mexico's PRI," that country's ruling party. These phrases are simply the codewords for the São Paulo Forum's offensive to destroy the institutions of the nation-state—the church, the Armed Forces, a strong presidency—and replace them with ethnic violence, ecologism, and civil war. No matter how well Menem has imposed foreign dictates, to the degree that he and his Peronists are in any way identified with institutional stability, they have to be swept away, in the view of the British gamemasters.

Alvarez's conversion

On Aug. 5, Alvarez inaugurated his own foundation, the Center for Programmatic Studies, and announced the Broad Front's economic program. In the months following the coalition's electoral victory last April, there had been considerable speculation over the nature of the Front's economic policies, especially from the more recalcitrant free-trade advocates such as conservative leader Alvaro Alsogaray. In statements issued Aug. 5, Alsogaray asked, "What is the Grand Front's platform. . . ? Alvarez is a wolf in sheep's clothing; what is his program?"

Alsogaray needn't have worried. What Alvarez presented was the same neo-liberal program of Finance Minister Domingo Cavallo-with a few phrases thrown in about "social needs." The architects of the program include economist Daniel Novak, who formerly worked for José Martínez de Hoz, finance minister of the 1976-83 military junta; and Arnaldo Bocco, a New York University-trained economist who worked for many years as a consultant to the Inter-American Development Bank and the Canadian government. Argentina's liberal establishment gave the Front's program its blessing. It couldn't have asked for anything better: a program that united the principles of government neo-liberalism with the neo-liberal "opposition."

The Broad Front's program is a reaffirmation of Cavallo's "convertibility program," which places the peso on a one-toone relationship with the dollar, and emphasizes austerity. Echoing themes discussed by International Monetary Fund Managing Director Michel Camdessus during a recent visit to Buenos Aires, the plan speaks of extending more credit, improving competitiveness and productivity, but says nothing about the wages or real production required to stimulate the internal market and exports.

As British-linked geopolitician Jorge Castro put it in the Aug. 7 El Cronista, "What is truly important is that the government and the main opposition force share the same economic culture in today's Argentina."

Murawiec's pals stole billions from Russia in mafia flight capital scam

by Dean Andromidas and Jeffrey Steinberg

See EIR Aug. 12, 1994, p. 57 and Aug. 26, 1994, p. 56 for the two previous articles in this series about British intelligence's strategic blunder, Laurent Murawiec.

EIR's ongoing investigation of Laurent Murawiec, a former associate of the political movement tied to Lyndon LaRouche, has now turned up an even nastier nest of British intelligence-owned gangsters and thieves than originally reported. After working for years as a European correspondent for EIR, Murawiec defected to British intelligence in the early 1990s, a move symbolized by his sponsorship into the ranks of the International Institute for Strategic Studies (IISS) by leading British China-basher Gerald Segal, and his patronage by Tavistock Institute Holocaust historian Leon Poliakov.

In June 1994, Murawiec showed up in Buenos Aires, Argentina, on the eve of a majorterrorist bomb attack against a building housing Argentina's most prestigious Jewish organizations. His presence in Argentina in his capacity as the managing director of an obscure Swiss think-tank, Geopol, set off alarm bells, because all of the other principals in the firm had previously been linked to international arms trafficking, drug money laundering, and black operations targeting Argentina, Brazil, Iraq, and other developing nations seeking to build up their domestic high-technology defense industries.

Moreover, the bombing of the Jewish center, AMIA, denounced by Israeli officials as the work of "extremists" out to destroy the Middle East peace process, conformed to the geopolitical prescriptions of the very British IISS crowd to which Murawiec and the Geopol crew were affixed.

Helmut Raiser and Robert Maxwell

Murawiec's sponsor in Geopol, Swiss-based German businessman Helmut Raiser, had been "Mr. Inside" in the mid-1980s Condor II scandal, in which the Bush and Thatcher governments targeted Argentina and Iraq for attempting to develop an independent medium-range ballistic missile capability. Raiser's engineering firm, Consen, was deeply involved in the Argentine and Iraqi facilities, and it was on the basis of inside information, leaked to British intelligence-sponsored journalists, that the Condor II program was gone after and ultimately shut down.

It now turns out that Raiser's company was also in the middle of a multibillion-dollar capital flight operation against Russia, in league with some leading figures in the old communist *nomenklatura* and the late Robert Maxwell.

Evidence of the Raiser-Geopol involvement in the ongoing looting of Russia and other republics of the former Soviet Union emerged from a July 28, 1994 German television documentary about the life and death of British MI-5 agent Robert Maxwell (see EIR, Aug. 12, 1994, p. 54). The television show, aired on Germany's ARD television network, was prepared by a joint investigative team from Germany and Austria who traveled to Moscow to interview former top Soviet KGB and Communist Party officials who had been involved with Maxwell in a massive flight capital scheme during the final months of the U.S.S.R.'s existence.

According to the TV documentary, in late 1990, Soviet President Mikhail Gorbachov had hired Maxwell, a close friend and confidant, to represent the U.S.S.R. in a series of dubious financial ventures aimed ostensibly at generating \$15 billion in hard currency to pay down Moscow's debt to its international creditors. Maxwell was joined in the effort by a Riga, Latvia-based private firm called Nordex, headed by Grigorii Loutchanski, a close Communist Party ally of Gorbachov.

According to Baltic sources, Loutchanski was personally given the franchise to "invest" Soviet funds abroad by President Gorbachov. His Riga-based Nordex was protected by Baltic KGB chief Boris Pugo, who later became the last Soviet internal affairs minister, and was implicated in the August 1991 putsch attempt.

The ARD documentary charged that Maxwell's mysterious death in November 1991 was part of a pattern of murders of people involved in the illegal Gorbachov flight capital operations of 1990-91. At least seven leading Soviet officials, including Pugo and former Red Army Chief of Staff Sergei Akhromeyev, died in the weeks following the aborted coup; several other plotters, including Prime Minister Valentin Pavlov and KGB chief Vladimir Kryuchkov, both identified by ARD as Maxwell's "task masters," were jailed.

Loutchanski not only survived the events of August 1991. He prospered. Nordex expanded operations, setting up overseas offices in Vienna, Zurich, London, and the Far East. Robert Maxwell's two sons, Kevin and Ian, work for Nordex's Vienna office to this day. However, they didn't fare so well. They are both about to stand trial in England for their role, along with their father, in the theft of millions of dollars from the Maxwell corporate empire's pension funds. There is widespread speculation that Maxwell's flight capital schemes on behalf of Gorbachov did not work out, and he may have tried to cover the losses by dipping into his own company funds to gamble on the derivatives markets.

Nordex and Consen

A recent review of Swiss and Austrian corporate records by EIR investigators revealed that Nordex's "business" operations directly involved Helmut Raiser's Consen Group, as well as other shady Swiss financial figures closely linked to Geopol. Although Loutchanski is currently based out of the Vienna offices of Nordex, the Austrian company, Nordex Vienne, is a wholly-owned subsidiary of the Zurich firm NH Nordex Group Holding AG, with offices at Kreuzplatz 2.

The central figure in the Zurich company is a Zug, Switzerland-based attorney named Iso Lenzlinger. Lenzlinger's name appears on the board of directors of all of the Nordex companies, including NH Nordex Group Holding AG. Other Zurich subsidiaries of Nordex Holding include Industrial Financial and Trading SA, Contitrade AG, and FPI AG. All are located at the same Zurich address.

Since no later than 1983, Lenzlinger has also been closely tied to Helmut Raiser. His name appeared on the board of directors of all five of Raiser's Consen Group firms throughout their existence. Moreover, the Swiss complex of Nordex firms includes several other figures with longstanding ties to Raiser and other Geopol directors.

Most important among them is Dr. Alfred Hartmann, the former chief financial officer of the Bank of Credit and Commerce International (BCCI), the head of Rothschild family banking operations in Switzerland, and the former head of the Swiss branch of the Banca Nazionale del Lavoro (BNL). BNL was a major source of funding for the Consen operations in Iraq. Hartmann sits on the board of the Zug company, Megomat AG, with FPI AG director Bruno Battaini.

Megomat, a cable manufacturing firm, is believed to have been involved with Raiser's Consen Group in the Condor II program during the 1980s. Megomat's chairman, Dr. Kurt W. Hackel, was for many years the director of the European division of National Cash Register (NCR), which is a subsidiary of Krupp Industries AG. Until he set out on his own in the early 1980s, Raiser was chairman of the Krupp-linked Bohlen Industries, and Krupp played a major role in Raiser's various engineering ventures—i.e., weapons production during the 1980s.

Laundering the flight capital

According to a former high-ranking Soviet Communist Party official familiar with the Nordex story, Grigorii Loutchanski was given authorization from the Gorbachov regime to set up a string of "investment firms" with the exclusive franchise to funnel Soviet state firm profits into Swiss bank accounts. Between 1990 and the fall of the Gorbachov regime, an estimated 9,000 companies were established solely to smuggle Soviet funds into the West. Switzerland and Canada were two primary centers of this massive capital flight, and Loutchanski clearly was a central figure in all these operations.

In fact, a September 1994 article in the Swiss financial magazine Bilanz linked Loutchanski's Swiss partner, Iso Lenzlinger, to another flight capital operation that was set up by associates of Gorbachov's rival and eventual successor, Boris Yeltsin.

According to Bilanz, during the same 1990-91 period when Nordex was working with Robert Maxwell to siphon rubles, Soviet gold, diamonds, and other precious commodities into Swiss bank vaults, Lenzlinger was also the point man in Zug for a mafioso named Michael Preisfreund. On behalf of Preisfreund, a Finnish national linked to U.S.-based organized crime families, Lenzlinger set up a Liechtensteinbased outfit called Transatlantic Foundation. Lenzlinger himself had a Zug-based firm called Transatlantic Handels AG, which is now defunct.

According to author Claire Sterling, in January 1991, Preisfreund and his cohorts Leo Emil-Wanta, Jack Tremonti, and Martin Gulewicz, were implicated in a scam involving the proposed sale of 140 billion rubles for a total of \$7.8 billion, at a time when the ruble was trading at near parity with the dollar. The deal, had it gone through, would have represented one of the biggest thefts in history.

The story, detailed in Sterling's 1994 book, Thieves World, first came to light on Jan. 23, 1991, when Russian authorities detained British businessman Paul Pearson at Moscow International Airport. Pearson was representing a company called Dove Trading, headed by a South African con-man named Colin Gibbins. In his briefcase, Pearson was carrying a contract signed by top officials of Boris Yeltsin's Russian Federation government, authorizing the ruble-dollar swap at the rate first offered by the Preisfreund-Wanta group months earlier.

In the weeks that followed Pearson's detention, top Soviet officials still loyal to Gorbachov stepped forward to accuse western secret services of attempting to bankrupt the Soviet Union. Meanwhile, at the personal behest of President Gorbachov, Loutchanski, Maxwell, Lenzlinger, et al. were apparently running nearly identical scams with the connivance of equally prominent Soviet Communist Party and KGB officials. And Lenzlinger, the business representative of Geopol's Raiser, was apparently a pivotal figure in both efforts.

The real crime cartel

Sorting through the maze of front companies, Swiss bank accounts, Russian gangs, and American hoodlums implicated in the multibillion-ruble theft is difficult, indeed. However, the picture comes into sharp focus by looking back at Geopol, the new home of Laurent Murawiec, and a gathering spot for some of Switzerland's best-known and most-sophisticated con artists. As we have already seen, Helmut Raiser has been a central player in some of the biggest arms deals in recent memory, always in league with British intelligence.

Another director of Geopol, Elizabeth Kopp, is the former justice minister of Switzerland. Her husband, Hans Kopp, was implicated in one of the biggest drug money laundering schemes ever probed by the U.S. Drug Enforcement Administration. Kopp was the vice president of the Shakarchi Trading Company, owned by a Lebanese family of several generations of drug smugglers and money launderers whose laundering efforts were handled through banker Edmond Safra. Safra's Trade Development Bank is now a part of the Geopol apparatus.

Pierre Hafner, another Geopol director, is a senior official of the CBI-TDB Union Bancaire Privée, and Geopol's offices are in the TDB-UBP building. This bank is owned by the Picciotto holding company, CBI Holding SA, which is based at the bank's headquarters and of which Hafner is a director. It is common talk in Swiss financial circles that Hafner is a creature of the Rothschilds and related British interests, "without which he would be nothing," as a Swiss source told EIR. Only a few years ago, he shared board membership at Deutsche Bank Geneva with Albert Hartmann of BCCI.

Safra's Republic National Bank, headquartered in New York City, was implicated in drug money-laundering by both the Shakarchi Trading Company and a string of Medellín Cartel fronts in Colombia back in the late 1980s. More recently, TDB was implicated in funneling mafia money to Socialist Party politicians in Italy and Spain.

In 1982, Hans Kopp was convicted of fraud and sentenced to a one-year suspended jail term. The case involved another Swiss banker named Rudolph J. Ernst, who, according to reports in the Swiss press, was allegedly operating out of the Dominican Republic and shipping prostitutes to Switzerland, where they would have been set up in a porno club targeting government officials for blackmail. When Kopp's name came up in the Shakarchi-Safra probe by DEA agents in Berne, his wife was forced to resign as justice minister.

Elizabeth Kopp's career took a further turn for the worse when a former employee came forward with charges (published in Swiss newspapers) that while she was in office, whippings using bamboo sticks had regularly been administered to male employees of the Justice Ministry. Kopp is currently a director of Yugotours, a firm widely thought to be a front for Serbian intelligence.

Between Kopp, Raiser, Hafner, and Raiser's longtime confidant Iso Lenzlinger, Geopol represents a true crossroads of East-West corruption. No matter how much Laurent Murawiec may squeak about his London IISS credentials, he is residing in a high-class cesspool.

France toward a new Algerian crisis?

by Christine Bierre

In an interview given to *Le Monde* on Sept. 6, French Foreign Affairs Minister Alain Juppé announced a significant change in French policy toward Algeria when he declared, "there is no other solution to the present drama than the reconciliation of the Algerian people, a political dialogue which should lead to elections."

Tensions between France's government and Algerian Islamists (those who defend the idea of a political order based on Islamic religious principles) had increased massively following the assassination of five French citizens—two policemen and three consular personnel—in Algiers last Aug. 4. Responsibility for the attack was later claimed by the Islamic Armed Group (GIA), the most extreme of the armed groups fighting in Algeria's civil war, in a statement to the London-based Arab paper El Hayat. This attack, which for the first time targeted diplomatic personnel, represents a considerable escalation in the war which the Algerian Islamists are waging against the French government, which is accused of being the main western supporter of the Algerian regime.

The attack could have had far worse consequences. The five Frenchmen were killed in a shootout with the extremists, while these latter were attempting to place a car bomb in the area near the Max Marchand French school. The target of the car bomb appears to have been a building housing almost the totality of France's 70 diplomatic personnel who had been regrouped and moved there in an effort to improve their protection. Scheduled to go off at 7:30 a.m., the bomb's effect would have been devastating in this heavily populated area at a time when many people are busily buzzing around.

The killings were immediately condemned in a communiqué released by Rabah Kebir, the spokesman for the Islamic Salvation Front (FIS) in Europe, who hinted that Algerian military elements may have been involved in the provocation.

The background to this level of atrocity was the position of total hostility adopted by the French government against any participation in power by the Islamists, and an attempt to prop up an Algerian regime in spite of the fact that it never had any mandate to rule. This whole situation goes back to 1990 when the moderate Islamic forces organized

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around the FIS won the national legislative elections hands down. The FIS was never handed its victory, however.

Claiming to be the ultimate defenders of democracy, the military took power under pretext that the FIS would bring in an Iranian-style regime which would end democracy altogether. Since then, the country has been run by the military amid growing opposition which has developed more and more into a full-fledged civil war. War casualties easily reach 200-300 a week at this point and whole areas of the country are dominated by the armed Islamists.

In this situation, the French government, formerly Algeria's colonial power which maintains considerable influence in the country, opted for full backing for the present regime. In a cold panic that this situation might degenerate and create massive unrest in France, the French government increased its own financial aid considerably and recently organized the international financial community and International Monetary Fund (IMF) to allow Algeria to reschedule its debt. The conditions were unsually favorable for this institution, which otherwise specializes in looting, in its effort to prop up the Algiers government by stabilizing the economy, while refusing to negotiate with the FIS. Out of a total of \$16 billion in public debt, \$5 billion were rescheduled over a 15-year period, combined with an initial four years of grace. This rescheduling will allow Algeria to reduce international debt servicing to "only" half of its revenue. Otherwise, the IMF and France are extending \$1 billion in loans apiece to try to stabilize the situation. The French are also providing technical, military, and intelligence assistance.

France shifts to hard line

This hardline anti-Islamist position had not always been the French government's policy. Since the FIS won the 1990 elections, President François Mitterrand, a Socialist, encouraged the Algerian leaders to negotiate with FIS moderates. He also developed a policy of seeking contacts with other moderate Islamic regimes, such as Sudan, which could eventually contribute to a solution of the Algerian crisis.

The turn in the French line came when the coalition government, led by Mitterrand's opponent Edouard Balladur, came to power in March 1993. (Under the Fifth Republic's Constitution, the French President remains in office for seven years as head of state, while the prime minister and cabinet are elected on the basis of more frequent parliamentary elections—hence from time to time, the head of state and government may have opposite policies.) While in the early months, the Balladur government also studied the possibilities for opening up dialogue with the FIS, according to press accounts, by the spring of this year they had come to the conclusion that there were "no moderate Islamists" in Algeria and that everything had to be done to prop up the present military regime because it was preferable to have a "deficit of democracy" with the military than "no

democracy at all with the FIS."

Beyond statements from French Foreign Affairs Minister Alain Juppé at the end of 1993 and in early 1994 favoring an opening to the FIS, even French Interior Minister Charles Pasqua, known as very hostile to the immigration from North Africa, had tried to open up contact with one of the FIS leaders in exile in Germany, Rabah Kebir. Libération, the French daily, revealed on Aug. 7 that as late as April 1994, Pasqua sent an emissary to Rabah Kebir with the intention of working out a negotiation platform that Paris would then transmit to the Algerian government. According to Libération, the contacts didn't go very far, however, when the FIS asked whether two of its leaders, who had just been freed from jail by Algerian head of state General Zeroual, could leave the country in order to conduct negotiations freely. Since then the French have devolved toward a harder and harder opposition to the Islamists, which was resumed when Charles Pasqua remarked, "There are no FIS moderates."

To most observers, including, paradoxically, the French government, there is no doubt that the present Algerian regime, after years of austerity policies and corruption, is totally discredited with the population. The government knows this but thinks this is still the better solution to the situation.

At the same time, the United States has been carrying out back-channel talks with FIS moderates for some time. This includes contacts with U.S.-based FIS representative Anwar Haddam, as well as with Rabah Kebir. Following those openings, the United States has been pressuring the Algerian and the French governments to move in the direction of negotiations. The FIS analysis of the overall situation itself goes in that direction. It is their view that Algeria is heading toward a stalemate in the war—they know neither side has enough power to win, and that inevitably, at some point in the game, the FIS will have to come to the political negotiating table.

Why, then, is Charles Pasqua promoting this hardline anti-Islamic policy, given his reputation as one of the most pragmatic French politicians, always ready to negotiate with the devil, if it might get him somewhere?

The key is in the perceived mood of the French population one year before the 1995 presidential elections. Polls taken in the suburban areas of the Paris region in particular show that most voters perceive the most important problem to be their "security." The problems of "insecurity" are more often than not blamed on the North African immigrants, who are predominately Muslims. Pasqua is undoubtedly taking into account the fact that the anti-immigrant racist party of Jean-Marie Le Pen maintained its more than 10% vote in the last elections to the European Parliament, while the "Other Europe" list of Philippe de Villiers and Jimmy Goldsmith, running on a very similar platform, obtained 12.5% of the vote. Add to this, the fact that Charles Pasqua has indicated his willingness to be a presidential candidate in the 1995

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elections, and the reasons why Pasqua has worked full time to have the government endorse his harsh anti-FIS policy become more clear. Pasqua is pandering massively to the anti-immigration "law and order" sentiments in France to ensure a victory of his coalition, if not eventually his own electoral platform.

No sooner had the killing of the five Frenchmen in Algiers occurred than Pasqua had already put the country on a full anti-terrorist alert, in a mobilization going way beyond the level of danger, according to statements made by Pasqua himself to the daily *Le Figaro*, that he did not expect bombings on French territory. All policemen, including the judiciary and the political police, plus three extra units of the special anti-riot police CERES, were mobilized in heavily immigrant and sensitive areas, or simply heavily populated

areas of Paris, checking identity cards and reassuring the population, amid false rumors of bomb attempts. Meanwhile, 17 Islamists, including two imams suspected of pro-FIS sympathies, were put under house arrest. Some will be expelled to the first country that will receive them; others, who are wanted in Algiers and who would therefore face the death penalty, will be kept in France under house arrest. Furthermore, five FIS-connected publications have been banned. Internationally, Pasqua went on the air attacking the United States, Germany, and Great Britain for harboring exiled "FIS extremists." The interior minister apparently expects that this "security" buildup will translate into several extra percentage points for his party or for himself in the next elections.

If Pasqua is maneuvering for his own aims, many howev-

FIS, government move toward negotiations

In an unexpected move, the government of Algeria announced in mid-September the good news of the release of three of the most important Islamic Salvation Front (FIS) leaders, held at the Blida military prison: Kamel Guemmazi, Omar Abdelkader, and Nourredine Chigara. More important, the government announced the downgrading to simple house arrest of the prison sentences of the founders of the FIS, Abassi Madani and Ali Belhadj.

The reason stated by the government's communiqué is that Abassi Madani's letter of Aug. 23 proved "the willingness of the leaders of the dissolved party to act towards halting all bloodletting and to contribute through peaceful means to the emergence of a definite solution to the crisis the country is going through."

The government's decision should free the way to full-fledged negotiations with FIS moderates. At the end of August, the imprisoned FIS leaders had already agreed to meet two emissaries of General Zeroual, Algeria's strongman. A first meeting with Generals Betchine and Derradji took place with FIS founder, Abassi Madani, alone. Two others brought together five of the most important leaders currently at the Blida prison.

During the course of those meetings, the FIS clarified that it would orient toward a tolerant Islam, as opposed to a sectarian, Khomeini style of fundamentalism. In two letters (on Aug. 23 and 27) addressed by Madani to General Zeroual, the imprisoned leader mentioned for the first time the possibility of a "truce" in the fighting. Abassi

Madani also committed the Islamic movement to respecting the constitution, "political pluralism" and "party alternation," and called for a referendum with the least delay to have the Algerian people approve the establishment of "a republican Algerian state founded on Islamic principles." In exchange, the FIS leader demanded essentially two preconditions for any further dialogue: the release of all the political prisoners, and the re-legalization of the FIS.

Ironically enough, one of the elements contributing to this dialogue has been the growth of the extremist Islamic Armed Group (GIA). Their rapid expansion forced the FIS into a untenable position: either to outdo the GIA in violence, competing with them in recruiting radicalized elements, a situation which would have led to the discreditation of the Islamic movement among the broader population already fed up with the war and rejecting radical forms of fundamentalism; or to open up negotiations with the government while there's still time. The threat of a GIA breakout also contributed to softening the government's opposition to negotiations.

In the meantime, the FIS has taken steps to increase its control over the armed groups. The prohibition of the FIS two years ago, the arrest of its leaders and the flight into exile of others, had decapitated the FIS inside the country, leaving the field open to extremist groups. Efforts over the last weeks to assemble the armed groups of the eastern and western parts of the country under the banner of the FIS-affiliated Islamic Salvation Army have apparently been successful and have improved the FIS's control throughout the country. The freeing over recent weeks by the government of other leading FIS elements, has apparently contributed to this development.

-Christine Bierre

er have accepted the government policy with no protest for fear that if the FIS comes to power in Algeria, it would create a domino effect throughout the rest of the Maghreb countries, especially in Tunisia and Morocco, which, up to now, have avoided Islamist regimes.

Who controls the Algerian terrorists?

If the FIS is claiming that it is moderate and many of its leaders seek contacts with the West, who, then, are the extremists? For the past couple of years, the Islamic Armed Group (GIA) has been terrorizing foreigners and moderate Islamic and even secular Algerians. Fifty-seven foreigners have been killed all told, a strategy clearly aimed at breaking all Algerian ties to the outside world. Within Algeria, the armed groups are trying to force Islamic law on people who don't necessarily want it. Thus in some areas they have threatened women to wear the *jehab* (veil), or stay inside their houses. They even made death threats against students and teachers, if they attended the beginning of the school year in September.

The GIA, comprised of Afghanis—those Islamists who participated in the Afghanistan war against the Soviets—is playing right into the "clash of civilizations" scenario of the Trilateral Commission think-tanker Samuel Huntington, according to which, in this post-communist era, the old East-West political confrontation will be supplanted by a deepening conflict between the Enlightenment-inspired West and a supposed "Islamic-Confucian" monolith on the other.

There is some amount of suspicion that this policy is being promoted by evil circles in advanced countries, in England in particular, who want to rule over a divided world, plunged into wars over ethnic, religious, and cultural differences. Great Britain in particular, has a long tradition of creation and manipulation of "radical Islamists," who can be deployed against numerous targets.

The British Guardian reported that much tension, a "diplomatic rift" even, occurred between Britain and France over the issue of British laxity toward radical Islamists on its territory. The French were pointing notably to a conference of the Hizb ut-Tahrir which took place at the Wembley Hall in Britain, on Aug. 8. Indeed this is one of the most extreme Islamic groups. Further inquiry into the group revealed, however, that it is a group of "extremist hotheads" which has received massive backup for a little over a year, from the British establishment. Created in Jordan about 25 years ago, this radical group remained very small until about a year ago when the British elite started lavishing media attention on it. The group received two pages of coverage in the Guardian and was covered by national TV. The Independent called it the most important international Islamic conference in the recent period, while the BBC ran hourly commercials for it. It is thus that this group, which could only bring out 10-15 people to demonstrations one year ago, was able to gather 8,000 at the Wembley meeting.

Book Reviews

China's murderous anti-family policy

by Sabine Müchler

A Mother's Ordeal

by Steven Mosher Harcourt Brace Jovanovich, New York, 1994 288 pages, hardbound, \$21.95

The following first appeared in the German weekly Neue Solidarität as a review of the book Der zerrissene Herz, by Chi An and Steven Mosher, which is the German translation of A Mother's Ordeal. All quotes that appear in this review have been translated from the German.

The wish to have children, to found a family, is one of the most basic rights and most private domains of each married couple. To curtail and control this right means a degradation of individual freedom. But this is exactly what the United Nations sought at their population conference in Cairo. Although the conference strategists avoided, in the more recent period, praising China's one-child policy too much, still, in the World Population Report 1990 of the U.N. Population Fund, it is positively mentioned that China managed to reduce the number of children to 2.2 per woman in less than two decades.

Now, a book has appeared in Germany, co-authored by Chinese nurse Chi An, on her work as an enforcer in family policy, and by American social scientist Steven Mosher. In a very moving way, Chi An exposes the practice and effects of population control. The report was published in German under the title, Das zerrissene Herz, or The Lacerated Heart.

In the preface, Steven Mosher, who pulled togther Chi An's eyewitness report, explains the incredible situation he found when conducting research in China in 1980. He followed the women who were forcibly transported to the county hospital; watched the abortions and sterilizations; talked to depressed husbands and desperate grandparents, and held interviews with responsible functionaries. In closing he writes: "When I left China a few months later, the cries for

help of the women were still ringing in my ears."

China's path to the one-child family started after the great starvation in 1961-63, in which 30 million people died. Instead of initiating a massive reconstruction program, Mao Zedong forced population control as the most important measure for the "Great Leap Forward." Step by step, the measures implemented became more drastic and draconian. While at first, two chidren were permitted, in 1981 a national law decreed that there must be only one child per couple; this is in force up to the present day. The decree says:

"Each family has to obtain a birth permission before having a baby. It may take years to get that permission. Therefore, not only is the number of children mandatory, but also the time when one is allowed to have a baby.

"Women who get pregnant without having the birth permit, must have abortions, no matter which month of pregnancv they're in.

"After the first child, or in those cases where there's no birth permit, a coil is automatically inserted, which is made of metal, so that it is easily visible on an X-ray in the yearly medical control examination [this is the intrauterine device,

"When getting married, couples are pressured to sign a one-child agreement. This means that after the first child's birth, the woman will be sterilized.

"If a family refuses to abort a child that is not allowed, they will be refused permission to build a house, and water and electricity will be cut. Grain stamps, driver's licenses, and all business permits are cancelled."

Family planning combat groups were founded, which took illegally pregnant women by force to the maternity ward. What steps these combat groups would take otherwise is described by a Chinese journalist: "Six women fled, but their families were threatened, that their houses would be torn down if these women did not reappear in the clinic within one week for abortions. This was no empty threat. On the way back she saw the six torn-down houses. No one in the village was allowed to give shelter or help to the families."

The journalist also visited a hospital, "in which hundreds of women, many of them were past six months pregnant, sat squeezed into dark corridors, waiting to be called into the abortion center, which had been set up in the yard of the hospital. Next to it stood a public toilet. She went in: You simply could not set foot anywhere in it-everything was full of bloodsoaked toilet paper. Behind the toilet stood a row of trash barrels: The aborted babies were put in there—some of them were eight months along—which were later taken someplace else to be dumped."

Whenever an illegal child is born in spite of these harsh controls, that child is not entered into the family register. Which means, that the child will get neither medical assistance nor grain rations, can't attend school, and later won't get a job. Officially the child simply doesn't exist.

These decrees show clearly that the Chinese family plan-

ning policy is being carried out against the will of the population, and can only be sustained by a great number of forceful measures. Strangely enough, no one outside China, including the so-called China experts, will talk about this. In general, the subject has been declared taboo.

A cog in the killing machine

All the more important, therefore, is Chi An's report. She worked in the family planning office of a large truck plant. At first, her job was to perform the pregnancy tests and insert IUDs. Later, she was given responsibility to take care of surveillance of the birth quota for the 15,000 workers. She went on to practice abortions herself, in the so-called early stage—first to fourth month of pregnancy. She describes her first abortion by suction: "I looked over there and saw that the 'evidence' existed of the remains of what had been, only a few minutes earlier, a 13-week-old fetus. I could recognize the remains of arms and legs, the body, and the skull. In my mind I put it all together, in order to make sure nothing was missing. Most of the parts were so crushed that they could hardly be recognized anymore as having a human form. Then my glance became fixed upon a perfect little hand, not more than a half-centimeter long. Four tiny fingers and a tiny thumb, it was all complete with its tiny, visible fingernails and then I knew what I had done."

Abortions after the fourth month were carried out surgically by physicians. I will spare the reader details on the different methods, and Chi An's description of what she saw of the babies, because it surpasses the bearable.

Her next duty was to persuade "recalcitrant" women to abort. They were locked into a shed, and worked over day and night until they suddenly agreed to an abortion "voluntarily."

"The space was small, only four and a half meters wide and perhaps twice as long. On the rear end some rows of wooden benches were set up, over which a bare electric bulb dangled. In the course of the last two weeks, 16 women had capitulated. Now there were only seven left on the bench. With some luck, in the course of that day, another one or two would give in. The women sat with their heads down and returned my gaze. They were in all different stages of pregnancy. Ah Ching, for example, was already in her eighth month. And another, Hua, was at least past four months. They had all already felt their babies stir, I thought crossly. Women who had already felt these little treacherous movements in their womb were always the most recalcitrant. We adopted the 'hard and soft' tactic as it is called in party jargon. First, Party Secretary Chen and other top functionaries terrified the women with dark threats about the harsh consequences, then I would come and speak gently to them, as a friend. These 'sessions' were repeated until all the women had caved in. But it was a bottomless pit. As soon as some had given in, then new women would arrive who had been detected."

The quota was so low, that more and more women be-



A 1977 photo of children at the Bei jing Municipality Kindergarten Number 5, performing a traditional dance. The photo was circulated by the United Nations as part of its buildup for the 1979 International Year of the Child. By 1980, China had limited the number of children a family could have, issuing permits for bearing children, sterilizing women after their first child, and forcibly aborting women—up through the eighth month—who ventured a second pregnancy.

came pregnant illegally. On Chi An's street, for example, out of over 200 families there were only eight legal babies. For that reason, surveillance became more and more stringent and more degrading. On the office's walls, big boards showed all relevant facts: How many women were of childbearing age; how many women were using what kind of contraceptives; who had already had an abortion; how many births were permitted for the next year, and how many people had applied for a birth permit. On huge boards, the day of the next menstrual period was noted, and each woman had to make a check by her name when her period started.

Street committees were formed which were responsible for enforcement of the quota and which had the right to spy on everyone everywhere.

Fighting for life

Chi An couldn't take these draconian measures. Although she had grown up and was educated under this ideology, she began to feel resistance, which was fed by two decisive events. She became a victim of the rules herself and had to abort her second child; and then, she had witnessed an aborted boy fighting for hours to stay alive. All this led to a profound change in her thinking, and she decided to follow her husband, who was living in the United States, and to ask for asylum, because even there she was threatened and spied on.

The story of Chi An's life is not only an extensive report

on methods and effects of population control in China, it provides a good picture of the country's living and social conditions as well. Her story shows how people were stepwise drawn out of their families and into a collective life, and how the regime succeeded in destroying the opposition, by destroying classical Chinese culture and its values. "For many long days we assaulted the homes of the families in our neighborhood, ripped apart their traditional Chinese robes, and their western clothing, smashed Buddha statues and antique vases, tore up photographs and painted scrolls. Books were burned in huge bonfires."

Furthermore it is shown how the population was degraded. Just in order to have a chance at an education, children were forced to denounce and renounce their parents if they didn't come from the "proletariat."

Through these measures and through the buildup of a strong power apparatus, people were robbed of any pride and dignity, and instead, the seeds of denunciation, mistrust, and deceit were sown. Chi An's achievement is that she has made public the encroachments of the state into people's personal lives.

All those who favor population control today should read this first-hand report, and take to heart the remark an elderly Chinese gynecologist made to Chi An: "Have you ever thought about what is going to happen to you after your death? When some day you must go down into the underworld, a throng of little hands will be grabbing for you."

Andean Report by Manuel Hidalgo

What does the 'human rights' lobby say?

Shining Path's "indigenists" have been practicing genocide against Peru's native Ashaninkas.

A hose who believe in the good intentions of the international "indigenist" networks should take a close look at the exploits of Shining Path in Peru, an offshoot of these same networks. In late August, Peruvian Army patrols discovered in the Ene Valley of Junin, the first of some 300 graves, containing the remains of at least 1,200 Ashaninka Indians who had been enslaved and then assassinated by the Shining Path narco-terrorists. The graves were identified by Ashaninkas who were liberated from Shining Path concentration camps by the Army, and for the first time revealed the true magnitude of what the Peruvian press called "the worst genocide in decades. . . . Perhaps only the Nazi concentration camps could approach this macabre reality."

On Sept. 12, the president of Peru's congressional human rights commission protested that not one of the panoply of international or domestic human rights and "indigenous rights" organizations has seen fit to condemn these massacres. "In recent times, they have only come forth to denounce cases in which members of the Armed Forces are implicated," he charged.

As of 1988, the Army and peasant self-defense units in Ayacucho province were successful in expelling Shining Path from their place of origin. The terrorists sought refuge in the adjacent Ene Valley, and turned it into a "red zone." The Maoist terrorists enslaved the native Ashaninkas, "forcing them to work from sunup to sundown, stripping them of their lands, their animals, and their meager be-

longings, subjecting them to the continuous recitation of [Shining Path leader] Abimael's catechism in interminable sessions of 'ideological indoctrination,' watched, tortured and assassinated on the slightest suspicion of 'treason' by political commissars," revealed the daily *La República* on Sept. 3.

Shining Path "attempted to build a reproduction of Pol Pot's Cambodia by force, plunging those it was supposed to be helping into starvation and disease, since all that they produced went to [Shining Path's] 'warriors' and leaders. . . . The 'popular republic' revealed itself soon enough as a cross between a concentration camp and a cemetery, which Shining Path wanted to extend nationwide. It is no accident that hundreds of Ashaninkas tried and succeeded in escaping, at risk of their lives, to then return with the Army to try to rescue relatives."

Until just a few years ago, the Ashaninka tribe was the most numerous in the Peruvian jungle, with some 24,000 members. It is estimated that at least 10,000 of them were liberated from Shining Path by the Peruvian Army. "Of the other 14,000 belonging to 55 dispersed communities, there is no news. . . . Some 6 or 7,000 could still be in the hands of subversion. The rest could eventually turn up in hidden grave sites," reported the daily.

The Lima daily *Expreso* reported on Sept. 11 on the testimony of two repentant terrorists who showed a military patrol where the first graves were: "The [Shining Path] leaders killed without mercy. The Ashaninkas were killed when they got sick, when

they got . . . measles, chicken pox, tetanus. Sick Indians were a burden, and since there was no medicine to cure them, it was decided to kill them, because the leaders said they had become human parasites."

The Ashaninkas were by no means the only victims: "Executions of [Shining Path] members and their families [who wanted to surrender] were carried out through 'peoples' trials.'... No one could defend them without risking the same fate, and so from fear of assassination, we preferred to stay quiet," said one of the surrendered terrorists.

Despite the pleas of the Ashanin-kas, the human rights non-governmental organizations (NGOs) have had nothing to say on their behalf; rather, they focused all their attention on the burial that same week of Shining Path's "children of the people," the alleged victims of La Cantuta (in which military men were accused of killing 10 pro-Shining Path students at Cantuta University in 1992). The Nobel Peace Prize winner and "indigenous rights" activist Rigoberta Menchú has also refused to condemn the Shining Path genocide.

The intellectual authors of this genocide are the "indigenist" linguists, the anthropologists, the promoters of "intercultural bilingual education." Exemplary is Efraín Morote Best, rector of the University of Huamanga, whose "personnel director" was Shining Path chairman Abimael Guzmán, and whose son Osmán was Guzmán's lieutenant. Morote Best was the coordinator of "intercultural bilingual education" in the Peruvian jungles in the late 1950s. Another anthropologist who did "field work" with the jungle tribles is Estéfano Varesse, a disciple of Nicaraguan Sandinista Ernesto Cardenal and a cofounder of Peru's other terrorist group, the MRTA.

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Australia Dossier by Michael J. Sharp

Political murder stuns Australians

The killing of state parliamentarian John Newman is the firstever assassination of a serving politician.

In what is being widely described in the nation's news media as "Australia's first political assassination," anticrime campaigner and New South Wales state Member of Parliament John Newman was gunned down in early September in the driveway of his home in the Sydney suburb of Cabramatta, a center of Australia's Asian community.

Evidencing the nation's shock and horror, Newman was given a state funeral—Australia's highest form of respect. Nineteen federal cabinet ministers, including Prime Minister Paul Keating, New South Wales state Prime Minister John Fahey, New South Wales Gov. Peter Sinclair, most of the state's 64 Labor members of parliament, former prime ministers, state prime ministers, and representatives of all of Australia's numerous ethnic communities were part of 3,000-strong gathering who showed up to pay their respects, both to the man, and to the passing of an era in the nation's history.

The assassination marks a phase change in the famously relaxed political life of Australia, once known by its citizens as the "Lucky Country." As Lyndsay Tanner, a federal member of parliament for Melbourne, put it in the Sept. 10 Herald Sun, "Until now, Australian politicians and even senior politicians have mingled freely with the community. . . . If the threat of physical violence becomes common . . . MPs will be swamped by security guards and become more remote from the rest of the community."

The federal government has announced a review of security arrangements for the nation's politicians.

The police, in a steady stream of press releases, claim they have no motive for the crime, yet there is some revealing speculation in the nation's media. A former staff member of Newman, Ken Chapman, told the Herald Sun on Sept. 12 that he "believed Mr. Newman, who had campaigned strongly against Asian crime in the area, might have been killed by a local gang as an attempt to gain control of the area." Chapman said that Newman "had been working on a blueprint based on international techniques to combat the growing influence of the primarily Asian crime organization at the time he was killed."

Newman himself had told the New South Wales Parliament in March that Asian organized crime gangs were "very menacing and bold," that "matters were getting out of hand," and that "we have this small, terrible element in the Asian community."

Newman was a renowned anticrime campaigner and had received numerous death threats. His car had been paint-bombed three times and, in 1991, a shot was fired through the window of his office. Only four days before his death, he told a colleague, "The bastards are still out to get me." Notwithstanding all this, police dropped video surveillance of his house two weeks prior to the slaying.

Though law enforcement officials claim they have no idea of the motive, their actions indicate otherwise. The New South Wales police are looking overseas to bring in high-ranking Asian police to assist the 50 detectives

now working on the case. One police source told *EIR* that the "5T" gang is very active in Cabramatta with about 200 members running a variety of strong-arm tactics, including extortion and a drug distribution network which has reputedly replaced the notorious King's Cross red-light district as Sydney's heroin center.

In the second week in September, a Melbourne court heard evidence from a police prosecutor that one of the world's largest Triad organizations, Sun Yee On, is expanding its organized crime operations in Melbourne, and that its stronghold is in Sydney. A former intelligence officer in New South Wales Special Branch told EIR:

"This [organized crime problem] could have been avoided 11 years ago. The Special Branch identified the gangs behind this terrorism and drug trafficking and nothing was ever done." He said that "all of the suspects were photographed, intelligence reports were filed. All that was needed was to keep a squad on the gangs." The source concluded that "this hit had all of the hallmarks of the Triad or Tong, and Newman was on the verge of exposing them so they moved on him first."

The Hawke Labor government, which took power in 1983, formally disbanded the Special Branch and wound down Alien Registration, administered by the Immigration Department in the early 1980s, supposedly in response to the pressure placed on them by civil liberties and privacy lobby groups. The government issued an edict that all files on suspects be destroyed. Included in these were files on the very groups that Newman was going after. Ever since that time, the police intelligence agencies have had their hands tied, a problem which has been compounded by extensive budget cuts.

Report from Bonn by Rainer Apel

Election poker obscures real issues

The reelection of Chancellor Kohl is not at all secured, as Germany's economic crisis is ignored by the politicians.

It's a "super-election year" in Germany, with a total of 18 campaigns for state, municipal, and federal parliaments—the most decisive being the election for national parliament on Oct. 16. The closer that date comes, the more confused the picture gets. Most of the policy issues addressed by the established political parties do not reflect the reality of an economy that is in a deepening world depression.

Instead, a "virtual reality" has taken control of the election campaign, centering on absurd issues such as whether Chancellor Helmut Kohl is "too old" for the job (a key argument of his younger challenger, Social Democrat Rudolf Scharping), or how German industrial society can be transformed into an "ecology-compatible" society (prominent in the programs of the three opposition parties SPD, PDS, and Greens).

Kohl even has a special campaign: His eagle eye has spotted an "economic upswing" that nobody else can recognize, and he is confident that his reelection is the only logical consequence. More and more segments of the electorate are turning their backs on politics. In the two elections for state parliament in the eastern states of Brandenburg and Saxony, 45% of the voters shunned the polls. In some precincts with very high jobless rates, voter abstention rose to 80%.

The next lesson from these two state elections is that the liberal Free Democrats, whose existence is based on borrowed votes from other parties, have serious problems at a time when all parties are battling the erosion of constituencies. In eight elections in a row, the FDP fell below the mandatory 5% threshold and was catapulted out of the parliaments. What makes this decline of the FDP dramatic for Chancellor Kohl is that they are his minor partner in the ruling coalition, and all the other parties have officially refused to join a coalition with him.

The only way out of this gloomy constellation would be for Kohl to do what Chancellor Konrad Adenauer (who had his own problems with the FDP) did in 1957, when he aimed at the absolute majority of votes—and won.

For Kohl, the challenge would be to push economic topics into the fore-front in a serious way that could win voter confidence and stop the erosion of his Christian Democrats' voter base, absorb vagabond vote potentials of the FDP and conservative Social Democratic Party (SPD) currents, and above all address the future of the high-tech industrial sectors barely touched by the established political parties amid all the talk about the "need for more ecology."

Kohl has also neglected the huge political potential of the two state visits, Russian President Boris Yeltsin's in May, and U.S. President Bill Clinton's in July. Both described Germany as at the center of future cooperation between Europe's West and East. Yeltsin's call for a trans-European, high-speed rail link from Berlin through Warsaw to Moscow, as well as Clinton's call for a new strategic partnership between the United States and Germany in the economic, social, and political development of the former Soviet bloc, would be ideal points

of departure for a campaign that would offer a positive perspective, especially for 2 million jobless in Germany's East, traditionally the main trading partner for eastern Europe and Russia.

Kohl prefers arrangements that appeal to "sound-bytes," and populist noises that the mass media favor. The timing of events in Berlin during the week of Sept. 4-11, is typical of Kohl's approach to pose as the "successful world statesman" who can only be loved by Germany's voters: The "Berlin Week" included meetings of numerous European Union cabinet ministers, the official farewell ceremony for the western Allied troops after a 49-year presence in Berlin, summit meetings among western heads of state, the formation of a new American Academy in Berlin (with Henry Kissinger as an honorary copresident), and nuclear talks between Americans and North Koreans.

As the media were covering the Berlin events, less attention was paid by them to the Sept. 10-11 emergency session of the 12 European Union finance ministers held far away in Germany's south, in Lindau. The call for a new round of fiscal austerity that went out from there wouldn't have pleased the German voters, had they been told about it.

Because of these economic realities, Kohl's reelection is not secure. One big corporate failure, or more hectic days in the stock markets could easily destroy the "aura of the upswing and of an unmatched success story" that Kohl has built. High voter abstention, new losses for Kohl's CDU, and the exit of the FDP from the parliament may then help the radical ecologist opposition parties, SPD, Greens, and PDS (the post-communist party of East Germany) to sneak in as an anti-Kohl majority on Oct. 16.

International Intelligence

Spy was close to Chancellor Kohl's aide

Through a spy with close contact to German Chancellor Helmut Kohl's chancellery minister, communist East Germany was able to collect secret information in Bonn and to expand its network of agents-of-influence in West German politics throughout the 1980s, according to a report in the weekly *Der Spiegel* of Sept. 5.

The spy was journalist Felix Erik Laue, who worked, since at least 1979, for Department X (disinformation) of the East German foreign intelligence agency HVA. He made contact with Waldemar Schreckenberger, then minister of the Bonn chancellery, in 1986, and kept this contact until at least late 1989, when the minister left his government post. Schreckenberger has been a close friend of Helmut Kohl since school days.

According to *Der Spiegel*, Laue's case officer at the HVA was Robert Rabe, who was responsible for "the creation and operational control of agencies of influence (channels, multiplicators)," and has so far not been mentioned in profiles of the HVA.

Laue was arrested in February and charged with espionage. He is currently free on bail.

Italian coalition said to be on the skids

"The government coalition is collapsing and there will be early elections in Italy," a well-informed source close to Italy's Grand Orient freemasonic lodge told this news service. The source pointed to Premier Silvio Berlusconi's visit to President Luigi Scalfaro on Sept. 6 (the second in about a week) as a clear signal of negotiations for early elections. The Berlusconi government came to power in March 1994.

Interior Minister Roberto Maroni, from the Northern League, met on Sept. 6 with Carlo De Benedetti, Anglo-Venetian financier and owner of the major opposition media. This is the latest in a series of acts of war from the League against the government. The source, however, pointed to the fact that "the League is going to disappear, as it is a transitory phenomenon," and laid out a scenario according to which the present government leads the country to general elections in the midst of a financial crisis, after which the only solution will be a "debt consolidation," i.e., freezing payments on state debt papers, most of which is owned by Italian families. The source pointed to a statement on Sept. 5 by Foreign Minister Antonio Martino, that Italy is on the verge of bankruptcy. "This shows that the present budget maneuver is totally insufficient, and that consolidation will be inevitable," the source said.

Primate goes ape, says monkeys can go to heaven

The number-two official of the Church of England, Dr. John Habgood, assistant to church primate Archbishop Dr. George Carey of Canterbury, told the British Association for the Advancement of Science (BAAS) on Sept. 8 that experiments on apes and other primates demonstrate that the apes could have souls and go to heaven. Experiments in evolution and language indicate that humans may not be alone in having souls.

Habgood said, "One of the long-term implications of the acceptance of evolution is that we see all life as a continuum, therefore that there is no precise break between other animals and ourselves."

Habgood defined life as "an emergent property which manifests itself when physico-chemical systems are organized and interact in particular ways. . . . You can identify the hand of God in the whole process. . . . [This view] locates the creative work of God primarily in the principles of order which underlie physical processes and in the growing complexity of organization in the development of organisms."

This radical gnostic view is not unique to Dr. Habgood. The United Nations is preparing to issue a Declaration on Great Apes, according to the London *Observer*, which

reports that "scientists have launched a global campaign to have gorillas, chimpanzees, and orangutans declared equal to human beings."

The campaign is the "brainchild of an English philosophy professor living in Australia, Peter Singer," who says: "The great apes need respect. This recognizes them as nonhuman persons who are not property but individuals in their own right."

Russian forces in Caucasus on alert

The Russian Armed Forces in the North Caucasus were placed on "full combat alert" on Sept. 5, following what Russia officially termed "the start of civil war" in the breakaway republic of Chechenya. The order placing the Russian forces on the highest form of alert was issued by Defense Minister Pavel Grachov. He added that Russian troops have taken control over all roads leading out of Chechenya, and have been assigned the mission of preventing the fighting from spilling over beyond the confines of Chechenya. Grachov said the Russian Army has "nothing to do" with what he termed "the start of civil war" in Chechenya.

In Chechenya itself, heavy fighting has centered around the town of Argun, a rebel stronghold some 20 km east of the Chechen capital of Grozny. Argun, which had been the bastion of rebel warlord Labazanov, was captured on Sept. 5 by Chechen government forces of President Dudayev. In several days of fighting, at least 40 people were killed.

For the first time in the recent history of armed clashes between government and opposition forces, opposition forces fought in a united manner, when troops controlled by Umar Avtorkhanov, head of the opposition Provisional Council, came to the aid of the embattled troops of Labazanov. This change of matters came after a meeting between Avtorkhanov and Ruslan Khasbulatov, the ethnic Chechen who headed the old Russian Parliament. Khasbulatov emerged declaring that he was ready to place several thousand volunteers at the disposal of Avtorkhanov's Provisional Council.

China recalls delegation from Korean DMZ

The People's Republic of China announced on Sept. 2 that it had recalled its diplomatic delegation from the Military Armistice Commission on the Korean demilitarized zone (DMZ). Xinhua news quoted China's Vice Foreign Minister Tang Jiaxuan saying that Beijing made the decision because North Korea has recalled its delegation from the MAC, which is thus not in actual operation

A Chinese Foreign Ministry spokesman added that China considers that "the Korean armistice is still effective according to provisions in the agreement, and the D.P.R.K. [North Korea] also recognizes its validity."

The move was discussed by Tang with North Korea's visiting special envoy Song Ho-Gyong. Tang said that Beijing now supports North Korea's call for "a new peaceprotection system" on the DMZ "to meet changes in the international situation."

The MAC was set up in 1953 after the Korean War, but South Korea never signed the armistice, so North and South are technically still at war. North Korea stopped attending meetings in 1991 when a Seoul representative was appointed to the MAC.

North Korea formally announced in May 1994 that it no longer accepts either the MAC or the armistice agreement.

Menchu defends Indians' 'right' to grow coca

Nobel Prize-winning terrorist Rigoberta Menchú has called upon the Andean Council of Coca Farmers in Bolivia to prepare a paper on coca for submission to the United Nations, which will affirm that the coca leaf (from which cocaine is produced) is "a natural and cultural resource of the Andean peoples" and which demands "urgent U.N. action" to defend its cultivation and consumption. The Andean Council of Coca Farmers is headed by narco-terrorist Evo

Morales, and is currently on an offensive to halt anti-drug operations in the premier coca-growing region of Chapare, Bolivia.

The government of Bolivia, under intense pressure from Washington, has recently moved to cut back coca production in the region and has had to deploy force to repress three attempted marches by Menchú's coca-growing friends into the capital city of La Paz. Menchú's intervention is designed to turn the area into another "Chiapas," only this time in explicit defense of drugs and under the likely leadership of the Shining Path terrorists. At last report, President Gonzalo Sánchez de Lozada has withdrawn all troops from Chapare, to facilitate "a broad dialogue with all social organizations in the country on the issue of coca."

Vatican may try Bishop Samuel Ruiz

The Vatican will be calling Bishop Samuel Ruiz of San Cristóbal de las Casas, Mexico to a canonical trial, according to the Mexican magazine Siempre. A message to this effect will be transmitted in a letter to Ruiz which will be delivered to him by the papal nuncio shortly, the magazine reported. Sources close to Ruiz deny that such a letter exists, but there are widespread reports in the Mexican press that it does.

Ruiz has for 34 years been the ringleader of the Marxist Theology of Liberation network in the state of Chiapas, and is a founder of the Zapatista National Liberation Army (EZLN), which launched an insurrection in Chiapas on Jan. 1, 1994.

Siempre devoted the remainder of its article to quoting from EIR's special report on Chiapas, Ruiz, and the EZLN, starting with EIR's charge that the function of Ruiz, Nobel terrorist Menchú, and the "indigenist international" is to eliminate the notion of national sovereignty. The article detailed EIR's charges against Ruiz for advocating an "autochthonous church," for being an advocate of Liberation Theology, and for having protected and harbored terrorists in Chiapas.

Briefly

- A BALTIC BATTALION was founded in Copenhagen on Sept. 12, composed of troops from the three Baltic nations of Estonia, Latvia, and Lithuania, plus Scandinavia and Great Britain. Danish Defense Minister Hans Haekkerup said the battalion's mission would be "conflict avoidance" and "peace-keeping."
- THE ARCHBISHOP of Canterbury, Dr. George Carey, began a visit to China on Sept. 8, the first such visit by an Anglican archbishop in 11 years. Carey is expected to raise human rights issues. Danny Smith, director of the Jubilee Campaign for Religious Freedom, said, "The Chinese only respect strength. Dr. Carey showed in Sudan last year that he can be tough."
- JOHN MAJOR is "risking a rift with Washington" by insisting that the White House refuse a visa to Sinn Fein leader Gerry Adams, the London *Times* reported on Sept. 7. Prime Minister Major says that no Adams trip should take place until "the Irish Republican Army has renounced violence for good."
- CUBAN Foreign Minister Roberto Robaina is in Madrid, holding a series of "secret, ground-breaking meetings with leading Cuban exile groups," the London *Times* reported on Sept. 9. This is the first time in 35 years that such high-level talks have been held, and came after persistent mediation efforts by Spain.
- THE SECESSION of various tribal-ethnic entities in Africa should be looked at sympathetically, wrote the London *Economist* magazine in an editorial entitled "Redrawing Africa's Borders." Citing the cases of Nigeria, Sudan, Angola, and Somalia, the article said, "On the face of it, the case for refashioning Africa's frontiers, by blessing the principle of secession, looks reasonable."

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PRNational

New drug charges plague Oliver North's campaign

by Edward Spannaus

Detailed charges concerning Virginia senatorial candidate Oliver North's supervision of a large-scale narcotics-smuggling operation are about to hit Virginia and the nation. The accusations are made in an interview with the man who was the U.S. Drug Enforcement Administration's (DEA) top agent in El Salvador, Celerino Castillo (see p. 50).

Castillo's charges, which will soon be featured on a statewide radio and TV advertising campaign, come as North is also being battered by charges made by his former boss, onetime National Security Adviser Robert McFarlane. Interviewed on CBS-News's "60 Minutes" on Sept. 11, McFarlane labelled North a "degenerate liar" who is conning the people of Virginia the same way he conned people in the Reagan administration.

In what was called by some a "preemptive strike," North held a fundraising dinner on Sept. 9 in Norfolk, Virginia, featuring another of North's former bosses, and McFarlane's successor as national security adviser, Rear Adm. John Poindexter. "Ollie was not an unguided missile, as some have written," said Poindexter. "Ollie carried out exactly what he was told to do."

Poindexter is correct, up to that point. Ollie absolutely did carry out orders from others—no question about it. But the most important order-giver was neither McFarlane nor Poindexter, but Vice President George Bush. As EIR has previously shown, it was Bush who ran the "secret government" apparatus created from 1981 to 1986, of which Ollie North was merely a staff officer. Bush was the Boss, and he still is. This is the secret behind Ollie North's career, and his current race for the U.S. Senate.

Taken together with other key races around the country, particularly those of Jeb Bush in Florida, George W. Bush in Texas, and William Weld in Massachusetts, the Ollie North bid in Virginia is part of a national effort to rescusitate the Bush machine after the defeat of 1992.

North—the truest Son-of-a-Bush in the whole lot—is the key to a reassertion of the Bush machine and its secret government networks in U.S. political institutions. Is it any wonder that the majority of North's funds are raised from outside Virginia? (Maybe that's why he calls himself an "outsider.") North's campaign will probably end up being the most lavishly financed in American history. Reports from knowledgeable sources indicate that much of the money for Ollie's campaign is being laundered in through the Bush "secret government" apparatus and its network of freelance spooks, what some people call the "asteroids" or the "satellites."

North's stable of drug-runners

In the interview that follows, Celerino Castillo documents, from his first-hand, official knowledge, that all of the pilots flying for the Contra supply operation out of Ilopango Air Base in El Salvador were drug-traffickers. Castillo had an informant at Ilopango who actually drew up the flight plans for the pilots flying out of there. And, as Castillo says, these pilots all showed up in the DEA's computer files as documented narcotics smugglers.

When Castillo brought this up to Edwin Corr, the U.S. ambassador to El Salvador, he was told to keep away from it, because it was a covert operation run by the White House and Oliver North. In January 1986, Castillo had the opportunity to bring the matter up directly with Bush himself, at a reception at the U.S. Embassy. As Castillo tells it:

"I told him that I was an agent conducting international narcotics investigations, and I told him that there was something funny going on with the Contras at Ilopango airport.

As soon as I said that, he shook my hand, he smiled for the cameraman, and then he just walked away from me without saying a word. I knew then that he knew what I was talking about, about the Contras."

There's no doubt that Bush knew. The Ilopango operation was being run directly out of Bush's White House officer by Felix Rodriguez. Rodriguez, a "former" CIA agent, was a long-time friend of Bush's national security adviser, Donald Gregg, going back to Southeast Asia in the 1960s. After a meeting with Bush a year earlier, in January 1985, Rodriguez had gone to El Salvador and set up the Contra supply operation at Ilopango military airfield. When North wanted to use Ilopango for the "private" resupply operation being run for him by Maj. Gen. Richard Secord, North had to go to Rodriguez to ask for permission to use Ilopango!

It was at the Ilopango airfield that Castillo's DEA informant saw drugs and drug money being flown in and out.

Another individual whom Castillo found working out of Ilopango is Wally Grasheim, who is called "William Brasher" in Castillo's book, *Powder Burns: Cocaine, Contras and the Drug War*. Castillo was told that Grasheim was in charge of money, equipment, and training for the Contras. When he typed Grasheim's name into the DEA computer, he found that Grasheim was documented in seven separate files for smuggling of narcotics and weapons.

Castillo also learned that Grasheim was operating hand-in-glove with North. On Sept. 1, 1986, DEA agents and Salvadoran police raided Grasheim's residence, and confiscated a small amount of drugs, and a huge arsenal of illegal weapons, ammunition, explosives, and military equipment. Yet Grasheim was a civilian. In the interview with EIR, Castillo tells us that he found that "all his vehicles had U.S. Embassy license plates. We found radios belonging to the U.S. Embassy. We found weapons belonging to the U.S. Embassy."

'Most investigated man'?

Whenever North is confronted with the charges about his involvement in drug-trafficking, his standard response is to assert that he is "the most investigated man on this planet." When Castillo was asked about this, he responded that North was never investigated on narcotics matters. "He was investigated on everything else," Castillo said, but not on this. "If Oliver North had been investigated on narcotics trafficking, they would surely have contacted the agents down in Central America—which includes me—who conducted the investigation on him," the former DEA agent said.

Castillo tells how he got a call from the DEA headquarters in Washington in 1986 or 1987, instructing him not to close the case on the Contras. Castillo says that the "Kerry Committee" (the Subcommittee on Terrorism, Narcotics and International Operations of the Senate Foreign Relations Committee) wanted access to his reports, but the DEA had told them there were no reports. Castillo has stated elsewhere that by keeping the case

files open, DEA could prevent their disclosure on the grounds that they were "open investigations."

Repeatedly, Castillo has made the point: If somebody were going to conduct a serious investigation on the Contras and narcotics trafficking, they would have contacted the DEA agents in El Salvador. This was never done.

Out of frustration, Castillo made contact through his lawyer with the office of Iran-Contra special prosecutor Lawrence Walsh in 1991, Castillo's attorney told them that Castillo had substantial evidence regarding Oliver North's involvement in narcotics trafficking. Castillo then had a meeting with an FBI agent assigned to Walsh's office, who was shocked to find out that there was a lot of evidence that the Contras and Oliver North had been involved in narcotics trafficking.

As Castillo relates the events, when the FBI agent asked him who in the White House did he think knew about the Contras being involved in narcotics trafficking, "I showed him a picture of George Bush and myself. His mouth dropped. He couldn't believe what I was telling him. He said, 'Cele, if we can prove that the Contras and Oliver North were involved heavily in narcotics trafficking, it would be like a grand slam home run!' "

But this, as in all of Castillo's other efforts to get an official investigation of the Contra's involvements in narcotics-trafficking, came to nothing. Walsh's office was not interested in pursuing the matter, just as the congressional committee investigating Iran-Contra was not interested in pursuing the matter. For all of his complaints and whining, Ollie North got off easy.

Responsibility for the drug plague

From the standpoint of his experience in investigating and prosecuting drug traffickers, Castillo says that there is no doubt that the evidence he compiled concerning North and the Contras would be sufficient to get a conviction. "If a U.S. official has knowledge that there's narcotics trafficking being conducted by somebody, and he does not report it, that's a violation of the law right there." Even North's own notebooks show that he had detailed knowledge that his Contra operatives were involved in narcotics smuggling.

Castillo's conclusion about Oliver North? "He should be in jail. On his own words, he lied to Congress, he lied to everybody, he's deceiving the American people right now. I think people do not know the real fact that he was heavily involved in narcotics trafficking—his organization was heavily involved in narcotics trafficking. And he had *knowledge* that these people were involved in narcotics trafficking."

Castillo, a front-line combatant in the war on drugs, believes that North must also bear the responsibility for what is happening in the streets of the United States today. "Oliver North cannot stand there and say that nobody died of the narcotics that the Contras ran into the United States," Castillo declares. "He cannot guarantee me that."

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All North's pilots ran drugs, says former DEA agent

Celerino Castillo, who was the U.S. Drug Enforcement Administration's (DEA) top agent in El Salvador during 1985-87, is the co-author, with David Harmon, of a new book, Powder Burns: Cocaine, Contras and the Drug War. He was interviewed by Edward Spannaus on Sept. 10, 1994.

EIR: Mr. Castillo, before we get into the question of Oliver North, I'd like to ask you a little bit about your background. Could tell us what your employment with the DEA was?

Castillo: Being born and reared in south Texas, we come from a family which is very patriotic. My father was a World War II hero who was shot six times in an ambush in the Philippines, and he is the recipient of the Bronze Star, and of course the Purple Heart, and so forth.

I'm the only male in the family, and I could have been kept from going to Vietnam. But I did go to Vietnam; I'm a Vietnam veteran. I'm a recipient of the Bronze Star. Because of my combat experience, I decided to go into law enforcement. I saw a lot of my buddies shoot up heroin in Vietnam, and I decided when I got back I would get involved with the federal narcotics system.

I went to school, got my degree in criminal justice, and was a police officer at the time I was going to school. I worked the midnight shift and went to school during the daytime.

After that, I applied with the DEA, and was hired by the DEA in 1979. My first assignment with the DEA was in New York City. I turned out to be the first Mexican-American to work in New York City. I teamed up with another agent who was Italian, and we ended up conducting the investigation that ended up in one of the biggest heroin seizures in New York City of all time.

After four years in New York City, I was assigned, because of my Vietnam experience, to conduct jungle operations in Peru. I did a lot of assaults on airstrips there, and air assaults on cocaine labs.

We conducted an operation there called Operation Condor, which was the first time in history that the Peruvians and Colombians worked hand-in-hand in combatting narcotics trafficking. We ended up seizing a cocaine lab in Peru that

was producing 100% hydrochloride cocaine.

EIR: What year was this?

Castillo: This was in 1984.... I was supposed to do a twoyear tour there, but I ended up doing about a year and a quarter, because of my exposure to international stardom in Peru. There was a picture of me during the operation that was in every newspaper in South America. For security reasons, I left Peru and I was assigned to work in Guatemala.

I arrived in Guatemala in October 1985, and of course that was the first time I was forewarned by the country attaché, Bob Stia, about the Contras being involved in narcotics trafficking.

EIR: What was Stia's position?

Castillo: Robert Stia was the country attaché, which involved two agents and himself. Two agents covered four countries, including Belize, Guatemala, Salvador, and Honduras.

EIR: What did you find out while you were there?

Castillo: At the beginning, I was in charge. I was supposed to be the agent in charge of El Salvador, which means I was the DEA representation in that country.

One of the things that we had in El Salvador was an informant who was in place at Ilopango airport. This informant was the one who did the flight plans for the Contras, and he had previously given reliable information to the U.S. Embassy in regards to some of the pilots who were involved in narcotics trafficking.

We had another individual who had been a DEA informant since 1981, and he was also very politically involved with the Arena Party, which was the party of the far right, the party of Maj. [Roberto] D'Aubisson, [Napoleón] Duarte, and [Alfredo] Cristiani. We had gathered intelligence, and we continued to start the investigation on it.

EIR: What was going on at Ilopango?

Castillo: We had pilots, who were being hired down in Central America, who were running supplies for the Contras and

were also involved heavily in narcotics trafficking. When we finally got the names of all the pilots who were involved, we ran it through our computers, and it was revealed that every single one of them was documented as a narcotics trafficker. This was brought to the attention of the U.S. ambassador, Edwin Corr. He was advised of the investigation that we were conducting.

His answer to me was the fact that it was a covert operation from the White House and Ollie North, and he advised me that I would be safer to stay away from that investigation, because I would be stepping on people's toes at the White House.

EIR: What were these pilots doing?

Castillo: They were flying narcotics into the United States. They were also flying monies—U.S. currency—into Panama, into the Bahamas, to launder money for the Contras.

EIR: Were they also flying guns?

Castillo: They were flying guns. They were flying supplies for the Contras, and they were also involved in narcotics trafficking.

On Jan. 14, 1986, I met George Bush, then vice president, at a cocktail party in Guatemala City. It was at the U.S. ambassador's residence. He came up to me, and asked me what my job description was as a DEA agent in Guatemala. I told him that I was an agent conducting international narcotics investigations, and I told him that there was something funny going on with the Contras at Ilopango airport. As soon as I said that, he shook my hand, he smiled for the cameraman, and then he just walked away from me without saying a word. I knew then that he knew what I was talking about, about the Contras.

EIR: Was there any doubt in your mind that he knew what you were talking about?

Castillo: Not at all. I want to go on the record saying that on that same day, if I'm not mistaken, and I'm sure I'm not, I saw Oliver North in Guatemala City, and I definitely saw Calero, the leader of the Contras, at the same time in Guatemala City at the U.S. Embassy.

EIR: This is Adolpho Calero?

Castillo: Yes, sir. They were all there at the same time.

EIR: Did you have any information as to what they were doing there?

Castillo: They were meeting in the "bubble," and the "bubble" means the CIA room up on the third floor, where they were discussing sensitive information. I knew Calero was there and [involved] in discussions about the Contras. That's just what I think was going on.

EIR: Let me come back to this question of the pilots again.

Who hired these pilots?

Castillo: These pilots were being hired, according to the pilots and according to our informant, by Felix Rodriguez, who was running Hangars 4 and 5 of Ilopango. They were hired by the CIA, Oliver North's Contra operation, and so

EIR: What was Rodriguez's relation to George Bush and Bush's office?

Castillo: They were very close friends, according to a lot of information we had received.

What happened is that this investigation snowballed in early 1986, and I got a cable from the country attaché in Costa Rica, advising me that they had received reliable information that there were Contra pilots flying out of Costa Rica into Ilopango into Hangars 4 and 5. It turned out Hangars 4 and 5 are owned and operated by the CIA and the National Security Council-which is Oliver North-and were run by Felix Rodriguez.

When we contacted our informants in there, they just went ballistic, telling me that that is what they had been trying to tell everybody: that the Contras and the CIA and everybody else in Hangars 4 and 5 were heavily involved in narcotics trafficking.

This informant himself saw, in one instance, \$4.5 million in cash going from Ilopango into Panama. Secondly, he saw drugs. Thirdly, he would call us and let us know when a certain pilot was on his way to airdrop money into the Bahamas. One of his pilots was Chico Guirola, Francisco Guirola, a Contra pilot. This same individual, who had gone to the Bahamas on certain days, had also been arrested in 1985 in south Texas, with \$5.5 million in cash. That was a Contra operation. He was deported and, if I'm not mistaken, that money was given back to him.

EIR: What's the story on this fellow "Brasher"? [In Castillo's book, Walter Grasheim is referred to as William Brasher.1

Castillo: Mr. Walter "Wally" Grasheim was a civilian. He was a documented narcotics trafficker. When I approached everybody in the U.S. Embassy to find out who this individual was, they told me that he was working for the Oliver North Contra operation out of Hangars 4 and 5, and was the liaison officer between General Bustillo and Oliver North.

I built a unit in El Salvador, an anti-narco-terrorist unit, and this individual was hit, his house was searched, by my unit in El Salvador.

When it was searched, he happened to be in New York City at the time, and we found a lot of U.S. munitions, cases of grenades, cases of explosives—C4. Every explosive we could find was found at that residence, including sniper rifles, helicopter helmets, you name it. This guy was a civilian who was not supposed to have any of this stuff with him. Surprisingly, what we also found at his residence was that all his vehicles had U.S. Embassy license plates. We found radios belonging to the U.S. Embassy. We found weapons belonging to the U.S. Embassy.

EIR: This is somebody who is a documented drug traf-

Castillo: A documented drug trafficker and a civilian. He violated every Customs law there is, in the exportation and importation of those items into El Salvador.

EIR: What happened? Was he prosecuted?

Castillo: Well, no. We had a warrant for his arrest, if he was to come back. He found out. . . .

EIR: When you obtained information about drug trafficking running out of Ilopango, what did you do with that information?

Castillo: I wrote cables; I wrote DEA-6s; I wrote reports. I did everything I was supposed to do.

EIR: Now these reports would go where—to DEA headquarters?

Castillo: The DEA in Washington. Exactly. We've got to remember one other thing that a lot of people are not aware of. Every time I wrote a report, every time I sent a cable out, it had to be approved by the country attaché and the U.S. ambassador. Those reports had to be approved, and they did not interfere with me sending those reports, because they knew that some day it was going to come back and bite them in the butt if they didn't do it.

EIR: What was the response from headquarters to this? Castillo: I got no response in the beginning. None at all. For example, on June 19, 1986, the informant at Ilopango called and advised me that Chico Guirola had departed Ilopango to the Bahamas with large shipments of money—and he was the one documented in 11 DEA files, and he was the same one arrested with \$5.5 million in cash. I have certain times and dates, to verify what they were doing.

We're going to go back to 1986, in the Kerry Report, on July 26, 1986. The Kerry Report reported to Congress on Contra-related narcotics allegations. The State Department describes the "Frogman" case. The Frogman case was a case out of San Francisco. This case got its nickname from swimmers who brought cocaine ashore on the West Coast from a Colombian vessel. It focused on a major Colombian cocaine trafficker by the name of Alvaro Carvajal. He was the one that supplied a number of West Coast smugglers. It involved another Nicaraguan citizen by the name of Pereida, and two other Nicaraguans—Carlos Cabezas and Julio Zavala. Now, these guys testified before the Senate committee that the money they were smuggling, or profiting from the cocaine that was being smuggled into San Francisco, was going to the Contras. They testified to that.

It's a funny thing and it's a small world: In 1991, I was conducting an undercover operation in San Francisco, and the wife of Carlos Cabezas delivered to me five kilos of cocaine. She was arrested. Carlos Cabezas came in, and advised me that he, and also Carvajal, was an informant for the FBI, going back to the Frogman case, and that we needed to release his wife. I said, "I think I know you from somewhere."

He went on and he discussed the Oliver North/Contra narcotics-trafficking operation in detail. Of course, a report was written on this all the way into 1991, in reference to Oliver North. He described everything else that he had done for Oliver North, running drugs for the Contras.

EIR: Did he describe that Oliver North was personally involved in this?

Castillo: He said that they all have personal contact with Oliver North. Oliver North has given them permission to do whatever they want.

I have a recorded statement from the informant at Ilopango where he goes into detail, that every single pilot that was involved with the Oliver North/Contra operation gave Oliver North's name as having permission to run drugs freely. They all had credentials by the Salvadoran government and by the CIA so that they would not be searched.

EIR: You have described that there is an awful lot of evidence against Oliver North. Oliver North says that he is "the most investigated man on this planet." This is the response he gives whenever the question of his involvement in drugs comes up. What would you say about that?

Castillo: Point one: He was not ever investigated on the narcotics matter, ever. He was investigated on everything

If Oliver North had been investigated on narcotics trafficking, they would surely have contacted the agents down in Central America-which includes me-who conducted the investigation on him. In October 1986, 1987, I'm not sure what day it was, but I got a call from the DEA in Washington, not to close the case on the Contras, because the Kerry committee wanted access to my reports and the DEA had told them there were no reports. Maybe that's why they never contacted the agents down in Central America. But if somebody is going to do an investigation on the Contras, and there's a lot of implication of narcotics trafficking, they should have and would have contacted the agents in Salvador.

EIR: You sound like you were continuously writing reports and sending information to Washington. Did you get any reaction? Did anybody indicate some interest in investigating this?

Castillo: Finally, they decided to come down. What happened was the DEA sent a rookie intelligence analyst, and another guy from intelligence, and they came down to Salvador, and after debriefing two of the informants in the case, went back and reported that it was a couple of Contra pilots, but it was not organized.

What happened was they had made up their minds what they were going to write, before they even got to Salvador. They just wanted to cover their butt. . . . In two days they were able to determine it was just a couple of pilots and not very organized. Of course, we found out later on from several testimonies from several of the pilots who had been testifying before the committees, that it was a very well-organized operation being run by Oliver North.

EIR: Is there any way that those two agents could have arrived at that conclusion based on what you told them?

Castillo: Oh, no. What happened was they were told, the people they interviewed were the Contra—the informant who worked at Ilopango. He told them exactly what he was reporting to me. It wasn't like, they knew right away, but they needed to say something, that this was happening. What happened then, the guy who was in charge of the Latin American desk for DEA, his name was John Martsh. And he is now, if I am not mistaken, the deputy administrator for the DEA; he just got promoted. This is the same individual who conspired to hide the truth about the Contras' involvement in trafficking. He came back to me, and he suspended me for three days without pay, because I was "too close to my informant." This informant, that "I was too close to," was my only backup in El Salvador. He was an informant because he was the Salvadoran officer who ran the narcotics unit in El Salvador. He was the one that raided Mr. Grasheim's residence. To put pressure on me, they came back [saying] that the DEA manual says I cannot associate with an informant.

The DEA does *not* give us backup. And that's what got Kiki Camarena killed in Mexico. That's what caught Victor Cortez in Guadalajara, Mexico, because the DEA would not furnish Hispanic backups on that investigation. The only person I could work with, and the only person that was given to me to work with, was this informant. Of course, we became friends. But DEA policy says you can't do that. Yet this guy was the adviser, DEA adviser to my narcotics unit that I built in El Salvador. This guy was not just an informant. He had credentials as a national police officer.

EIR: Was this an unusual step for the DEA to take, to discipline you for that type of thing?

Castillo: No. They just wanted me to stop. I had several calls. Mr. Martsh called me to stop reporting this information.

EIR: He told you to stop reporting? **Castillo:** Yes. To stop reporting it.

And if I was going to do any reporting, I should use the

word "alleged." I have a letter from him.

EIR: Did you ever, in any other case, have a superior tell you to stop reporting?

Castillo: Never. Never. I have a letter where he says I should use the word "allege," and that my grammar was terrible. I'm going back. Every evaluation I've gotten has been an "outstanding" evaluation—up to then. Even then, even when I got suspended for three days, a month later, I was put in for a promotion. I had "outstanding" evaluations. It is just the fact that the pressure was being put on me to stop the investigation on the Contras.

EIR: Were there other forms of pressure put on you also? Castillo: Yes, sir. I was ordered to travel to Salvador constantly, by land, by myself, through guerrilla country. It's like they were looking for me to get killed or something. I have proof, that I'll show later on, that they were trying to get me killed. Without any backup, they were having me go out undercover on the Salvadoran military corruption—weapons that were being seized from the guerrillas, they were selling to the cartels. They were sending me out there by myself, so I could get killed.

EIR: You would attribute this to your involvement in the Contra operation?

Castillo: With the Contra operation, exactly. I continued, I continued, and I continued to report this. We'll go back to where several people were starting to report this on the Contras. For example, on March 16, 1987, on a plane owned by a narcotics trafficker, U.S. Customs found an address book and the address and phone numbers were to Robert Owen, North's courier.

We go back to the Kerry report in 1988: They confirm my allegation that there was substantial evidence of drug smuggling through the war zone on the part of the individual Contra pilots, mercenaries who worked with the Contras, and the Contra supporters throughout the region.

EIR: Let's talk about the Kerry Committee report for a minute. When that report came out, it got very little attention, it seems. Why was that?

Castillo: It got very little attention because there was no credibility on the part of the people who were testifying before the committees, because they were all smugglers, they were all Contra pilots that had been let out to dry, they were all criminals. So there was no credibility at all on them. But, they never, ever brought *me*, the agent in charge of El Salvador who conducted this investigation, to ever go before a committee. They never contacted the Guatemala office. Why?

EIR: You say you were never contacted by the Kerry Committee?

Castillo: Never contacted by the Kerry Committee in any

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Oliver North claims he is the most-investigated man ever, but his ties to narcotics trafficking into the United States were never investigated, according to former DEA agent Celerino Castillo.

way, shape, or form. I was never contacted by the FBI, which was trying to file the violations of the Neutrality Act out of Costa Rica on John Hull, on Oliver North, and all those people. Never did anybody contact the DEA [officers] in Central America who actually conducted the investigation.

EIR: When the congressional committees were investigating the so-called Iran-Contra affair, they had the public hearings and a lot of private interviews and depositions. Did they ever contact you?

Castillo: No, sir, not at all. And I was the agent in charge in El Salvador. I was the one who was reporting everything. Maybe they didn't want to hear the truth.

EIR: What about the special prosecutor, Lawrence Walsh? Castillo: Let me tell you something about Lawrence Walsh. I had my attorney in San Francisco in 1991 contact Walsh's people to tell them that I had substantial evidence in regards to Oliver North getting involved in narcotics trafficking. The DEA did not, in any way, shape, or form, want for me to contact them. I went ahead and contacted them secretly. I had a covert meeting with FBI agent Mike Foster, at my attorney's office in San Francisco. He was shocked to find out that there was a lot of evidence that the Contras had been involved, that Oliver North had been involved, in the knowledge of the narcotics trafficking.

When he asked who in the White House did I think knew about the Contras being involved in narcotics trafficking, I showed him a picture of George Bush and myself. His mouth dropped. He couldn't believe what I was telling him. He said, "Cele, if we can prove that the Contras and Oliver North were involved heavily in narcotics trafficking, it would be like a grand slam home run!" Those are his words.

EIR: Did you ever get any feedback from Foster or Walsh's office?

Castillo: I called Mike Foster several times, and he kept telling me that he still hadn't gotten approval from Mr. Walsh to continue the investigation.

That was the end of the investigation. They weren't about to open up another can of worms, because what happened was, everything was dropping, everything was going off. They were working on [Defense Secretary Caspar] Weinberger at the time. . . . They weren't interested in conducting a narcotics investigation.

EIR: Have you looked at the final report issued by Lawrence

Castillo: Yes, sir. I have that. Nowhere in this whole report does it indicate that there is any narcotics investigation at all.

EIR: There's no reference to narcotics?

Castillo: No reference to any narcotics investigation. Oliver North is saying that he is the most investigated person—and if he is, then why isn't there anything in the Walsh report?

EIR: In the course of your 12 years with the DEA, how many cases or prosecutions were you involved in, would you estimate?

Castillo: Thousands of them. All over the country, all over the world. I was constantly having fugitives arrested. . . . I was an agent who was not scared to get involved. I lost my family because of that. I was just a workaholic; I believed in the system; I believed in the agency, and I believed that what was right is right, and what was wrong is wrong. And it didn't take me 20 years to try and figure this out. I found out after my six years that the DEA was corrupt—in the sense that there was a major coverup. We were losing agents because of political fights within Washington, and I decided to leave. And I negotiated my leave from the DEA.

EIR: You say you're involved in thousands of prosecutions. So you're pretty familiar with what kind of evidence is needed to get a conviction in a drug case. Do you think that the evidence that you compiled concerning Oliver North would have been sufficient to get a conviction?

Castillo: Absolutely. Absolutely, from the get-go. I kept waiting for the phones to ring. I kept waiting for someone to call me. "We need you to testify before a committee. We need you to tell us what you have on Oliver North." Nobody. The phone never rang. There was enough evidence, especially on violation of the federal narcotics law, where if a U.S. official has knowledge that there's narcotics trafficking being conducted by somebody, and he does not report it, that's a violation of the law right there. We had the Contras; they were heavily, heavily involved in narcotics trafficking.

EIR: What do you think about the idea of Oliver North becoming a U.S. senator?

Castillo: Well, it's going to be the first felon, convicted felon, to become a U.S. senator. He should be in jail. He should be in jail. On his own words, he lied to Congress, he lied to everybody, he deceived, he's deceiving the American people right now. I think people do not know the real fact that he was heavily involved in narcotics trafficking—his organization was heavily involved in narcotics trafficking. And he had knowledge that these people were involved in narcotics trafficking.

EIR: That knowledge would be sufficient for him to have been convicted?

Castillo: Absolutely. But nobody ever contacted me down in Central America. Now, why? Was there a conspiracy to protect him? Was there a conspiracy to protect the President of the United States, George Bush, or the vice president at

the time? Apparently there was.

All of these things happened. It's documented, it's in black and white, I have case file numbers where it can be obtained. The DEA refuses to release that information.

The funny thing about it is: They're talking about Oliver North with the Contras. Well, there is a case file in 1991 that came out of Washington D.C., that implicates Oliver North. The file number is under Oliver North's name for smuggling weapons to the Philippines with known narcotics traffickers. Now, he's under the investigation by DEA and he's running for U.S. senator: Explain that one to me.

EIR: And you believe this case is still open with the DEA? Castillo: Well, I don't know, maybe it is. Nobody can get access to it.

EIR: Is there anything else you would want to tell the people of Virginia about Oliver North?

Castillo: One of the things that Oliver North is stating, is that I am doing this because he is running for U.S. senator. But, the truth of the matter is that I have been trying to report this going back all the way to 1985-86, then in a memo in 1989, when I met with Walsh's people in 1991; there was a newspaper article that came out with this story in 1993, and in 1994 the Associated Press picked it up again. So it's a continuation of my attempt to educate U.S. citizens to the fact that Oliver North had knowledge that his operations were heavily involved in narcotics trafficking.

EIR: Are you going to come to Virginia and tell your story to the people of Virginia?

Castillo: Absolutely, I will go to Virginia. And the other thing I will say: I've never been paid 1¢ to tell my story. Never. When I found out that nobody was listening at the time to my story, I decided to write a book, a year ago.

One of the other things I want to remind the Virginians, is that I kept a daily journal of everything I did with the DEA. That's why I'm able to put these stories together with times and dates and so forth. So everything was documented. . . .

Even Jack Blum, the special counsel for the Kerry Committee, resigned his post saying, "I'm sick to death of the truth I cannot tell." So it's not me, there are other people out there who are saying the same thing.

In the Kerry Report, it says there is impressive evidence on the record that U.S. officials who turned a blind eye to narcotics trafficking and opposed the investigation of foreign narcotics smuggling, must also bear the responsibility for what is happening in the streets of the United States today.

And Oliver North should be responsible for that. Oliver North cannot stand there and say that nobody died of the narcotics that the Contras ran into the United States—which could be the "Frogman" case, or any other case. He cannot guarantee me that.

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Profile: George Bush

A fanatic advocate of population control

In a Sept. 9 interview with Barbara Walters, former First Lady Barbara Bush confirmed that she is pro-abortion, while characterizing her husband, former President George Bush, as being against abortion on religious grounds while being otherwise in favor of population control. That this is a fabrication of the truth (to be polite), was proved beyond doubt by EIR's Kathleen Klenetsky, in articles published in EIR previously and incorporated by Webster Tarpley and Anton Chaitkin in their book George Bush: The Unauthorized Biography (Executive Intelligence Review, Washington, D.C.: 1992). We excerpt here from Chapter 10, "Rubbers Goes to Congress," wherein the authors report on Bush's record as a U.S. congressman from Texas's 7th Congressional District, which race he won in 1966 through "a masterpiece of gerrymandering":

In 1969, Bush told the House of Representatives that, unless the menace of human population growth were "recognized and made manageable, starvation, pestilence and war will solve it for us." In remarks to the House on July 30, 1969, he likened the fight against the polio virus to the crusade to reduce the world's population. Urging the federal government to step up population control efforts, he said: "We have a clear precedent: When the Salk vaccine was discovered, large-scale programs were undertaken to distribute it. I see no reason why similar programs of education and family planning assistance should not be instituted in the United States on a massive scope."

As Jessica Mathews, vice president of one of Washington's most influential zero-growth outfits, the World Resources Institute, later wrote of Bush in those years: "In the 1960s and '70s, Bush had not only embraced the cause of domestic and international family planning, he had aggressively sought to be its champion. . . . As a member of the Ways and Means Committee, Rep. Bush shepherded the first major breakthrough in domestic family planning legislation in 1967," and "later co-authored the legislation commonly known as Title X, which created the first federal family planning program. . . .

"On the international front," Mathews wrote, Bush "recommended that the U.S. support the United Nations Population Fund. . . . He urged, in the strongest words, that the U.S. and European countries make modern contraceptives available 'on a massive scale,' to all those around the world who wanted them."

During his four years in Congress, Bush not only introduced key pieces of legislation to enforce population control both at home and abroad. He also continuously introduced into the congressional debate reams of propaganda about the threat of population growth and the inferiority of blacks, and he set up a special Republican task force which functioned as a forum for the most rabid malthusian ideologues.

Like his father before him, Bush supported Planned Parenthood at every opportunity. Time after time, he rose on the floor of the House to praise Planned Parenthood's work. In 1967, Bush called for "having the government agencies work even more closely with going private agencies such as Planned Parenthood."

On the foreign policy front, he helped shift U.S. foreign assistance away from funding development projects to grapple with the problem of hunger in the world, to underwriting population control. "I propose that we totally revamp our foreign aid program to give primary emphasis to population control," he stated in the summer of 1968. . . .

Among Bush's most important contributions to the neomalthusian cause while in Congress was his role in the Republican Task Force on Earth Resources and Population. The task force, which Bush helped found and then chaired, churned out a steady stream of propaganda claiming that the world was already seriously overpopulated. . . .

Comprised of over 20 Republican congressmen, Bush's task force was a kind of malthusian vanguard organization, which heard testimony from assorted "race scientists," sponsored legislation, and otherwise propagandized the zerogrowth outlook. In its 50-odd hearings during these years, the task force provided a public forum to nearly every wellknown zero-growth fanatic, from Paul Ehrlich, founder of Zero Population Growth (ZPG), to race scientist William Shockley, to the key zero-growth advocates infesting the federal bureaucracy. . . .

Headed by John D. Rockefeller III, the commission represented a radical, government-sanctioned attack on human life. Its final report, issued in 1972, asserted that "the time has come to challenge the tradition that population growth is desirable: What was unintended may turn out to be unwanted, in the society as in the family. . . . "

The commission made a host of recommendations to curb both population expansion and economic growth. These included: liberalizing laws restricting abortion and sterilization; having the government fund abortions; and providing birth control to teenagers. . . .

The collapse of the traditional family-centered form of society during the 1970s and 1980s was but one consequence of such recommendations. It also is widely acknowledged that the commission Bush fought so long and so hard to create broke down the last barriers to legalized abortion on demand. Indeed, just one year after the commission's final report was issued, the Supreme Court delivered the Roe v. Wade decision which did just that.

British circles close to Bush want to warn Clinton he is not liked

What follows is an edited transcript of the Sept. 14, 1994 hour-long radio interview on "EIR Talks," conducted by Mel Klenetsky.

EIR: Welcome to "Executive Intelligence Review Talks." I'm Mel Klenetsky. We're on the line with Lyndon LaRouche from Virginia.

How are you, Mr. LaRouche?

LaRouche: Well, I'm rather happy about the Tuesday evening event, the election (virtually) of Marion Barry to be the next mayor of Washington. It's a striking event that has many political ramifications, not only for the D.C. area, but for national policy. I find it most interesting.

EIR: Mr. LaRouche, I'd like to talk about a recent development that occurred, which created quite a stir in Washington. This was the crash of this single-engine Cessna plane on the South Lawn of the White House. It seems to me that it raises two questions: first, the security issue, and second, the context, in terms of the continual attacks on the presidency and those who would even make of this issue a sign of disarray in the Clinton camp.

How do you view this security threat, and the continual attacks against the Clinton administration?

LaRouche: Well, first of all, let me just say what we heard from some fellows who are well connected in Europe.

The European establishment (and I'm talking about fairly high levels in the European establishment), views this as a warning to Clinton that he is not much liked; and that is, implicitly, by circles which are close to the Bush group, if not to Bush himself—which, of course, means the British. That means the Hollinger Corporation, Henry Kissinger, et al. That crowd.

While all the bases appear to be covered from the standpoint of the Secret Service and so forth on that, that is, they have a good reason for everything they report, there are certain aspects of this which, from my experience as a rather successful analyst in anti-terrorist operations and related assassination operations, are very clearly of that character [cf. Chronology, pp. 62-64]. Whatever was going on in the pilot's mind, his actions have been used and registered to the kind of effect that these Europeans say is the case. I tend to agree with them. There is a hate level against the President as President, coming out of London, and out of circles close to George Bush, which is beyond belief. So, I'm not surprised at this kind of threat pattern; nor am I surprised, naturally, that we have the Hinckley pattern continuing.

Remember, Hinckley was a member of a family which was very close to the Bush family. Hinckley's father was fairly high level in British private covert intelligence in Africa, this WorldVision organization. They had been neighbors of the Bushes in Houston, until they moved to Colorado. Neil Bush, the fellow who was working with the Humphrey machine for "funny money" laundering in that period, was to have had a meeting with the brother of Hinckley, which was to have occurred the day *after* the assassination attack on President Reagan. Naturally, they called it off.

But then Hinckley turns up, and someone says, "Well, Hinckley is only a nut case." Well, we investigated the Hinckley case. Hinckley was a nut. There's no question about it. He was a druggie. He had a drug history as long as your arm, and a drug treatment history, including institutions which have the capability of producing a "Manchurian candidate" type by searching through the rubbish pile, and finding something like that.

So, the Hinckley case is still hanging out there, and it was never properly investigated, and we know, because we were involved in part of the investigation, and we were there when the investigation was shut down, when it should not have been shut down. And, there are many things about this pattern which have been published in various publications, including, in part, the Washington Post and, more fully, in the Washington Times. This pattern, plus the statements which are official from the Secret Service, and statements from experts with whom we are acquainted, indicate that the European perception of this event, is a very accurate one. That is, whatever was the case, the event is being used to signal the President that, perhaps there are certain circles out there who are watching too many Rush Limbaugh broad-

casts, who may be a little bit nutty, as Rush Limbaugh enthusiasts might tend to be; and, they might decide to act on their nuttiness—at least, that's the cover story.

EIR: More than ten assassination threats have been identified against Clinton, and this certainly is a very, very large number, compared to other presidencies, and, as we were discussing earlier, there is a *cui bono?* involved. Who benefits if there is no such thing as a "lone assassin" operation, or if it's very unlikely, then we have to get into the issue of "who benefits?" Can you please address that?

LaRouche: Well, you're not going to see much of it on the domestic policy side. It's very obvious the President has not been able to get any of his major agenda through the Congress. NAFTA was not his, he was forced to run with it. The crime bill was not his, that was already there, it was a Bush bill, but he was also forced to run with that; in both cases, he was forced to run with these bills to maintain his credibility.

Now, we have the Haiti issue coming up, which is essentially a domestic issue, not a foreign policy issue. It's a horrible thing for Haitians, but there is a domestic lobby which is tied to the Quantico side of the ADL, FBI, and similar organizations, which has control of some of the Congressional Black Caucus and, presumably, Jesse Jackson or similar types. Jesse's position on Nigeria, for example, is a straight abomination. If you want to talk about "Uncle Toms," that's what Jesse's doing, as he did against Farrakhan and against Ben Chavis in the first summit meet, trying to sabotage it, then turning up and trying to sabotage it by his agenda.

So, you have this kind of phenomenon. It's really a domestic issue, not a foreign policy issue. It's a funny thing. But on this point, the President, even on the Haiti issue, was pushed to going back to the George Bush policy of 1991, and Bush was the original proponent of this invasion, this military operation against Haiti. Now that domestic pressures have pushed the President into taking a posture (which tends to be in favor of letting the invasion go. It's like the crime bill, it's an animal which nobody can seem to stop), Bush pretends to be against it.

So, don't look on the domestic side for the President's real enemies, even though his wife has made enemies of the insurance companies, who think she's threatening their ripoff, but look, rather, in foreign policy. Then it becomes clear.

Look at Kissinger's recent op-ed in the New York Post and elsewhere. It's a complete piece of drivel on the subject of the so-called summit of the people of the Americas on trade agreements, and so forth. But this is, again, Kissinger, Hollinger Corp., or my enemy John Train, from New York City, that complete British asset of that circle. Like Kissinger, he's also part of Hollinger Corp. The George Bush/Oliver North profile; again, that's the same thing. That's British.

These are *foreign policy issues*. Now, on foreign policy,

the President has been, apart from the Haiti glitch, somewhat effective. He has worked with the Vatican in a diplomatic understanding on common views on the Cairo conference, despite the differences; and that common view approach has, in a sense, prevailed. While there was a lot of talk that came out of the Cairo Conference, nothing enforceable, in line with the original intention, has resulted. So, it is a kind of a turning point, a reversal, a setback, and that makes some people very angry.

Then, in general, the President has gone after British domination, through British assets like George Bush and the Bush Leaguers, within U.S. policy. So therefore, the President is clearly an enemy of the Anglo-American, or, shall we say, Anglo-American-Canadian establishment, of the liberal establishment. And Bush, of course, is a part of the liberal establishment, and so is Ollie North. Ollie North lies a lot, so when he says he's not a liberal, that's just another Ollie North lie.

What do you expect from a drug pusher?

So, that's the size up of it, and that's where the issue lies. It's the issue between London and Clinton, and the fact that George Bush, Henry Kissinger, John Train, et al. are, essentially, London assets; and when London coughs, George Bush gets pneumonia. That kind of thing.

EIR: Denis Healey, the former Exchequer of England, gave a speech at the Swiss Commodities Futures Option Association. He lambasted liberalization. He described the crash of '87 and the 1992-93 European currency upheavals as a result of these deregulatory trends, and he called for a tax on speculative transactions. What do you think is the significance of such a figure as Healey making these types of assertions? LaRouche: Well, I would say that, in one sense, I have won on this issue. Not just the tax on derivatives, a policy recommendation which I revived a couple of years ago, but

what's happening globally, is a recognition which Denis Healey reflects. Now, the recognition may be partly opportunistic, partly sincere, but it's there. It's the issue raised by Maurice Allais, as well as by me, earlier.

There are two things to be considered here. First of all is the very specific issue of derivatives, and I think people should look closely at the paper I put out on the subject of the so-called Ninth Forecast of mine. But, at the same time, everyone in these circles, except self-blinded fanatics on the monetarist side, recognize that the entire international banking and monetary system is going through not only a process of collapse, through reverse leverage; but we are also headed toward a potential disintegration of the leading monetary and financial institutions of the world.

That is, not a collapse of the institutions, but their actual disintegration. That's what's in process. The problem is that in general, both sides on this issue, Denis Healey, others who share his views, and their opponents, and the monetarists, have no agreed alternative to collapse. Therefore, they're

playing games.

The Healey crowd is right, but, in a sense, they're opportunists. They recognize that the derivatives mess is going to collapse, the derivatives bubble is going to collapse. It's happening all over the world. We see reflections of this process in the collapse of the Banco Latino, and other banks in Venezuela; there are reflections of that in Mexico. Markets all over the world: the evidence is there. It's clear that it's going to collapse. So therefore, they're going to come out on the top side, or they and the people they advise, in terms of the fight over derivatives as such.

But the problem is, that both they, and their opposition among the monetarists; *neither* have a clear view of the alternative. But, in the meantime, there are people behind the scenes from various parts of the world, who are telling me, and who are demonstrating what they say by actions, that they share my view on what the alternatives are, and predict that, very rapidly, my proposals will become hegemonic worldwide on global reorganization.

The general estimate is, and I can add my own endorsement of this, that the weakening of the monetarist faction, that is, of the financier oligarchy behind the present policy which is collapsing, the weakening of those financial and monetary institutions, will lead to a weakening of the political power of the oligarchy, and, thus, ideas such as mine are coming rapidly into prominent position. I would say that, within the next year or so, my views will be more or less openly endorsed and supported worldwide by some very prominent circles.

EIR: I know it's difficult to quickly characterize these views, but what are the fundamental differences between your position, your views on economic directions compared to what we've seen by the monetarists?

LaRouche: Well, on the one side, it's really a very simple thing, isn't it? On the one side, what I'm proposing is to put a bankrupt global monetary central banking financial system into financial bankruptcy reorganization.

For example, if you have the word that the bank down on the corner is going to go bankrupt, belly up, then what you scream for, is for a legal process to take place for a legal financial bankruptcy reorganization to proceed, to attempt to prevent chaos, to protect certain prime interests, and to sort things out generally.

We should be doing the same thing with a monetary and financial system which, in point of fact, is going belly up. It's already bankrupt, if a real audit were conducted.

Now, that's obvious; and, as things become worse, you're going to see more and more peopletalking about more re-regulation, as Denis Healey was, with a tax proposal; more in terms of government intervention. You're going to find an increase in protectionist impulses, not merely from South and Central America, as Henry Kissinger fears, but from around the world. . . .

Essentially, the point is that leading governments of the world will be faced with the issue of putting what are obviously collapsing, bankrupt monetary as well as financial institutions, major ones, all financial markets, into bankruptcy reorganization, very much like the bankruptcy reorganization that would be done with a local troubled bank in your neighborhood.

But the question is, once that's done, and that should be done, otherwise there's complete chaos, the question is, how do we grow? How do we come back as an economy after the bankruptcy?

Now, a bankruptcy reorganization per se cannot cause a recovery. It just stops chaos and turns chaos into a kind of slow erosion if nothing else is added. So, what's needed, in order to get the economy moving again, is obvious economic growth, *physical-economic growth*. The question is, how do you start it?

Well, there are two ways we've started growth in the past. One is with a war economy, which the case of World War II or the Korean War period or the Cold War period during the early 50s or the early 1960s prior to the Vietnam War and space programs, also; they were good economic stimulants. But essentially, historically, basic economic infrastructure.

Basic economic infrastructure has to be funded by credit created by governments. It cannot go on a large scale simply by private banking or central banking. It never has. Central banking, or that kind of banking on its own steam, has never been able to get a genuine economic recovery going.

So, that means that the state, the federal government, under Article I of the U.S. Constitution, for example, would have to go back to national banking, issue U.S. currency notes by act of Congress; loan those notes through a national banking system, either directly to state, federal, and local authorities, or through the private banking system to authorities, and, also, to private contractors or other suppliers, who will be stimulated to issue bids for participation in these infrastructure projects.

That's the only way you're going to get an economic recovery. That is the issue on which a lot of people are opposed to me, particularly those who have been indoctrinated with Adam Smith or free trade, or von Hayek, or any of these other funny, poisonous dwarves who run around the academic community these days.

So, you have two oppositions: one, the financial oligarchy does not want financial bankruptcy reorganization, because that means that they would come under U.S. and other governments' audit, and they do not wish to be accountable to government, they never did; they think governments ought to be accountable to them.

Secondly, in addition to the financial oligarchy, who have been indoctrinated with this free trade garbage, think that somehow this is big government, this is socialism or something, that is, if governments (as all successful capitalist governments have always done) stimulate the growth of the private sector, through government's use of its responsibility in its sector of the economy, the so-called public sector, or general infrastructure sector.

Now, there's where the opposition is.

My view is that as the crash approaches, more and more people, particularly the increasing number of people in the have-not section of the population, which turned out to support Marion Barry in the Washington, D.C. Democratic primary; more of those people will demand not only bankruptcy reorganization of the financial system. They will also demand infrastructure projects which stimulate the growth of the private sector, and increase, from the standpoint of the man in the legislature, federal or state, or municipal, an increase in the tax revenue base of society, so that government will have the funds from tax revenues, to fulfill its responsibilities. That's where the issue lies.

EIR: The United Nations Population and Development Conference in Cairo just came to a close. A non-binding document has been produced after much heated debate. What do you think was accomplished there at Cairo, if anything? LaRouche: Let me just step back a moment on this. The people behind the Cairo conference are what I have identified as the Venetian Party forces, typified by the Darwin-Huxley family in Britain, and typified by Prince Philip, the consort to the Queen, who is the head of what was called the World Wildlife Fund. It is now called the World Wide Fund for Nature. These two groups, which are closely associated, through, actually (don't laugh, it's true) the London Zoological Society, have conducted mass genocide in Africa. As a matter of fact, the British government, through the Overseas Development Minister, which is the new name for the Colonial Secretary, Lynda Chalker—actually Lady Lynda Chalker (she is a member of the House of Lords)—who was in the Thatcher regime, and is also in the Major regime now, is personally responsible for the genocide in Rwanda. She directly supervised and orchestrated it, through her puppet, who is the present dictator of Uganda, whose troops invaded Rwanda through a mountain gorilla game preserve set up by the World Wildlife Fund, and that's how the operation was

So, these are the people responsible. You have the Eugenics Society, which is the world population control group. These are the neo-malthusians. The other neo-malthusians are Prince Philip, and the World Wildlife Fund crowd, which runs these game parks, which was a key force, as a matter of fact a central force, in running the genocide in Black Africa.

These are the forces, combined through the United Nations' UNESCO, through those sections of the United Nations which were associated in an earlier period with two members of British intelligence: Julian Huxley (remember the Huxley family, which orchestrated much of this theory), and, also, Brig. Gen. John Rawlings Rees, who was the head of the Tavistock Clinic and, later, Tavistock Institute, who

headed up the World Federation of Mental Health, and whose influence runs most of the sociology and psychology professions in the United States, for example, today.

These forces were determined to get the power of world government established by a mandate to the United Nations, for self-enforcing legislation, using sanctions and so forth, coming out of the Cairo conference. That they did not get. What they got, was compromise language which is not enforceable...

It wasn't a crushing defeat there. But the point is, they were jammed up, and did not get their enforceable doctrine.

What has happened also, on the other side, was that a convergence of forces who are opposed to world government, and who are also opposed to other features of this population-control resolution, took initiatives in the Islamic world. Pope John Paul II mobilized a sometimes somewhat reluctant Catholic clergy and church as a whole into opposition to this operation. He used the example of Lazare Carnot: He got the bishops and cardinals out of the barracks, and across the river, to the other side, tonight, not waiting until morning, and that kind of leadership by His Holiness got the church moving, despite the fact that many people on their own, even among the clergy, would *not* have moved against this in that way.

Then you had also many evangelicals in the United States, for example, who were stoutly opposed to these kinds of monkeyshines; you had Jewish groups, less prominently visible, but nonetheless there, who happened to share the same view, and others around the world who are opposed to world government.

So, this was enough to set back the conference's legal ambitions, if not its language. But the more significant developments occurred *outside* this immediate issue.

What has happened, is that there is a revulsion against what's happening in the Balkans, a revulsion against what the British royal family and its associates have done in Rwanda, Uganda, for example. This *stink* is motivating a *change* in values, back toward the kind of values which would have been accepted, generally, during the Kennedy administration in the United States, *less* than the kind of values which came to the fore under Henry Kissinger's reorganization of the U.S. intelligence community over the 1968-76 period. And so, that's the good part.

There is a change which coincides with the revulsion against the derivatives speculation, the speculative bubble, including even the opportunist remarks of Denis Healey at the Swiss meeting. All of these things indicate that there's a change back to what Harding would have called "normalcy," that the insanity of the past 30 years, of counterculture, post-industrial society, one-world lunacy: these kinds of things are now somewhat, if not on the wane, at least they're under heavier counterattack than they've been in the past 10-15 years.

EIR: Well, as we look at the picture that you're painting,

we also see that political developments in many parts of the world are *very* intense. In France, Italy, and Germany, the situations have really heated up.

In France, Mitterrand is coming under attack based on a new book which goes through his involvement with Vichy France during the war. In Italy, you have a social, political, and financial chaos that is so big, that Angelo Codevilla is calling for a Pinochet-style solution.

Of course, in Germany, you have the chancellorship elections coming up, and Kohl's coalition partners have just lost big in regional elections.

How do you see these different situations?

LaRouche: Well, in France, there is an institutional change in process, and there are two poles in there. One, you've got a pole in the tradition of Lord Gray and Théophile Delcassé, over the 1898-1904 period, as shown by the recent British agreement with General Morrillon to put together this joint British-French expeditionary force capability. So, there is an Entente Cordiale tendency, in which London is using its positivist assets, the Laplace-Saint-Simon tradition assets, in France, for its own purpose.

But, there is also another process in France, which is more nationalistic. Unfortunately, de Gaulle did *not* supply a leadership of ideas, but a personality, and therefore there is no real Gaullist movement in France today, no opposition in an organized form to this kind of tendency.

But nonetheless, there is an institutional resistance to capitulating to Britain, particularly centering around economic issues, and things of that sort.

So, France is in turmoil, obviously. Mitterrand is in bad health, he's coming to the end of his presidency in any case, and things are stirred up there.

Italy is more significant. Now, in Italy, Prime Minister Silvio Berlusconi is in a very weak position. There is no one else on the scene who could replace him at present, and his opposition is quite interesting. The opposition to Berlusconi, including the Northern League crowd, is coming from Britain; but, in part, it's coming through British assets in Italy, including Carlo De Benedetti.

Now, Carlo De Benedetti is entangled with British foreign intelligence. He is not strictly Italian. If you look at his Swiss connections, you'll see he is British, a British intelligence asset. Then you've got oligarchs, like the Fiat mafia, which are also a factor in this thing, which are supporting the Northern League. So, obviously, Italy is at a point of crisis, and there is a clear split in Italy, and there are those who oppose the British destabilization of Italy, which is what has gone on in the recent period: pure British intelligence destabilization of the southern flank of Europe, which is continuing.

Now, in Germany, you've got a different situation. Kohl is very much under attack. This is coming from the circles of former Soviet dictator Gorbachov, who is the "grandfather" or the "godfather," together with Bob Strauss from Houston and the late Bob Maxwell, of a firm called Nordex, which

again cuts in to Carlo De Benedetti, an operation run out of Minneapolis through the Hubert Humphrey Institute, and out of London largely—the Maxwell crowd [see p. 35].

This crowd set up a looting operation which created Russian organized crime under Gorbachov, out of sections of the official Soviet apparatus. Most of that money was simply taken and stolen, most of that wealth; but a significant part of it was squirreled away in Swiss and other banks, to the advantage of Gorbachov and this section of the *nomenklatura* which is known today as Russian organized crime.

Involved in this, are the leadership of the former Stasi, the former communist party of Germany, which is now reflected in the leadership of the PDS party in Germany. The PDS has made a strong play to come back to power, exploiting the capitulation of Bonn to Mrs. Thatcher and Mr. Bush's demands that East Germany not be economically developed, but looted. The East German population has thus been trapped back into the grab-bag of the leadership of the PDS, which is a Gorbachov organized crime-linked political institution.

So now the landscape in Germany is changed by the emergence of this PDS in this form, with funding coming out of stolen funds from an earlier period. So, Kohl is going to have to reckon with this problem, which is this major threat, apart from himself and his do-nothing policy. But if Kohl continues the policies of Clinton, the policies which he apparently has adopted, with respect to Eastern Europe, he will probably find forces in Russia which are *not* Gorbachov, but forces in Russia and the United States, which will decide that Kohl is the man to keep in place, at least for the time being.

So, there's more to the Kohl election than might appear by simply reading the German press and commentaries. But otherwise, in France and Italy, the threat of chaos is great.

EIR: In the remaining few minutes that we have, I'd just like your comments on the potential developments in the Caribbean, Haiti on the one hand, where a military invasion is imminent, and Cuba, where Clinton seems to be moving in a very positive direction, and seems to have headed off a crisis. What would you like to say on these areas?

LaRouche: First of all, Haiti is not a Clinton policy. The Haiti invasion, if people will look back in the newspaper files, was a President George Bush policy. Presently, it seems that George Bush is laughing up his sleeve, saying, "Clinton has now got to invade. He shouldn't do it (ha, ha, ha), and I am going to benefit when my cronies run for President against Clinton in 1996, or against the Democrats. We're going to win with the help of the Haiti issue in dividing the Democratic vote, with the sociological flashbacks which come from a U.S. invasion of Haiti."

Everyone observes, I think, that Clinton did his utmost to frustrate the Bush policy, which was for a U.S. invasion of Haiti. He spent most of the early part of his administration doing that. Then suddenly, certain forces who were tied to Bush, directly, and other forces, tied to old communist cir-

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cles in the civil rights movement, for example, began to move to threaten the President that if he did not invade Haiti, bad things would happen to his essential Congressional Black Caucus constituency in the Congress.

Under these circumstances (and I have some dirty information on this, which I'll develop later, once we have the facts fully confirmed), a group around the FBI, that is, Jonathan Demme, the director of the "Silence of the Lambs," who was very close, very intimate, with the Quantico Division of the Federal Bureau of Investigation (the same Federal Bureau of Investigation which is running frameups against black political figures around the country), began to move, through his friend, whom he controlled, to stage this hunger strike, this Hollywood rebellion, and so forth, and suddenly he found a very powerful gutter faction, not black alone, but gutter faction around the country, which lined up for this operation.

The "EIR Talks" interview with Mr. LaRouche is put up on audio satellite three times each week. "EIR Talks" goes up twice on Thursday evenings—at 8 p.m. and 12 midnight Eastern Time on C-1, 137 degrees west. Reverse polarity. Audio programming mono, narrow band. 7.56 MHz audio. Transponder 15. "EIR Talks" also airs Fridays at 1 p.m. Eastern on Satcom C5, Transponder 15, Channel 16-0. Any radio station in the world can pull the satellite broadcast down for re-transmission.

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Cessna pilot makes attack on the White

by Scott Thompson

President Clinton was the target of what may have been an assassination attempt on Sept. 12, as a single-prop Cessna piloted by Frank Corder crashed into the White House lawn, skidded, and pieces of the wreckage hit the White House itself. According to the Sept. 13 Washington Times, "The number of threats on the President's life has surged." The Italian daily Corriere della Sera on the same day reported that the threat level against President Clinton is reminiscent of the period before President John F. Kennedy was assassinated. However, a spokesman for the Secret Service told EIR, one reason for the appearance of an increased threat level is the greater technological efficiency brought to bear in countering threats—an analysis that overlooks the fact that there has been a campaign to drive President Clinton out of office, inspired by the British royal family through the Hollinger Corp.-controlled press.

At least a dozen significant threats to the President's life were known to the public before the Cessna attack on the White House, and the Secret Service has confirmed to EIR that many incidents, which might open a multitude of cases, are being kept secret as a matter of policy. Among these incidents are the following:

A chronology of threats

Oct. 20, 1992: Gary Steven Foster, 41, a Chicago man on anti-psychotic medication, is arrested for threatening Clinton as the candidate campaigns in the city. (Washington Times)

Oct. 22, 1992: Edward Carroll, 43, of Nevada is indicted for threatening Clinton. The former Marine had a history of mental problems. (Washington Times)

Feb. 25, 1993: Michael Bernard Shields, 28, a Virginia Beach, Virginia gun dealer, is ordered to undergo a psychiatric evaluation for threatening to kill Clinton. He told Secret Service agents that Clinton "needed to be eliminated, by force if necessary." (Washington Times)

February 1993: Larry Peoples of Biloxi, Mississippi makes a threat in a letter to President Clinton after listening to populist television host Rush Limbaugh. (This case symptomizes a rash of threats following political attacks on the White House by Limbaugh and televangelist Jerry Falwell.) Peoples is arrested by the FBI in December 1993, but not

'kamikaze' House

until after he had bought a pistol and a two-way ticket to Washington, D.C. (Corriere della Sera)

July 1993: Matthew Bennett is arrested in Woodstock, New York for threatening the President. (Corriere della Sera)

Oct. 15, 1993: James Lee Buchanan, 41, a Kansas City, Missouri mental patient, is charged with threatening Clinton after telling police he intended to kill the President. (Washington Times)

November 1993: Ralph Dulaney Mason, a self-described member of the Branch Davidians, threatens the President. (Corriere della Sera)

Dec. 13, 1993: David Craig Davis, 33, of Great Falls, Montana is arrested for threatening to kill Clinton. (Washington Times)

February 1994: Rollen Frederick Stewart of Orange County, California threatens the President. Stewart (a.k.a. "Rainbow Man," "Rockin' Rollen") had a record that included four felony counts for placing explosive devices in various public places, and he had been sentenced to three concurrent life sentences in an altercation in which he took a hotel maid hostage in 1992. This product of the rockdrug-sex counterculture had made a name for himself by attending sporting events wearing a multicolored wig and waving a sign citing a Biblical passage. He was a heavy user of marijuana and other drugs. "Rockin' Rollen's" ability to attend sports events around the world apparently resulted from a \$50,000 inheritance that he invested in an auto repair shop.

Feb. 23, 1994: Ronald Gene Barbour, 45, is arrested at a psychiatric hospital in Orlando, Florida for threatening to kill Clinton. He is accused of stalking the President's jogging route in a park in Washington, apparently following the President on one of his regular 7:30 a.m. outings. The attempt prompted the Secret Service to expand its protective detail—including adding joggers and bicyclists—but agents still allow people to walk up to the President unimpeded. Barbour was armed with a pistol at the time of his threat against President Clinton.

April 3, 1994: Michael Mower, 36, of Dayton, Ohio, kills his mother and himself at a motel where he was staying after wounding two law-enforcement agents investigating his threats on the President. Mower began shooting after a Secret Service agent and three deputies went to the motel at 3 p.m. A SWAT team returned at 6 p.m., finding Mower and his mother dead. Cincinnati Secret Service Special Agent in Charge Dick Rathmel described Mower as obviously mentally ill.

July 2, 1994: Ralph Dulaney Mason, 44, of Lake City, Michigan is sentenced to five years in prison for threatening Clinton verbally and by mail. (Washington Times)

June 22, 1994: Matthew Thomas sent a death threat to President Clinton through his computer. The threat, whose contents were not disclosed but which allegedly told Clinton that he was going to be killed, had been sent on Feb. 21 to the President's confidential E-mail address at the White

July 19, 1994: The Secret Service charges Paul Walling, 46, a suburban Philadelphia man who opposes gun control, with threatening Clinton. He also wanted to kill Attorney General Janet Reno. He told the Secret Service he wanted to shoot the two "for what they have done to the American people by trying to take guns away from them" with the Brady law, which establishes a mandatory waiting period for handgun purchases. "I have seen Clinton in the crosshairs on my scope."

When police arrested Walling, they found he had acquired two dozen weapons; all were loaded, and some had military rounds in them. Walling was charged in a complaint filed in U.S. District Court in Philadelphia with threatening the President, illegally obtaining some 40 weapons over the past three months, and interstate transportation of a stolen vehicle.

Aug. 30, 1994: Glenn Robert Armstrong, 26, of Uxbridge, Massachusetts, is arraigned on charges of threatening to kill Clinton, who is vacationing on Martha's Vineyard. He is arrested while waiting to board a ferry to Martha's Vineyard after reportedly telling a ticket reservation clerk he was "going to kill the President."

Armstrong pleaded not guilty in Barnstable District Court and was ordered to undergo 20 days of psychiatric evaluation at Bridgewater State Hospital. Secret Service agent Mike Johnston of Boston would not say whether Armstrong was armed, but White House press secretary Dee Dee Myers said the Secret Service would investigate further.

Facts surrounding the Cessna attack upon the White House

Some time after the last security inspection of small planes at Harford County, Maryland airport north of Baltimore, Maryland at 8 p.m. on Sept. 11, Frank Eugene Corder (born 1956 and raised in Aberdeen, Maryland) stole a twinseat, single-prop Cessna and began his flight toward the White House. The flight ended when he crashed into a spot two floors below the Clintons' living quarters at 1:49 a.m. on Sept. 12. The plane was torn to pieces as it struck the South Lawn, skidded some 75 feet, and collided with holly bushes, as well as a magnolia tree planted by Andrew Jackson, striking the White House proper.

At that moment, the heaviest concentration of Secret Service agents was at the Blair House to the northwest, where the Clinton family was temporarily staying during repairs on the White House. However, after the incident, the Secret Service went into an emergency drill sealing off several streets with heavy equipment.

According to all major newspaper accounts, the Federal Aviation Administration (FAA), from its offices at National Airport, picked up Corder's plane on radar minutes before it entered the restricted flight zone over the White House. However, it appears that, with the airport closed and only a skeleton crew on duty, no one was monitoring the radar screen, and no warning was given on the hotline to the White House. This may be the reason why stinger missiles assigned to the Secret Service unit guarding the White House were not used. Some experts claim the plane would have been shot down as it entered within a mile and a half of the White House airspace, if the Clintons had been in residence there. (This somewhat exaggerates the size of Restricted Area P-56, which includes an area that extends three blocks north of the White House and includes a bubble, where planes must fly at least 18,000 feet over the Capitol Building, the Mall, the Lincoln Memorial, and the White House.) But, more importantly, the later printout from the unmonitored radar at National Airport shows that Frank Corder flew his Cessna at tree-top level over Blair House as well, while en route to the White House.

The Washington Post reported on Sept. 13 that, as part of the investigation ordered by Treasury Secretary Lloyd Bentsen, the FBI and Secret Service plan to pore over FAA records to determine what the FAA's radar showed, especially whether it seemed to indicate a potential threat and what was done with the information.

Once the high-level alert was proclaimed, Secret Service agents searched the plane wreckage to see if it was carrying explosives—they found none. As for the pilot, Frank Eugene Corder, he appears to have died on impact, with both arms and legs broken and extensive damage to his head. According to the Sept. 14 Washington Post, Corder, during the preliminary autopsy, was found to have both cocaine and alcohol in his bloodstream. But, so far, there is a puzzling discrepancy between the first alcohol level reading of 0.37, which would put most people in a stupor, and 0.045, which is only slightly above the legal limit for a pilot.

John Corder, Frank Corder's brother, told the press that Frank expressed great enthusiasm for the 1988 exploit of Mathias Rust, who had landed a Cessna in Red Square. Moreover, Frank Eugene Corder recently boasted that he would like to kill himself by flying a plane into the White House in the presence of his brother John and friends. This was said to be taken as a joke, but apparently had been a

long-held fantasy.

Was Corder a 'Manchurian candidate'?

There are numerous leads that Frank Corder may have been certifiably insane, as well as a victim of "Manchurian candidate" brainwashing.

Although John Corder denies that his brother had been treated for mental illness, Frank Corder was clearly in a deeply depressed state at the time he acted. He had just separated from his wife. His small trucking business had gone under. His father had recently died. And he was living in his car or a local motel.

In what may be a reference to information not yet made public, Secret Service spokesman Carl Meyer told the news media: "He [Frank Corder] has a prior history of mental illness." But Meyer refused to disclose the nature of the illness or the treatment. At the least, it may have been treatment for Frank Corder's record of alcohol and drug abuse.

This included treatment at the Department of Veterans Affairs Medical Center in Perry Point, Maryland, where Corder lived on the base with his wife Lydia, until they broke up recently. Apparently, Lydia is working at the VA center as a nurse. As previous EIR investigations have shown, there are a lot of MK-Ultra psychiatrists utilizing VA patients as guinea pigs. MK-Ultra was the British SIS-CIA plot, carried out through psychiatrists and members of the eastern establishment, to introduce hallucinogenic drugs to the U.S. population at large, thereby helping launch the rock-drug-sex counterculture in the 1960s. Thousands of pages of declassified MK-Ultra documents, supplemented by statements of experts such as Col. Fletcher Prouty, show that one facet of the program was to create Manchurian candidate-style assassins who would give their life to kill, say, a President.

There is also the curious record of Frank Eugene Corder's career with the Army during the Vietnam War, where, apparently after only 6-9 months training as a generator mechanic, he was released from service without being sent to Vietnam. This is most unusual, and veterans state that it only occurs when individuals are classified as "Section 8," i.e., mentally ill, or whose resignation is essential to cover up a major blunder.

On Sept. 13, the *New York Times* printed synopses of state court records showing that Frank Corder was arrested in October 1993 on two drug charges. One charge was dropped, but he was given a 90-day suspended sentence on the other, for possession of a controlled substance. While John Corder intimated that his brother had a drug problem with marijuana, neighbors say it was cocaine. Court records also show that Frank Corder was arrested in April 1993 on a theft charge, but the authorities decided not to prosecute.

Meanwhile, Frank Corder had at least two charges of driving while intoxicated, of which the first, in 1986, was dismissed.

Frondizi asks Clinton to exonerate LaRouche

Arturo Frondizi, the former President of Argentina, asked U.S. President Bill Clinton to exonerate U.S. statesman and economist Lyndon LaRouche, in the second letter that he has sent to President Clinton on the judicial persecution of LaRouche. LaRouche, who was railroaded to prison on charges the government knew to be false throughout the prosecution, was incarcerated for five years of a 15-year sentence. He is now on parole.

Frondizi sent a copy of his letter, dated Aug. 6, to James Cheek, U.S. ambassador in Argentina. A reply on his behalf was sent from the U.S. embassy on Aug. 26, thanking Frondizi "for the copy of the letter you sent to President Clinton requesting freedom for Lyndon LaRouche." Frondizi's letter follows.

August 6, 1994 The Hon. William J. Clinton, President of the United States of America

Distinguished and esteemed President:

. . . I wrote to you, in my capacity as former President of the Argentine Nation, on May 14, 1993, which I did with the great affection I have always had toward your great nation and with the best hopes of future actions by your administration for the good of mankind.

There is a phrase from former President Kennedy that I never tire of repeating; it is a masterful encapsulation of human and political understanding, and it is the one that states: "Men and women who are hungry cannot wait." That's the incentive that spurs me on to continue struggling.

On the occasion of the aforementioned letter, I raised with you the difficulties that the underdeveloped countries of Ibero-America are undergoing and I also reminded you that during my administration, in the search for a "common destiny of human redemption," I established a close relationship between Argentina and the United States of America.

Along with distinguished personalities from around the world, I took the liberty to request of you, with full conviction, freedom for economist Lyndon LaRouche, following an intervention with the Inter-American Commission on Human Rights of the Organization of American States. In a first step of justice, since Jan. 26, 1994, Mr. LaRouche has been freed on parole, wherefore a definite resolution of the case is now required.

My great friend President Kennedy witnessed during the long and fruitful relations between our countries how I as



Arturo Frondizi, the former President of Argentina and a friend of President John F. Kennedy.

President never assumed definitive judgments unless they were supported by exhaustive personal knowledge of the subject and indispensable legal counsel.

Keeping that premise in force, on that opportunity I requested from you personal freedom for Lyndon LaRouche, and for the same reasons I now request that you take such measures as may be necessary for his immediate and complete exoneration. Human rights, individual freedoms, justice, and democracy in the world so demand it.

I have always shared to a great extent the political-economic thinking of Mr. LaRouche, which I have had the opportunity to discuss personally [with him], because I find that it has particular affinities with what I have been preaching politically my whole life in the Ibero-American continent. I don't believe it necessary to add much more on the subject since I dealt with it extensively in my previous letter. Nonetheless, I cannot but stress that national development is a condition of well-being, progress, freedom, and democracy, as is also affirmed by the Catholic Church.

I believe in the morality of men who preach their ideas with a vocation of service, with honesty of thought, and with incorruptible conduct, as is the case with Mr. LaRouche. It is a concrete way of strengthening the American ideal of justice, liberty, and democracy, an ideal whose fruitfulness stems from a spiritual conception of man.

Trusting that you will respond in the affirmative to this petition by carrying out another act of justice, I again put myself at your orders and wish you success in the difficult mission entrusted to you.

Math education establishment turns screws on teachers to accept 'reforms'

by Susan Welsh

If your child comes home from school this fall and tells you that a "paradigm shift" is going on in his math class, you'd better grab a picket sign and head down to the principal's office. Because a nasty program is under way, funded in part by the federal government and supported by virtually the entire mathematics education establishment, to break down "resistance to change" on the part of educators, and to introduce "reforms" that will wreck what little is left of quality math teaching in America.

The poster on the facing page is a product of this effort. Although produced as a commercial endeavor by *USA Today* newspaper, the poster is more than an advertisement for that bastion of intellectual achievement. It is being circulated by The Math Connection, a group that is coordinated by the Mathematical Sciences Education Board (MSEB) of the National Research Council in Washington, which is part of the National Academy of Sciences. Members of The Math Connection include: American Association of Colleges for Teacher Education; American Association of School Administrators; Mathematical Association of America; National Association of Secondary School Principals; National Association of State Boards of Education; National Council of Teachers of Mathematics; and National School Boards Association.

What sort of "reform" are these "experts" proposing? What vital issues do they want mathematics teachers to address, in order to be "with it" in what they call "the real world"? The poster gives an example: "How many boxes of Cracker Jack would it take to circle your classroom once?" This is math for a nation that expects its children to become employees at fast-food restaurants, and aspires to teach them merely how to punch the numbers correctly into the cash register. This is the mathematics counterpart of the broader push for "outcome-based education" in the public school system.

A brainwashing package

The USA Today poster is part of a propaganda package that is being circulated by The Math Connection to educators around the country, which includes: videotapes on "model schools"; brochures on such themes as "the continuing gap between today's schools and the adult world"; a "presenter's guide," consisting of "outlines for short presentations to a

variety of groups, with spaces for you to personalize your speech"; slip sheets with canned answers to questions such as "What is my stake in this change? Why should I care?"; sample articles to provide to local newspaper editors; overhead transparency masters with "Chairman Mao"-type slogans: "Empower teachers so that they can empower students," or "Parents as partners."

The Math Connection's brainwashing package is the product of a years-long effort, notably by the National Council of Teachers of Mathematics, to develop "national standards" for mathematics education, and to wipe out traditional approaches, which they denounce as "drill and grill" (see accompanying article on opposition to this from maverick publisher John Saxon).

At a national video-conference on Oct. 2, 1993 sponsored by The Math Connection and hosted by ABC News correspondent Bill Blakemore, educators from all over the country assembled for a day-long indoctrination session, using that most effective of brainwashers, the television set. The theme was set immediately with the presentation of a film called "The Business of Paradigms," by Joel Barker, who tells the audience: "I'm a futurist. I study change and the resistance to change." Prepared originally for use among business executives, the film tells the tale of the Swiss watchmakers who dismissed the invention of the quartz watch, being conservatively rooted in their old ways of doing things, and hence lost the enormous market potential to the U.S. and Japanese competitors. And then there was the man who invented the photocopying process, but whose company was not interested in it—and so Xerox Corp. ended up making all the money instead.

In case anybody had missed the point, Blakemore announced that America was facing an equally difficult "paradigm change" in education, and that everybody would have to help out to make it a success. (Blakemore was my high school English teacher many years ago; he was a talented teacher, and should have stuck to Shakespeare.)

Attending the video-conference in Northern Virginia, I asked the college math teacher next to me what she thought of the proceedings and the method typified by the *USA Today* poster. Her response gives an idea of the kind of resistance the math establishment knows it has to break down. "What we really need is excellence," she said. "I taught my son



math myself, since he couldn't even do his multiplication tables. The public schools are oriented toward making children feel good, but that feeling is not based on real achievement."

The materials from the video-conference are scheduled to be released for broader circulation soon.

What kind of reform?

The need for improved matheducation is shown by statistics that are rattled off by those on all sides of policy debate:

- A 1991 report by the Educational Testing Center in Princeton, N.J. showed that U.S. 13-year-olds finished 14th among 15 countries in a standardized math test. The American children answered only 55% of the questions correctly.
- Between 1971 and 1991, the number of science and engineering doctorates awarded to U.S. citizens fell by 10%, while the number awarded to non-U.S. citizens rose 135%. (National Science Foundation)
- Among college-bound high school seniors taking the Scholastic Aptitude Test (SAT), 11.4% had verbal scores over 600 in 1972 (the scale runs from 200 to 800), whereas by 1983 only 6.9% scored over 600—a decline of nearly

40%. The scores remain in that range today. The math SAT scores over 600 dropped from 17.9% of students in 1972 to 14.4% by 1981, then back up to 17.9% in 1991. But this pattern reflects in part an influx of high-scoring Asian-Americans, who now make up 8% of those taking the test, as compared with 2% in 1972. (Daniel J. Singal, "The Other Crisis in American Education," Atlantic Monthly, November 1991)

• Of the nation's 200,000 secondary school teachers of mathematics, over 50% do not meet current professional standards for teaching mathematics. Among elementary school teachers, the figure is estimated at "probably no more than 10%." (National Research Council)

The question is, what kind of reform do we want? The accompanying articles point to some alternatives to the kooky New Age methods of the math establishment—the establishment that brought us the failures of the current system in the first place. In Maryland, a debate has recently broken out over a proposal to abolish university degrees in education, and to insist instead that teachers get their degrees in the subject matter they wish to teach. That would certainly be a step in the right direction.

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Maverick publisher battles math mafia

by Susan Welsh

A freshman college physics textbook released by Saxon Publishers, Inc. in 1993, Physics: An Incremental Approach (teacher's edition), has quite an unusual introduction: a 30page "Open Letter to President Clinton" on the reasons for the failure of American math education. Author and publisher John Saxon, Jr., a retired Air Force lieutenant colonel, angrily takes to task the National Council of Teachers of Mathematics (NCTM) and the rest of the mathematics establishment, which are now promoting national Curriculum and Evaluation Standards for School Mathematics. These are the same people who brought us the "new math" disaster in the 1960s. "Only in American mathematics education do people with a track record of abject failure arrogate the title of 'expert,' " Saxon writes. "We have implemented their recommendations for years and years without requiring proof of efficacy first. I say that the time has come to question the experts, especially since they have asked the country to join them in another untested and unquestionable shift in pedagogy that I believe will cause great harm to America and should be called the 'new new math.' "

Saxon's company, based in Norman, Oklahoma, did \$11 million in business last year; it has published 13 mathematics books for grades K-12, and has now branched out into physics. Saxon advocates a "no-frills national mathematics program that concentrates on precalculus fundamentals." His method, which opponents charge is "drill and grill," would have seemed perfectly normal during the 1950s. It is based on the simple proposition that topics should be introduced in increments, rather than all at once, and should be practiced in every lesson until the concepts underlying the problems are mastered. It's not a question of "drill," Saxon argues, but simply of practice: "Jack Nicklaus practices. Joe Montana practices. Van Cliburn practices. Our math educators contend that mathematics can be learned without the long-term practices of the parts that permits the whole to be comprehended."

According to Saxon's figures, hundreds of schools that have used his books have 1) increased the number of seniors enrolled in academic mathematics by 50-100%; 2) increased college board scores in mathematics by 20-50%; 3) doubled calculus enrollment. One independent study reported in the *Phi Delta Kappan* (June 1984) found that students in remedial algebra at the University of Arkansas did 24% better on final examinations using Saxon's textbooks, compared to a

control group.

Saxon writes that he is trying to give away \$10 million worth of mathematics books to schools to prove the superiority of his method, but finds that many school and government officials won't accept the offer, deferring to the views of the "math experts."

'Politically correct' criteria

How do schools choose which textbooks to use? One would assume that a textbook that gets good results would be chosen over one that doesn't, and that publishers would be required to submit their books to various tests to see which are successful. But in fact, in most states, Saxon reports, no such tests are required. What publishers must do, instead, is produce books that are "politically correct," visually attractive (according to Madison Avenue standards, and regardless of whether the graphic elements do anything to promote learning), and, in the case of mathematics, fit the specifications of the NCTM's Standards. This includes such things as use of calculators, computers, "manipulatives," "cooperative learning," and "pictures for the visual learners."

In his Open Letter to the President, Saxon gives a stateby-state account of his efforts to get his textbooks adopted. Twenty-two states have textbook adoptions at the state level, led by Texas and California, which control a large portion of the market and set a precedent for the rest of the country. Rather than assess the effectiveness of the textbooks submitted to them for review, the states specify the criteria which publishers must adhere to. The textbook adoption process in Virginia, for example, uses a checklist for evaluators to judge mathematics textbooks. A publisher can get 10 points (out of 100) for "intent," and the checklist includes such gems as, "The philosophy and/or purpose of the textbook is in keeping with current thinking and learning theories about mathematics (yes or no). . . . The text emphasizes the importance of learning to reason mathematically (yes or no). . . . The text provides opportunities for students to explore, investigate and discover mathematical ideas (yes or no)." Saxon's books received the lowest rating of any publisher evaluated in Virginia, and the positive results they achieve were never even considered.

Saxon is sharply critical of the schools of education for their role in creating the education crisis. He reports that he has traveled in all 50 states trying to interest superintendents and principals in his books, and when he tells them that it is possible to sharply improve their students' mathematics education, "I do not get the responses I thought I would. Their expressions do not change except for the ones whose eyes suddenly become expressionless." Why? They themselves have never taken these courses in high school or college. To get their degrees in education, they did not have to study these subjects. "They seem to rationalize that they knew from the outset they would never need to know calculus, physics, chemistry, or a foreign language."

Math in Prussia: education before the 'paradigm shift'

Nineteenth-century Prussia produced some of the leading mathematicians in world history. What sort of education did these people receive, and are there lessons to be learned by those seeking to improve American mathematics education? That question was addressed nearly 100 years ago by J.W.A. Young, assistant professor of the pedagogy of mathematics at the University of Chicago, in his book The Teaching of Mathematics in the Higher Schools of Prussia (New York: 1900). The following is a summary of some of Young's most interesting findings.

Dr. Young visited several "higher schools" (höhere Schulen) in Prussia, sitting in on classrooms and speaking with educators. The schools took boys at the age of nine and had a curriculum covering nine years. They actually spent less time on mathematics than did American school-children in those years: The Prussians gave about 1.2 of the 9 years in question to mathematics, accomplishing fully as much as the Americans, who gave 2.1 years to mathematics.

Young emphasizes that while his study may yield nothing which American educators can directly adopt, hints may yet be gleaned which Americans may adapt to their own circumstances. "Education is more a problem of humanity than of nationality, and while distinctively German methods might not prove strong elsewhere, those results which the Germans have attained as men and not as Germans must be of great significance the world over."

The teacher teaches

The most prominent characteristic of the classroom, he writes, is that the teacher teaches. (He is not, as the modern gurus of outcome-based education would have it, a "facilitator" or a "mentor"!) The teacher is, of course, extremely well qualified in his specialty—without this prerequisite, the entire system would not function. He does not "hear recitations"; he does not examine the pupils to see whether or not they have learned something from a book. He proceeds according to what Young calls "the Socratic method," the method of skillful questioning, of leading the class on to the desired goal by a series of carefully prepared questions, each usually fairly easy to answer in itself.

Homework and the study of books are very minor

features of the curriculum; by far the heaviest stress is laid on the class exercise, which is conducted by the class as a whole, with either the teacher or a student at the blackboard—a method known as "chalk and talk." Private work and the study of textbooks have simply the purpose of fixing in mind that which is supposed already to have been learned. Matter that has not been thoroughly explained in the class, so that the class as a whole understands it clearly, is never assigned to be studied privately by the unaided pupils. The quantity of homework is kept as small as possible—on the order of 2 hours per week in mathematics in the higher grades.

The teacher is the source of the pupil's knowledge, and Young reports that in all his visits he saw no books used in classes, except collections of exercises. A text-book is often adopted rather to comply formally with the state regulations than for the purpose of actually using the book. The teachers are unanimously agreed on one point: The study of any particular topic in the textbooks must always follow the development of that subject in the class.

Young writes that he was especially impressed with the custom of dividing the work into very simple steps, and repeating each new fact established over and over until it seemed that it must be imbedded in the mind of the slowest, before going on to the proof of the next problem. (This brings to mind U.S. author and publisher John Saxon's "incremental approach"—see accompanying article.) While it might seem that this procedure would hold back the brighter pupils, Young concludes that this is not necessarily so: "If, however, the galaxy of mathematicians who have sprung from the benches of the German gymnasia be taken into consideration, the question may well be raised whether or not the retardation of the gifted pupils is in fact to their detriment."

The answers to questions are always given by pupils in complete sentences, and clear and distinct enunciation is insisted upon. Every lesson in mathematics is thus a lesson in German as well.

Considerable stress is laid on the oral solution of exercises. Thus, boys about 13 years old proved the Pythagorean theorem with no figure whatever before their eyes. (Compare this to the insistence on "manipulatives" and "visuals" on the part of the National Council of Teachers of Mathematics today.) A teacher informed Young that the pupils could follow the proof on an imagined figure and that they enjoyed this kind of work, entering into it with "considerable zest."

Finally, Young reports that Prussian schools had required instruction in Christian religion. Jewish students were excused, provided they could show they were receiving equivalent instruction in Judaism.—Susan Welsh

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National News

EAI 'spins' Hartford schools contract

Based on media reports, EIR reported in this space last week that Education Alternatives Inc., the Minneapolis-based company that has been privatizing public schools and cutting costs by employing corporate assetstripping methods, had won a \$200 million contract to run the Hartford, Connecticut public school system.

In fact, according to a source with the Connecticut Federation of Teachers, the school board had voted to enter into contract negotiations with EAI in the middle of July to run the Hartford school system, which has a \$200 million a year annual budget. According to the source, they have not reached an agreement.

EAI's deceptive announcement of a \$200 million contract, however, inflated the company's stock prices. Last year, EAI made similar premature announcements regarding contracts that later didn't go through, with similar effects on company stock prices.

Mother Teresa issues U.S. appeal to Cairo

Mother Teresa of Calcutta asked Nina Ogden, a member of the Schiller Institute in the United States, to print a message from the foundress of the Order of the Missionaries of Charity to the delegates of the U.N. Cairo population conference in the newspaper New Federalist. The message, which appeared in the weekly's Sept. 5 issue and was printed in 5,000 copies for distribution at the Sept. 5-13 conference, is the text of Mother Teresa's address to the Annual National Prayer Breakfast that was held in Washington, D.C. on Feb. 3, 1994. Attendees included President and Mrs. Clinton and Vice President and Mrs. Gore.

In her address, Mother Teresa told a story of the power of love that begins in the family: "A gentleman came to our our house and said: 'Mother Teresa, there is a family who have not eaten for so long. Do some-

thing.' So I took some rice and went there immediately. And I saw the children—their eyes shining with hunger. . . . And the mother of the family took the rice I gave her and went out. When she came back, I asked her: 'Where did you go? What did you do?' And she gave me a very simple answer: 'They are hungry also.' What struck me was that she knew—and who are they? A Muslim family—and she knew."

Mother Teresa concluded her address with a challenge to Americans to act to make sure "that no child will be unwanted, unloved, uncared for, or killed and thrown away." "If we remember that God loves us," she said, "and that we can love others as He loves us, then America can become a sign of peace for the world. From here, a sign of care for the weakest of the weak—the unborn child—must go out to the world. If you become a burning light of justice and peace in the world, then really you will be true to what the founders of this country stood for. God bless you!"

'Get LaRouche' state's attorney faces disbarment

Loudoun County, Virginia Commonwealth Attorney William Burch, who has long boasted of his role in the federal-state-private "Get LaRouche" task force, is facing hearings before a three-judge panel on Sept. 23 that may end in his disbarment for withholding exculpatory evidence in an unrelated case. From shortly after Lyndon LaRouche arrived in Loudoun County a decade ago, Burch openly colluded with Sheriff John Isom and Lt. Donald Moore in an effort to frame up LaRouche and have him jailed. Moore, now serving a federal prison sentence in a kidnapping case, acted as the go-between between the county, Virginia, the FBI, and the Anti-Defamation League of B'nai B'rith.

EIR News for Loudoun County, a local weekly, has obtained a copy of the State Bar's equivalent of its "indictment" against Burch, through the Freedom of Information Act. An investigative subcommittee of the Virginia State Bar found that Burch, during the course of successfully prosecuting William D. Carter for malicious wounding of

his wife, had "received information" from Sheriff's Dep. Doug Poppa "that Mrs. Carter had told Poppa that she was afraid of her husband and hated him and, further, that she would kill herself if she thought that her husband would spend the rest of his life in jail. Poppa also stated his opinion to Burch that she was very emotional and possibly suicidal."

The finding continued: "[A]lthough such information was potentially exculpatory, Burch withheld such information from the defense."

Carter spent four years in prison, until he was released, after Poppa revealed the withheld evidence. A second trial acquitted him.

Columnist blasts U.S. sterilization policy

Leftist columnist Alexander Cockburn blasted the long-term U.S. foreign policy of promoting sterilization and enforced birth control in his "Column Left" feature in the Los Angeles Times on Sept. 8.

Cockburn cited the example of Haiti, where women are routinely bribed into being surgically sterilized in exchange for food or clothing. Similar tactics are used to get Haitian women to accept the dangerous contraceptive implant Norplant; their demands that Norplant implants be removed were obstructed. An internal U.S. Agency for International Development report from June 1993 unearthed by the the Washingtonbased newsletter CounterPunch, where Cockburn is an editor, states policy "targets" in Haiti baldly: to obtain 200,000 new "acceptors" of contraception; a "social marketing component" goal of 6,000 cycles of pills per month; and the establishment of 23 facilities to provide sterilizations.

Cockburn also quoted extensively from National Security Study Memorandum 200, commissioned in 1974 by then-Secretary of State Henry Kissinger. "Kissinger stressed that the United States should 'help minimize charges of imperialist motivation behind its support of population activities by repeatedly asserting that such support derives from a concern with the right of the individual to determine freely and responsibly the num-

ber and spacing of children.' "He continued that "the true concern of Kissinger's analysts was maintenance of U.S. access to Third World resources."

Virginia, Illinois death row inmates reprieved

In three recent cases, appellate judges have overturned the convictions of death row inmates on grounds that they were unjustly convicted. Two of the cases were in Virginia, where judicial tyranny is the normal order of the day.

In Virginia, on Aug. 24, a federal judge overturned the death sentence against Walter Milton Correll Jr., 33, ruling that a confession Correll gave police for a 1985 murder was obtained by "deliberate and egregious violation" of the right to counsel. Correll had been denied an attorney after asking for one. On Aug. 26, federal Judge James R. Spencer overturned the death sentence of Coleman Wayne Gray, a Portsmouth laborer, ruling that evidence allowed during Gray's sentencing in 1985 tried to tie him to murders for which he was never charged. Grav and his trial lawvers were "ambushed" by the prosecution, Spencer ruled. In Illinois, on Sept. 2, Judge John Michela overturned the conviction of Joseph Burrows, after the witnesses against him recanted their testimony; one of them even confessed to the crime herself.

U.S. finds: Rio '92 targets are unworkable

The agreements made two years ago at the U.N. Earth Summit in Rio de Janeiro, Brazil are in danger of unraveling as the United States and other industrial nations are finding it impossible to adhere to such strictures as reductions of so-called "greenhouse gases." The Rio summit established arbitrary limits on the emission of gases such as carbon dioxide and mandated that signatories reduce industrial and economic activity to meet these limits. The Washington Post reported on Sept. 3 that the U.S. delegation to

a two-week post-Rio summit in Geneva told the U.N. body, "We are clearly not going to get to the levels we have set under the existing plan."

The Department of Energy had requested \$119 million to combat "global warming," a phenomenon allegedly caused by "greenhouse gases," but which in fact has never been demonstrated to exist, but Congress cut that amount to \$36.5 million, and left the overall program to curtail "greenhouse emissions" short by at least \$200 million.

Parole abolition meeting resistance

Prominent religious and civil rights leaders issued stinging denunciations of Virginia Gov. George Allen's plans to abolish parole and increase sentences for violent criminals in early September. In addition, virtually the entire state Board of Youth and Family Services resigned in protest against the so-called Proposal X. The legislature convened on this issue on Sept. 19. In the preceding week:

- The Richmond chapter of the National Association for the Advancement of Colored People (NAACP) issued a written statement saying the plan "reflects strategies similar to Hitler's annihilation of the Jews and the principle of modern-day ethnic cleansing by way of locking up all criminals, especially blacks." Two-thirds of Virginia's prisoners are blacks.
- A group of Virginia religious leaders drafted a statement saying the state needs to focus on the causes of crime, rather than punishment.
- Franklin M. Slayton, a former state legislator, said that the plan is "setting the stage both on the adult and juvenile sides for Allen's Attica," a reference to the notorious 1971 New York Attica prison riot, which left 11 guards and 32 prisoners dead. He denounced overcrowding in the youth facilities, citing Tidewater, which is at 300% of capacity.
- According to the Richmond Times-Dispatch, Allen had made false claims about how many crimes would have been prevented by Proposal X.

Briefly

- JEB BUSH'S Republican primary opponent in the planned Oct. 4 runoff for the GOP gubernatorial candidacy in Florida has withdrawn from the race, leaving the former President's son now facing Democratic incumbent Lawton Chiles in November. Chiles has never lost an election in 35 years of political life.
- DOUG WILDER withdrew his independent candidacy to become U.S. senator from Virginia. The former Democratic governor was running against incumbent Chuck Robb, GOP candidate Oliver North, and Republican independent Marshall Coleman. His withdrawal increases Robb's chance of winning reelection.
- RUDY BOSCHWITZ, the former senator from Wisconsin, blasted the Anti-Defamation League's booklength attack on the so-called religious right in a Sept. 11 commentary in the Washington Times. Boschwitz, an honorary board member of the ADL, pointed out that the Christian Coalition's legislative director, Marshall Wittman, is Jewish.
- CATALINA VILLAPANDO, who served under George Bush as U.S. Treasurer, was sentenced to four months in prison and 200 hours "community service" on Sept. 13. Villapando had pleaded guilty to four counts of tax evasion and obstruction of justice in February.
- IRISH SINN FEIN President Gerry Adams will be given a second U.S. visa to address members of Congress in September, according to the *Irish Times*. The newspaper said that Adams would be invited by the Senate Foreign Relations Committee.
- OLIVER NORTH, who is running for U.S. Senate in Virginia, is still banned by the Costa Rican government from entering the country. José Thompson, consul general of the Costa Rican Embassy in Washington, told the Richmond Times-Dispatch that the 1987 ban stemmed from the fact that "North . . . was using Costa Rican territory for a non-authorized land area."

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Editorial

The fruits of deregulation

The crash near Pittsburgh of USAir Flight 427 on the evening of Sept. 8 raises obvious questions of passenger safety. One is reminded that this is the fifth such fatal crash of a USAir plane in as many years (and the second such this summer), but also of worrying instances of near mishaps reported by other airlines.

There is no clear thread which connects the five accidents; however, it is well known that USAir is in financial difficulties; reportedly the carrier is operating at a loss of hundreds of millions of dollars a year. Unfortunately, this is a situation common to all U.S. airlines. The insolvency rampant throughout the industry obviously puts pressure on the standards of maintenance of airplanes.

Up until 1978, the transportation industry as a whole was closely regulated. Bus, trucking, and airline routes were allocated to ensure that no communities would be without vital services. The floor under fares prevented the kind of price wars which are presently pushing airlines into bankruptcy. The ceilings on fares protected people in cities of 100,000 people or less, from the kind of price hikes which they have since faced.

Certainly the myth that deregulation would favor small carriers has been thoroughly exposed. Now eight top carriers account for 93% of the business. In 1978, there were three more top airlines, and the total 11 accounted for only 87% of air traffic. What we have seen was the typical kind of asset-stripping which has been rampant through the 1980s, the decade of merger fever.

Where before airlines were allocated routes so that they would have to service certain relatively unprofitable locations in return for being given others which were much sought after, today there is a free-for-all. This does give travelers between certain locations much more choice of carrier, but, of course, it has also meant that competition among these carriers has led to a lowering of profitability for the airlines which now must compete for passengers.

While it is true that ticket prices were brought down

in the case of air travel, service has definitely not improved—and we may now be seeing the bitter fruits of cost cutting in the latest massacre in the air. As early as 1982, the impact of the deregulation of the airlines was being felt in the aerospace industry, through the decline in new orders. Some of the effects of this were not felt so long as government orders for military aircraft were maintained at a sufficiently high level.

Still, the figures are revealing, because the tendency has been for the airline industry to extend the life of planes in service. In 1978, domestic lines reaped operating profits of over \$1 billion, but by 1979 operating profits had fallen to \$200 million. By 1981, the picture was reversed and the industry was reporting losses in the range of a half-billion dollars.

During this same period, the situation for rails also deteriorated radically—and ironically, this improved the situation for the airlines, which picked up some of the slack as rail traffic lessened.

In 1975, during the Ford administration, a Senate subcommittee reviewed "price fixing" by the Civil Aeronautics Board, and concluded that fares were between 40 and 100% higher than they would have been were there no such regulations. Even so, and despite the apparently impressive high operating profits, only three times over the preceding 26 years had the industry earned what was then considered to be "allowable return on investment."

For a while, it appeared that the system was continuing to function, despite the profit squeeze. This came from economies, which included lower wages for pilots, flight attendants, and maintenance people; reduction of the amount and quality of food served to passengers; and a sharp curtailment of seat space. We must take the recent accidents on USAir flights as a possible warning that a threshold has now been reached, in which safety also is threatened.

Free market ideology is a fraud and a delusion; it is especially tragic if it turns out that the 132 people who were killed in the crash were martyrs to that evil belief structure.

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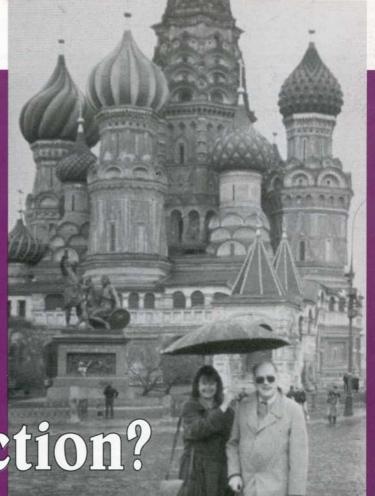
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Russia's future: dictatorship, chaos, or reconstruction?



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- DO YOU REMEMBER last December's vote for Zhirinovsky?

Were you shocked?

While you were shocked, *EIR* was acting. Informed by nearly two decades of analysis of the Soviet Union by such leading thinkers as American economist Lyndon LaRouche and Germany's Gen. Paul-Albert Scherer, *EIR*'s European staff put together this report to warn western policymakers that the countdown was on to what could be the century's biggest strategic disaster.

Then Lyndon LaRouche, released from confinement as a political prisoner in January 1994, traveled to Moscow with his wife, Schiller Institute Chairman Helga Zepp-LaRouche,

in April, for high-level talks and seminars at the invitation of the Universal Ecological Academy, of which he is a member. His briefing, on return from Russia, became the first chapter of this Special Report, and the warm reception he got shows that there is still time to reverse the criminality and descent into chaos in Russia, if we act now.

AND ACT WE MUST, for our own sake as well as Russia's. As LaRouche himself said: "Although we are focused upon the subject of Russia, only charlatans could speak of the future of Russia without taking into account explicitly the factors which are of immediately decisive importance for each and all nations of this planet. Indeed, the present crisis within Russia (as of all of eastern Europe) is a relatively mild form of the catastrophe which is soon to strike down every nation upon this planet. The way we treat the problems of Russia today is the mirror of the early- to medium-term future of China, of Japan, of North America, and of western Europe."

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