

EIR

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LaRouche launches war on 'privatizers'
Can France foil the British trap?
EIR toe-to-toe with House of Windsor

**British free-trade policies
are destroying Nigeria**



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From the Editor

In the wake of the victory over Oliver North in Virginia and the impact of *EIR*'s exposure of Prince Philip's World Wide Fund for Nature as the agency of genocide and destruction of the planet, the LaRouche political movement has mapped out a plan for stopping the "Conservative Revolution" insurgency dead in its tracks, and meanwhile rapidly expanding the influence of Lyndon LaRouche's program for world economic development.

This drive, as we report on p. 57, is being kicked off by LaRouche in a major writing entitled "Creativity in Science, School, and Song" blasting the school privatizers and the outcome-based education hoax.

The *Economics* lead article exposes the authentically fascist economics of Friedrich von Hayek, which permeate the program of the anti-government "revolutionaries" led by Phil Gramm and Newt Gingrich, who are attempting to take over the U.S. Senate and House of Representatives. The social and political side of this "Conservative Revolution" is described in the *National* report, with articles exposing the "Contract with America" agenda; the costly, ineffective, and hideously unjust criminal justice platform of these "conservatives"; Oregon's death with dignity law as a harbinger of Nazi euthanasia on a national scale; and the misadventures of a school-privatization swindler.

This U.S. political battle has the utmost significance abroad. Take a look at Europe, which LaRouche has identified as the fulcrum for any potential global economic recovery. On p. 41 LaRouche identifies the British geopolitics behind Boris Yeltsin's recent attacks on the United States. Then between pages 43 and 51 we present a mosaic of the issues facing France and federal Germany, the two key countries of the "Paris-Berlin-Vienna Productive Triangle" proposal of LaRouche, which would function as the locomotive of a high-technology leap into the 21st century and a global economic recovery. In articles on Bosnia, Algeria, and the French presidential elections, we focus on whether France can escape the trap which is pushing it into an "Entente Cordiale" with Britain like the one which led into two world wars, starting 90 years ago.

Nora Hamerman

EIRContents

Interviews

23 Col. Muhammad Abdullahi Wase

The military administrator of Kano state discusses the impact of the International Monetary Fund's structural adjustment programs.

26 Alhaji M.S. Umoru

The chairman of the Manufacturing Association of Nigeria calls for the United States to change its policy.

28 Marcos Gundiri

Mr. Gundiri is the head of the Hadejia Jamaare River Basin Development Authority in Kano state.

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Departments

17 Report from Rio

Cardoso will face money crisis.

51 Report from Bonn

Disturbing green signals from Germany.

64 Editorial

The legacy of Carroll Quigley.

Book Reviews

15 Resolved: People are *not* pollution

Scarcity or Abundance: A Debate on the Environment, by Norman Myers and Julian Simon.

Correction

On page 52 of our Nov. 4 issue, the view expressed by Prof. Marc Gijdara at an Oct. 17 conference on "Balkan Unity" in the French National Assembly, was mischaracterized, due to an editorial error. Professor Gijdara did *not* recommend that certain regions of former Yugoslavia now in Serbian hands, become autonomous.

Economics

4 'Conservative Revolution' will crush U.S. economy

The ghost of Friedrich von Hayek haunts the American corridors of power. What will be left of the economy, once the budget-cutters are finished?

6 Venezuela proposes energy integration

7 'Protecting endangered species' is a WWF scam for one-world government

The evil agenda of the Convention on International Trade in Endangered Species of Flora and Fauna was interrupted by two correspondents from *EIR*.

10 Currency Rates

11 Malthusians threaten China with the food weapon

Lester Brown of the WorldWatch Institute complains that Chinese want to eat food, just as Americans do.

18 Business Briefs

Feature



A scene in Lagos, Nigeria. Nigeria is rich in land and resources; if the International Monetary Fund would allow it to develop, it could be a prosperous nation.

20 British free-trade policies are destroying Nigeria

Lawrence Freeman and Uwe Friesecke report, the first in a series based upon a visit to Nigeria.

23 'We have progress to report here in the state of Kano'

An interview with Col. Muhammad Abdullahi Wase.

26 We need the understanding of the American government

An interview with Alhaji M.S. Umoru.

28 The role of water projects and irrigation in developing Nigeria

An interview with Marcos Gundiri.

International

30 *EIR* goes toe to toe against the House of Windsor

Around the world, the British royal family is going all out to prevent *EIR* from disseminating its Oct. 28 special report on "The Coming Fall of the House of Windsor."

33 Geneva gatherings will fund WWF mass murder

34 Surrender to narco-terrorism meets growing resistance in Colombia

36 Thatcher, Bush, and North charged with 'breath-taking' Lockerbie coverup

The film "The Maltese Double Cross" created an uproar after its showing in the British House of Commons.

38 Irish peace process is in peril as government falls

39 Schiller Institute celebrates poet's 235th birthday

41 LaRouche: British geopolitics is behind Yeltsin's attacks on U.S.

43 New Suez crisis over U.S. moves in Balkans

44 Algeria plunges into civil war

46 French politics: foiling the trap

Jacques Cheminade exposes the limits of the terms of the political debate in this pivotal nation.

48 Background: the French presidential elections

52 International Intelligence

National

54 Voters flirt with fascism in mid-term elections

But, Gingrich and company should think again if they believe that Americans have really bought their fascist programs.

56 Newt Gingrich's New Age kookery

57 LaRouche launches attack on fascist 'privatizers'

59 Education: Privatizer Whittle going down the tubes

60 Criminal justice in the Conservative Revolution

The American Legislative Exchange Council's "Report Card on Crime and Punishment" is a prescription for more crime, not less.

61 Oregon embraces assisted suicide

62 National News

'Conservative Revolution' will crush U.S. economy

by Richard Freeman

During the election on Nov. 8, the spectral spirit of Austrian School of Economics practitioner Friedrich von Hayek visited the United States. Though the media featured headlines such as "Shift to the Right" and "Right Face" to explain what happened, such assessments do not correspond to the reality.

The Newt Gingrich (R-Ga.)-Phil Gramm (R-Tex.) wing of the Republican Party is the hod carrier for a fascist von Hayek economic program. It does not represent a popular revolt from below, except to the extent that an enraged population, acting in a morally corrupt manner, acted out its part in a set-piece show. This von Hayek program is the economic program of the "Conservative Revolution," which traces itself to the "Austrian School of Economics" that was founded in the 1870s, and beyond that to the oligarchy's several-hundred-year-old fight to dismantle America and the dirigistic American System of National Economy. It is an unadulterated plan to return humanity to the utopian bestial "romantic" state which these lunatics imagine existed before the 1437-40 Council of Florence and the Golden Renaissance, the era when in fact the collapse of feudalism was leading Europe into a new dark age of plague, war, and social chaos.

The agenda of the Conservative Revolution is to smash infrastructure, cut manufacturing and agriculture, kill the needy, deny government all positive moral function, and dismantle the nation-state. This program originated with the oligarchy's Club of the Isles, and was transmitted down, through the secretive councils of the Mont Pelerin Society, to a gaggle of von Hayekian think-tanks in the United States, such as the Heritage Foundation, the Cato Institute, the Ludwig von Mises Institute, and the Reason Foundation. The philosophy of these groups traces back to Aristotle in his battle with Plato. Aristotle denied creativity, and defined

man, essentially, as a creature driven by his "spontaneous," primitive wants.

The economic plan

There are three pillars to the von Hayek plan: budget-cutting, so-called tax reform, and a vast plan for privatization. This latter pillar is the least discussed, but is the cornerstone of the entire economic agenda. The plan calls for selling off as much of U.S. federal government infrastructure, as well as government-sponsored enterprises, as can be sold, and making the changes in federal law to clear the way for state and local governments to sell their hard infrastructure.

State and local governments are to sell schools, hospitals, municipally owned electric utilities, roads, airports, highways, ports, water management systems, and turnpikes. On the federal level, the von Hayekians seek to "divest" Amtrak, the Postal Service, the Tennessee Valley Authority, the Federal Aviation Administration, the Bonneville Power Authority, the Government National Mortgage Association (Ginnie Mae), and government-sponsored agencies such as the Federal National Mortgage Association (Freddie Mac). Within a few years, the plan is to break up the Social Security system. It will be replaced by people putting their money into Individual Retirement Accounts. This is the Chilean model, adopted by former Chilean President Patricio Alwyn, after it had been devised by the Friedmanites at the University of Chicago School of Economics.

The assets would be sold in competitive biddings to speculative investors, representing the nobility and private family trusts, which are called *fondi*. These private assets would be purchased for a song. They then would be plundered. Privatization will transfer \$3-7 trillion in assets, which repre-

sent either hard infrastructure or real financial assets, like the Social Security system, to speculators. Much investment and work, sometimes over decades, went into building up this infrastructure and these assets. Some of this infrastructure is absolutely essential for the functioning of the country. It will be looted.

Take, for example, the privatization of highways and roads. Tolls would be charged to recoup the private investors' "costs." What would happen can be seen in the case of the privatization of roads in Mexico: A round trip on the "private highway" from Mexico City to Acapulco costs a driver \$150 in tolls. Imagine paying that much for a trip; imagine that expense for a Mexican worker, where that amount represents one month's wages! This is just one example of how infrastructure will be pillaged.

Budget-cutting

The bankers' von Hayekian plan is to cut federal programs from top to bottom, totalling more than \$1 trillion between now and the year 2000, including a proposed cut of 40% in farm subsidies, a huge cut in or elimination of food-stamps, and a close-down or sharp cut in U.S. export programs. On welfare "reform," a von Hayek think-tanker stated on Nov. 10, "you have to reduce welfare, but not by creating new bureaucracies, but by cutting. Don't set up any new bureaucracies." The bureaucracies this person is complaining about are for job training. The deadliness of this approach is seen when one considers that the real unemployment rate is 15.8% (see *EIR*, Aug. 19, p. 21). Part of this attack is directed against the National Export Strategy of Commerce Secretary Ron Brown, who has traveled to places like China and Indonesia, using Export-Import Bank credits to line up tens of billions of dollars of business deals.

At the same time, the von Hayekians propose to cut taxes, foremost being a cut in the capital gains tax, from its current rate of 28%, to 14-15%, and then perhaps to zero. This is touted as a huge benefit to "business." Yet, the lion's share of capital gains is realized in two areas: stocks and derivatives transactions, and the secondary real estate market. Thus, the principal purpose is to prolong the speculative financial markets that are looting the physical economy.

The majority of the proposed Gingrich-Gramm tax cuts will foster get-rich-quick schemes, not benefit the physical economy. Of course, if taxes are cut as the von Hayek crowd proposes, the balanced-budget approach means that the budget must be cut further to offset the tax losses. This is a downward spiral which will strip the government down to zero-functioning. One Mont Pelerin Society-linked source asserted, "The function of the government should be the military, the police and the courts, and setting foreign treaties. That's all." This is the radical view of the Tory sympathizers in America who, in the 1780s, quoting the writings of John Locke and David Hume, *attempted to block passage of the U.S. Constitution in 1787*. Von Hayek is in the tradition

of Locke and Hume. The British and the old Austrian Hapsburg empire always used this ideology to attempt to collapse nations they wished to defeat.

At the same time, this policy pulverizes infrastructure. When the bankers behind the privatization schemes are not talking of selling off and looting infrastructure, they are calling it "pork-barrel waste," showing their contempt for economically vital infrastructure. America's infrastructure has a \$5 trillion-plus deficit in terms of replacement or improvement costs. When infrastructure collapses, an economy collapses.

A fundamentally different view

The "minimalist government" approach, not coincidentally, corresponds to the view of the Confederacy. The drafters of the Confederate Constitution sliced away the following sections from the U.S. Constitution: the general welfare clause, the provision to create credit, and the provision for internal improvements-infrastructure building. Without these provisions, a nation-state cannot exist.

In addition, many of the leading forces of the von Hayek movement, led by the Cato Institute, call for drug legalization, that is, the sale of cocaine, heroin, and marijuana over the counter at corner stores. This is part of their concern for "family values."

Friedrich von Hayek, a key figure in the Austrian School of Economics and Conservative Revolution, was born in Austria in 1899 and died in London, a British subject, in 1992. Von Hayek believed that growth was inflationary, and could only be counteracted by a massive deflation, in which the government would not be allowed to intervene to prevent mass destruction. Von Hayek believed that such mass purgings-depressions were good for the system. In 1931, von Hayek moved to London and joined the British Fabian Socialist Society; in 1937, he joined the Society for the Renovation of Liberalism, along with socialist-liberal Walter Lippmann, whose book *Good Society* von Hayek highly admired. In April 1947, when von Hayek formed the Mont Pelerin Society in Mont Pelerin, a mountain resort one hour's drive from Geneva, Switzerland, Lippmann joined him as a founding member. Lest this seem confusing to the uninitiated, it is perfectly consistent with von Hayek's thinking: The oligarchy has controlled the Mont Pelerin Society from its inception down to this very day.

On Nov. 15, Federal Reserve Board Chairman Alan Greenspan and the Fed's Federal Open Market Committee raised both the discount and federal funds rates by three-quarters of a percent. The commercial banks immediately responded by raising the prime lending rate to 8.75%. Greenspan, a former board member of Morgan Guaranty Bank, is a follower of Ayn Rand, whose viewpoint is derived from von Hayek. Greenspan's tightening the tourniquet, means that the von Hayekian Conservative Revolution will hit America with all the more devastating impact.

Venezuela proposes energy integration

by David Ramonet

"Brazil has 20 million inhabitants in the north who cannot be supplied either by the center or by the south, and we can meet their needs," proposed Venezuelan Foreign Minister Miguel Angel Burelli Rivas at a meeting of businessmen and government officials on Nov. 4. To supply that population, equivalent to the entirety of Venezuela's population, is one of the great opportunities presented "not to the state, but to the Venezuelan, to the man who produces in Venezuela," he said.

Burelli Rivas explained that Venezuela has the ability and opportunity to provide all of northern Brazil's needs in terms of construction, food, and, above all, electrical energy and oil. The governments of Venezuela and Brazil are already working on projects for supplying oil and an electricity grid in that region.

This plan to encourage trade between their countries based on complementarity agreements for developing economic infrastructure, is what Venezuelan President Rafael Caldera is counterposing to the so-called "free trade" system which has had such disastrous consequences for the entire world. According to Burelli Rivas, this is the perspective Caldera intends to present to the Miami hemispheric summit of heads of state in December, in the form of "a program for hemispheric energy security." Burelli Rivas said that Venezuela is the only country in this hemisphere that can satisfy the daily oil requirements of not just Latin America but of the United States as well, through a "great and transcendental project" to guarantee the continent's energy needs, in a way the Middle East cannot. First, however, it is necessary to develop the required infrastructure.

The Venezuelan-Brazilian agreement is an example of how the Caldera proposal would be implemented: The government of the Brazilian state of Amazonas is prepared to cost out the hydroelectric installation that would supply the state with energy from Venezuela, according to Burelli Rivas. At the same time, talks have begun on the ministerial level toward linking the state oil firms *Petróleos de Venezuela, S.A. (PDVSA)* and *Petróleos Brasileiros (Petrobras)* in creating a mixed company, *Petro-América*, that would assume "the task of giving the hemisphere a secure energy supply." *Petro-América* would link Venezuela's vast oil resources with Brazilian exploration technology. In addition, *Petrobras* possesses the largest fleet (76) of oil tankers in

Ibero-America. In the short term, Brazil's forever increasing oil needs would be satisfied, without having to resort to costly Mideast oil.

The Venezuelan-Brazilian initiative offers a glimpse of the kind of urgently needed integration projects, ranging from energy to transportation to food production, that could foster the kind of economic progress which would give the much-vaunted call for "democracy" a serious foundation.

Insolvent banking system

But all of these projects will wither on the vine if the problem of financing is not resolved first. In the Brazil-Venezuela case, both sides are fully aware that no agreement of economic complementarity is possible within the framework of the current system of the International Monetary Fund and World Bank. In fact, by being "the first" to follow IMF free-market and restructuring prescriptions, it was precisely the Venezuelan banking system which was driven into what has been described as a "systemic crisis of insolvency," according to Oscar García Mendoza, president of the *Banco Venezolano de Crédito*.

Since January, when Venezuela's second-largest bank, *Banco Latino* (considered the "piggybank" of the money-laundering mafia), was put into government receivership, 10 more banks have collapsed, of which two have already passed into state hands, *Banco de Venezuela* and *Banco Consolidado*. The rest are just waiting for the proper moment for liquidation: The Venezuelan Central Bank printed nearly 1 trillion bolivars, which were "lent" to the state's Deposit Guarantee Fund, the institution responsible for lending to the owners of the insolvent banks to cover their enormous losses and to pay back their furious depositors.

That vast quantity of money swelled the deposits of the surviving banks, to the point that those banks didn't know what to do with so much money. Today, less than one-third of the deposits is in lending portfolios; another 40% is in Central Bank zero coupon bonds. Although further issuance of zero coupon bonds is prohibited under President Caldera's new economic program, vast quantities of these speculative high-interest bonds are coming due, forcing the government to print yet more paper while trying to soak up the excess liquidity caused by the government's bailout of *Banco Latino* and the other insolvent banks. If this tendency continues, sooner or later what is already being called "the fourth wave" of bank bankruptcies will occur, which may well be the final and unsalvageable one.

In the meantime, Special Commissioner for Financial Reform Gustavo Roosen (now president of *Banco Latino*) has proposed that zero coupon bonds be replaced by treasury letters issued by the government's Executive branch. Unlike the zero coupon bonds, the treasury letters would use excess liquidity to finance public investment, which would not be inflationary if channeled into the kinds of infrastructure projects that Caldera has proposed.

'Protecting endangered species' is a WWF scam for one-world government

by Allen Douglas and Joseph Brewda

As this issue of *EIR* goes to press, the once every two-and-a-half-year conference of the Nov. 7-18 Convention on International Trade in Endangered Species of Flora and Fauna (CITES) is still under way in Ft. Lauderdale, Florida. Though the issue which has made world news is South African President Nelson Mandela's call for CITES to "downlist" the African elephant from Appendix I (endangered species) to Appendix II, which would allow a controlled trade in its skin and meat, there is a much more sinister item on the agenda: the attempt to establish a mechanism to enforce CITES's diktats.

It was to attain this supranational policing power that the World Wildlife Fund (WWF, now the World Wide Fund for Nature) and its sister body, the International Union for the Conservation of Nature (IUCN), founded CITES in 1975. Both the content of the meeting, as well as the extremely high-security fashion in which it was organized, demonstrate CITES's role in the House of Windsor-centered world oligarchy's push for a tyrannical, feudal one-world government under an "environmental" cover (see *EIR*'s Oct. 28 *Special Report*, "The Coming Fall of the House of Windsor"). Thus, the push to "give CITES some teeth."

Some background

The British Foreign Office in 1948 wrote the constitution for the IUCN so that, while apparently affiliated to the United Nations, the IUCN would be accountable to no one at all. CITES was set up in the same way. While the CITES secretariat is provided by the U.N. Environment Program, CITES per se is responsible to no one—except, of course, its oligarchical creators.

The key public figure who led the drive for its establishment was E. Curtis "Buff" Bohlen, a longtime CIA agent who ran the CIA stations in Kabul and Cairo, and who later took up a high post in the U.S. Department of Interior, becoming a vice president of WWF-U.S. as well. But what opened the door to his WWF work was not his CIA ties, but his family; he was a member of the American wing of the aristocratic Bohlen und Halbach family in Germany, and the son of "Chip" Bohlen, former U.S. ambassador to Moscow and one of the "wise men" of the postwar Anglo-American establishment. Buff Bohlen was also a protégé of WWF-U.S. head and former Secretary of the Interior Russell Train,

who brags of his own descent from the aristocratic Erroll family of Scotland.

But the real brains behind CITES was MI-6 operative Tom Harrisson, who ran some of the most sensitive intelligence operations for the British Crown from the 1930s until his death in a car accident in the 1970s.

During the interwar years, when the British elite was already planning World War II, to pit Germany and Russia against each other to destroy the possibility of a Eurasian economic development-centered challenge to the British Empire, that elite was extremely nervous about whether the British population would support the war effort. British intelligence assigned one of its leading operatives, an ornithologist named Tom Harrisson, to study the British population's behavior exactly as he would study birds. The result of this profiling, one of the pioneer studies in mass social control, was termed "Mass Observation," and its files fill 1,000 boxes which are stored in an archive at Sussex University. Harrisson later went on to run an orangutan center in Indonesia, a cover for his operations in Brunei and elsewhere for MI-6. All of this prepared him well for his work with the WWF, and his advisory role in the establishment of CITES.

First 'enforcement' measures taken

U.S. Secretary of the Interior Bruce Babbitt delivered a keynote to about 1,300 delegates from 130 nations, dozens of non-governmental organizations, and dozens of press, including two correspondents of *EIR*. Babbitt proudly announced that the first-ever CITES "enforcement" measures had been taken within the last few months, slapping trade sanctions on one nation which allegedly violated CITES provisions. Babbitt also announced that the United States "had already started training five people in CITES enforcement," and that the WWF would match dollar for dollar everything the Interior Department spent on that effort over one year. A group of supranational environmental policemen will assume increasing powers, including, presumably, the use of deadly force, just as do the WWF's park rangers in Africa, who slaughter whomever they define as "poachers."

The convention itself gives one a whiff of the brave new world to come. It is being held in the Ft. Lauderdale convention center, which is surrounded on three sides by fences and on the fourth by the inland coastal waterway. All roads

leading into the convention center are blocked off with barriers manned by guards. Inside the perimeter, numerous muscular private security guards, most of whom sport ponytails and who, by appearance at least, could double for hitmen of the Medellín cocaine cartel, roam the halls with walkie-talkies. Immediately outside the entrance, two mounted police stand guard constantly.

In order to maintain the carefully controlled psychological environment, the CITES Secretariat carefully screened all those applying to participate, and turned down whomever it chose, including the two correspondents for *EIR*. After a vigorous assertion that this conference was taking place on American soil, and that therefore *EIR*, a publication registered under U.S. law, had the same right to attend as any other press, credentials were granted. Then the fun began.

The *EIR* correspondents, Allen Douglas and Joseph Brewda, arrived on Nov. 8. By the late afternoon of Nov. 9, over 200 copies of the explosive "The Coming Fall of the House of Windsor" report were circulating among delegates, causing a frantic mobilization among the security guards to find the (presumably unauthorized) "Lyndon LaRouche guy" thought to be distributing "unauthorized literature" outside the hall. The report provoked intense, usually favorable interest, but also the occasional hysterical outburst, such as from the head of the British delegation, a senior civil servant who lost his stiff upper lip and shouted, "Your report is simply appalling, absolutely disgraceful!"

Dozens of government officials, including numerous Africans responsible for their nations' parks and wildlife departments, examined the report with intense interest. Several of them, from their direct experience, confirmed our charges.

By the next morning, after consultations had apparently taken place on what to do about the *EIR* presence (and about others who had literature to pass out, and who were also disgruntled with the CITES's dictatorial tactics), the secretariat decided to set up an official "unauthorized literature table" in the foyer. Almost 700 copies of the report were taken by delegates.

Gangs versus pseudo-gangs

However, the oppressive physical security is only part of the control mechanism. More important is the standard British intelligence tactic of running both sides of a fight. As the tactic had been perfected in the Mau Mau "Emergency" in the 1950s in Kenya, British intelligence sets up both the "gangs," and then the "pseudo-gangs," which then fight each other. In this case, the WWF, through financing and various forms of derivative control, effectively runs both the "sustainable use" gang, which argues that the conservation of wildlife must be made to "pay for itself" through controlled harvesting ("culling"), and the "radical green" countergang, which is against any killing of animals for any purpose. The first is typified by the WWF-funded Safari Club International and the second by the WWF-funded Greenpeace and the Environmental Investigation Agency (funded by the same

circles which originally set up the WWF).

Though there are well-meaning, naive people on both sides of the gang-countergang divide, the way the overall process is manipulated toward the WWF's goal of a return to feudalism, or even to a hunting-and-gathering society, is made clear in the Zimbabwe-based Campfire program. It is clear that most radical greenies would prefer the sort of hunting-and-gathering primitive culture so dear to the hearts of the world's oligarchy; less obvious is that major programs of the "sustainable use" movement, the greenies' nominal bitter opponents, lead down precisely the same track.

The 'Campfire' program

Since shortly after Robert Mugabe assumed power in Zimbabwe in 1980, that nation has been one of the International Monetary Fund's (IMF) "showcases" in Africa; living standards have collapsed, as they always do under the IMF's brutal austerity programs when all funds are drained off from domestic industry and agriculture to pay foreign debt. So along comes the WWF and associated organizations to offer a "deal" to the increasingly desperate population. In return for allowing cultivated land to return to native bush (or simply not developing it in the first place) and protecting the big game which then flourishes, the WWF and its adjuncts arrange for the local villagers to get a substantial slice of the \$100,000 per head which big game hunters will pay for a rhino or a leopard, or the \$50,000 per head for an elephant.

This is the gimmick behind the establishment of the rapidly growing "Campfire" program in Zimbabwe and related operations in South Africa. In the 1980s, the Zimbabwe Department of National Parks and Wildlife Management set out to vastly expand its reach, as well as to project a positive image to an often hostile local population by fostering the Campfire concept. Three levels of organization were set up, the village, ward, and district, under the theme of "community empowerment." The various levels, in return for protecting the game in their territories, were given a cut of the license fees granted by the Parks Department to trophy hunters. The scheme is sold as "conservation" under the argument that "unless there is benefit to the locals," rural communities will wipe out the wildlife in their area, which is often a nuisance to crops as well as humans.

In 1988, there were only two rural district councils, the highest tier in the Campfire structure. There are now 24 such councils, and one-third of rural Zimbabwe (which comprises 40% of state land according to Campfire sources) is organized under this system. At first, only wildlife is under control of these structures, but increasingly, say Campfire representatives, "all resources, what grows on the soil, water, everything," will be included.

As people become increasingly "consciencitized [sic] on their own resources, the communities say we need game scouts to monitor the use of game in our area," said one Campfire representative. Added another, "This local control

is much tougher even than the parks. You are going to be tougher on your brother-in-law if you catch him poaching, since he is stealing from you."

The whole process, of course, is coordinated by the WWF, both directly and through its control over the park system. It is they who do the "studies" which show the "comparative advantage" to wildlife versus cattle, for instance. It is they who conduct the wildlife "aerial surveys" of game, and they who advise in setting the quotas of local communities. It is they who finance the "upgrading of the skills of the game scouts." And, it is their friends in the IMF and World Bank—often members of the WWF or the 1001 Club—who enforce the grinding poverty which makes the whole business look tempting in the first place.

To the villagers, looking at the system from the bottom up, the Campfire system has numerous attractions, foremost of which is earning hard currency. But if it actually helps people, and actually protects wildlife, why would the WWF be financing this program, given its indisputable track record in slaughtering people, as well as animals, all over Africa and beyond?

'A revolutionary principle'

According to its enthusiastic, almost messianic proponents, Campfire is a "genuinely revolutionary principle" with "revolutionary implications" for the political and economic order of the countries in which it becomes established, which are soon to include Ethiopia, Cameroon, Tanzania, Malawi, and Kenya, among others. It is indeed revolutionary, and that is why the WWF backs it so strongly.

As demonstrated in *EIR*'s "The Coming Fall of the House of Windsor," the African parks were set up as a "population control" measure against the natives. Key in this process was the extensive paramilitary apparatus put in place to "guard" the parks, which apparatus was then used to organize the guerrilla gang-pseudogang warfare from protected bases in the parks, a process first perfected by the park personnel in Kenya. Such manipulated warfare has ravaged Africa since independence.

Now, under Campfire and related programs, the amount of territory under national park control is growing dramatically, as is the armed force of "anti-poaching units" under their control. Furthermore, the Zimbabwe national park system,

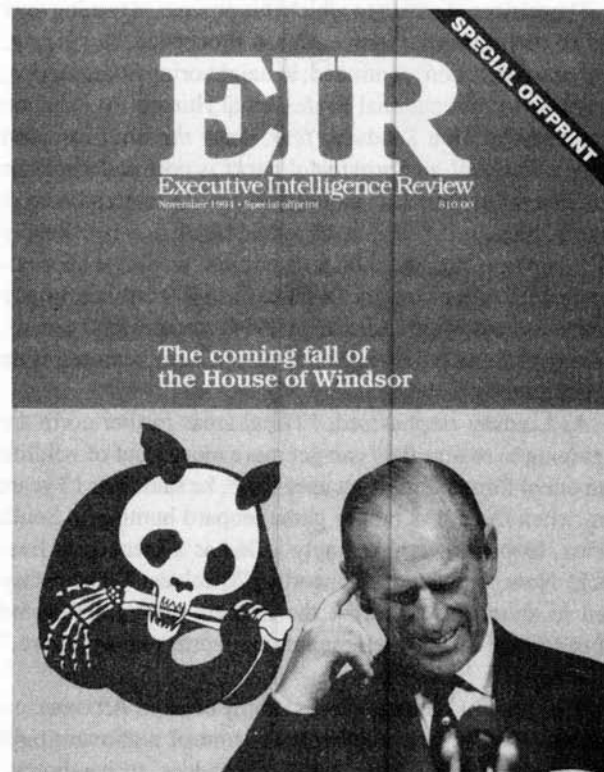
Beware Prince Philip, Sunday Times warns

EIR's Oct. 28 *Special Report*, "The Coming Fall of the House of Windsor," prompted a London *Sunday Times* columnist to warn on Nov. 6 that the royal consort to Queen Elizabeth II, Prince Philip, is not someone whom one attacks with impunity.

In an article on Prince Charles's trip to California the week before, Los Angeles-based reporter Charles Goodwin wrote: "There were no large crowds, but those who did turn out were broadly sympathetic. . . . The only mildly dissonant note on a very successful tour was the constant presence of a couple of protesters, whose anger seemed to be directed not so much at the prince as his father, alleging that he was involved in an intricate plot involving the World Wildlife Fund, Rwandan game reserves, and depopulation. Had they got close enough, Charles might have told them the Duke of Edinburgh is someone you mess with at your peril."

The *Sunday Telegraph* account of Charles's trip mentions that there were protests from a few groups, one demanding reparations for "The Rape of Africa," and another with a banner reading, "The Queen *Does* Push Dope."

Off-prints of *EIR*'s *Special Report* may be purchased for \$10, plus \$2.50 shipping and handling (\$.50 each



additional copy). Make check payable to: EIR News Service, P.O. Box 17390, Washington, D.C. 20041-0390. Bulk orders available on request. Call (800) 453-4108.

for example, is soon slated to be “privatized,” which means that it will be owned outright, instead of merely steered, by WWF-associated financial combines. What is being created is a vast self-policing apparatus, controlled at the top by the WWF, and which, because of its access to the hard currency provided through WWF channels, is now replacing the structures of local and even national government, as Campfire representatives are beginning to be elected to national parliaments.

In sum, substantial portions of the country revert to bush, while the political integrity of the nation-state itself is undermined—a “revolution” which no doubt brings a sadistic smile to the face of Prince Philip. And as subsistence agriculture is eliminated in favor of “wildlife farming,” the apparent “empowerment” of the local communities puts them even more tightly under the control of the WWF-led imperialists than they were at the height of colonialism. What happens, for instance, when their land has reverted to bush and the trophy hunters no longer come, either due to the rising incidence of AIDS; to the WWF, through its apparatus, turning off the funding spigot; or to a financial collapse which wipes out the speculative fortunes which many a big game hunter, who pays \$100,000 to slaughter some animal, depends on for his trade?

The territorial extent to which this process of turning over land to “wildlife management” has proceeded, is striking. Zimbabwe has been mentioned; in neighboring South Africa, according to International Professional Hunters Association representative Don Lindsay, *four times the area of South Africa’s national and provincial parks* is now under private management devoted to game reserves. If that estimate is correct, then, given that 5.2% of South Africa is officially locked up in parks, the total so dedicated would be approximately 25% of the country! Whereas in 1969 only six trophy hunters visited South Africa, in 1994, some 6,000 did so, while over 6,000 areas in South Africa have been set aside for hunting.

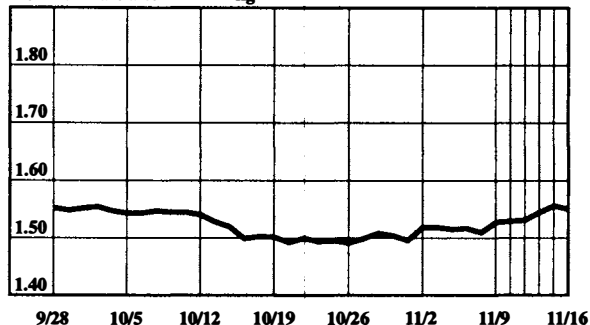
As Lindsay emphasized, “Tribal areas further north are beginning to realize they can get more money out of wildlife than out of farm animals.” It used to be, he said, that 15 years ago, when there was no big game leopard hunting in South Africa, leopards were routinely killed as a menace to livestock. Now, one leopard is worth 270 calves. “Where they used to shoot the leopards, the farmers now put salt and pepper on the calves, the leopards are worth so much more,” he joked.

Two possible futures present themselves to Africans: either the WWF’s self-policing local control nightmare built upon trophy hunting and its ancillary services, such as hotels, casinos, and prostitution, or true national sovereignty based upon breaking with the IMF and WWF and implementing great railway, water, agricultural, and industrial projects as outlined by American statesman and economist Lyndon LaRouche.

Currency Rates

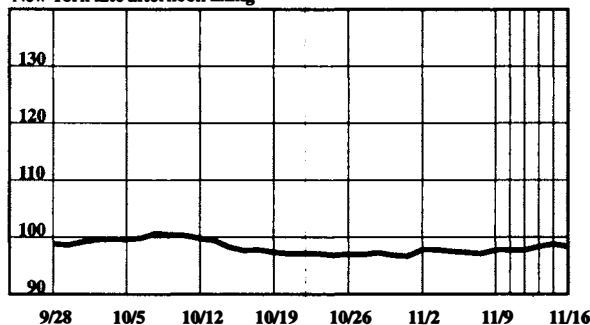
The dollar in deutschemarks

New York late afternoon fixing



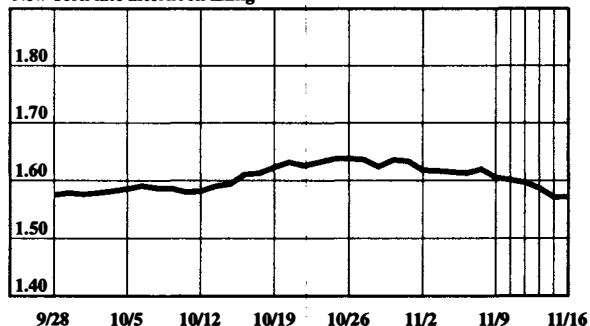
The dollar in yen

New York late afternoon fixing



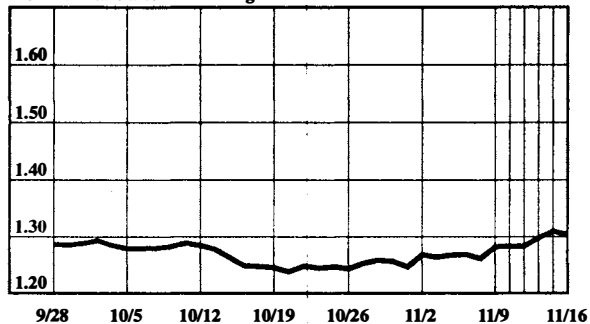
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



Malthusians threaten China with the food weapon

by Rosa Tennenbaum

China's future has become the subject of spirited discussion, and is also the occasion for much contradictory speculation. The "Middle Kingdom," as China was once called, interests the western countries, especially because of the enormous market it represents. The task is to supply and enrich one and two-tenths billion people, who for the most part currently live in the most abject misery. That task, of course, offers opportunities for the industrial countries, especially if the Chinese government were to adopt a clear policy course in the direction of stable, lasting development. This perspective therefore presents not only China, but the entire world economy, with tasks that we can not undertake unless present policies are fundamentally changed.

This is especially true of China's agriculture. Its modest economic recovery has only created a little more buying power, but the demand for such expensive foods as meat and dairy products has already climbed sharply. Previously rice was the most important food, accounting for about 70% of daily caloric intake.

The prospect that Chinese nutritional patterns will change through a rising living standard, has already alarmed such malthusians as Lester Brown, chairman of the Washington, D.C. WorldWatch Institute. In an article entitled "Who Will Feed China?" he paints the specter of more and more Chinese, who always want to eat better.

Rising demand

The Chinese, Brown complains, will soon be eating as much pork as the Americans. Even though the consumption of animal protein is "minuscule" compared to industrial countries, and even though North Americans still enjoy three times as much red meat and poultry as the Chinese, "what happens if the Chinese start closing the gap in these other livestock products as they have with pork?" he asks. Calves have to be fed grain, in order to be able to produce meat and milk. But even the consumption of milk and dairy products is widely denied to the Chinese at present: During an entire year, the average Chinese consumes 4 kilograms of milk and dairy products—an amount which in industrial countries is consumed in a mere five days (see **Table 1**).

The Chinese have already started closing in on poultry, Brown complains. Poultry was once a "rare luxury," and today only about 10% of the average U.S. demand is con-

sumed; but, "the appetite for chicken is growing fast" in China, and it will be further encouraged by a government policy which favors poultry meat production, because poultry more efficiently transforms grain into meat than beef cattle or hogs. In the 1990s, consumption of poultry has reached double-digit growth rates. The same is now taking place with eggs. The government is striving for every Chinese to be able to eat twice as many eggs in 2000 as in 1990, or 200 eggs a year. They will have almost caught up with the Americans, who eat 235 eggs a year. For Brown this is a frightful prospect. By then, he reckons, the Chinese population will be 1.3 billion, and they would therefore eat 260 billion eggs a year. That means 1.3 billion hens would have to be raised, which would have to be fed 24 million tons of grain a year. These 24 million tons correspond roughly to Canada's total grain crop.

Demand for fish is also climbing. Since the Japanese have fished the coastal waters to exhaustion, the Chinese have already begun to breed their fish in ponds. Six million tons of fish are being brought to market annually in this way. They, too, are fed grain: 12 million tons of it went to fish last year, a flabbergasted Lester Brown reports.

Even beer is being enjoyed more and more by the Chinese. But if every grownup drinks just one more bottle per year, some 370,000 tons of grain will be needed to produce it, Brown calculates.

Grain is truly a key factor for human and animal nutrition, and for that very reason, the malthusians have set their sights on grain production. The negotiations for the General Agree-

TABLE 1
Per capita consumption of grain and livestock products in the United States and China, 1990
(in kilograms)

Country	Grain consumption			Milk and products Eggs		
	Beef	Pork	Poultry			
U.S.A.	800	42	28	44	271	16
China	300	1	21	3	4	7

Source: Food and Agriculture Organization, FAO Production Yearbook 1990, Rome, 1991.



The malthusians, such as Lester Brown of the WorldWatch Institute, are upset that the Chinese diet is improving, with higher demand for meat, poultry, fish, and other high protein foods. But the task of supplying and enriching 1.2 billion people offers opportunities for industrial nations, especially if the Chinese government were to adopt a clear policy course for stable, lasting development.

ment on Tariffs and Trade (GATT), as well as the agrarian reforms in the United States and the European Union, have placed decreasing grain crops through land set-aside programs and drastic price drops for farmers, at the center of their priorities. The direct consequence of this policy, is that there is less grain available for more people. And that is exactly what Lester Brown and his institute are planning and demanding.

Domestic supply falls

China's growing demand for grain contrasts with its sinking domestic production. The Middle Kingdom currently is the home of one-fifth of the world's population, but it has only 7% of the world's arable land, because the majority of this huge country consists of mountains and deserts, which cannot be used for growing crops. Between 1957 and 1986, every year 520,000 hectares of agricultural land were lost to construction and the effects of natural catastrophes. In 1992, some 667,000 hectares, and in the following year, 620,000 hectares were lost, which means that China is losing almost 1% of its farmland every year. If this process continues, then the country, which with .09 hectares per inhabitant has only one-quarter of the world average of farmland available per capita of population, within 50 years will only be able to use .04 hectares per capita for food production, according to government calculations.

From that, the WorldWatch Institute concludes that grain production is dropping by at least half a percent per year, and projects that in 2030 around the crop yields will be about 20% below the current figure. In 1990, 329 millions of tons of grain were harvested, and 335 million tons were needed; the remaining 6 million tons had to be imported. Already by the turn of the millennium, the Beijing government expects that the need will be for 500 million tons, and in 2050 it will be 700 million tons. In 2000, the shortfall will be 187 million tons annually, and that alone will take

up almost the entire world export volume, which last year was 200 million tons.

Meanwhile, the possibilities for buying grain on the world market have shrunk, due to an agricultural policy of deliberate long-term destruction of productive capacities. Thanks to this policy, grain exports of the most important grain-producing countries are now declining. The GATT treaty, if adopted, will force the second largest grain producer in the world, the European Union, to reduce its exports by the year 2000 by around one-third, to a maximum of 13.5 million tons. It shows a monstrous degree of cynicism, when the same gentlemen who are responsible for this destructive policy—among them Lester Brown and his WorldWatch Institute—now “speak of the devil” by now evoking the specter of stagnating or even declining world grain yields.

But unless the Chinese government makes an abrupt U-turn, the malthusians' calculations will be borne out. Already by the end of the millennium, the most populous country of the world will be the world's biggest grain importer. China's import needs will then soon exceed the entire world's production. The country will then not only have to pay a high monetary price, but also a high political price, since the malthusians and their power brokers are already gloating that its dependency in basic commodities such as grain and energy will “offer the best way of influencing China,” as Gerald Segal of the International Institute for Strategic Studies in London bluntly stated recently in the Oct. 5 *International Herald Tribune*. They are quite openly brandishing the food weapon, which they will wield pitilessly as soon as the opportunity arises.

Segal is notorious for being the mouthpiece for the current British “divide and conquer” strategy toward China. For the past two years, Segal has been publishing article after article, advocating what he terms “opening and dividing China.” In reality, his is a policy to foster civil war in the country. Segal went so far as to publish a map in the May-June issue

of New York Council on Foreign Relations quarterly *Foreign Affairs* showing a thick north-south line dividing China's coastal provinces from the interior. Using time-honored British geopolitical tactics, he has attempted to draw not only the United States, but also Japan, Taiwan, and Russia into this operation. His efforts on this front are so far unsuccessful. In fact, Segal is still officially *persona non grata* in Beijing. So it is only logical Segal is now resorting to the food weapon.

The advances which China has made in raising agricultural productivity and increasing grain crops over the past 40 years, irrefutably demonstrate how senseless it is to represent the country's situation as hopeless. If China harkens back to the successes of the Green Revolution, and recreates such a social and business climate, within a very short time it can secure food self-sufficiency, and can free itself from the malthusians' death-grip.

Government development projects

The Chinese government is very conscious of these problems, and is trying to counteract them. On Aug. 15, the State Land Administration announced that controls over non-agricultural uses of land would be made more stringent. Local authorities are encouraged to bring to the attention of regional authorities any conversion of agricultural land surface larger than 66 hectares, to other purposes, when smaller areas could be used for the same purpose. High-yield soils are under the oversight of the Beijing government, which wants to guarantee, with the help of laws, that they are protected from conversion to other purposes. Ten major agricultural development zones have been organized along the Three Rivers Basin, the Yellow River, and along the central and lower Yangtze River. These regions comprise nearly 40% of the nation's agricultural usable soil, and contribute 37% of the food supply.

On the regional level, another 16 agricultural development zones have been established; within the next five years each province will have its own development zone, with the task of significantly raising the productivity of at least 33.3 million hectares—one-third of the total farmland of the country—by the year 2000. In addition, some 33 million hectares of wasteland, dry regions, shorelands along the rivers, marshes, and eroded fields are being opened up for food production. They will be transformed into forests, meadows, fish ponds, or even tillable land as circumstances permit.

The government development program aims at uniting agriculture with the sectors of processing, warehousing, and transport of agricultural goods. Peasants are supposed to be encouraged to diversify their fields, and in the future, to plant vegetables, fruit, and tea alongside cereals and cotton. Agricultural research will be stepped up, and these projects supplied with improved seeds and concepts for the effective processing and storage of the crops. This research is to be pursued in outlying areas around the major cities and in the export-oriented zones along the eastern coast, which they are to supply with food. Further agricultural-industrial regions

and high-tech/agricultural zones are to be identified in the planes or hilly areas.

A weak point in this program is financing. Five billion yuan (about \$600 million) is supposed to be the credit flow into these projects over a five-year period—a modest sum. Moreover, in the last few years the allocations to agriculture by the government have been steadily eroded. Last year they were cut by one-third in comparison to 1992, making it necessary to shut down one in every six land development centers. Moreover, Beijing has its eye on leasing farmland to foreign investors—a very dangerous idea, since this would open the country to the machinations of the western food cartels.

Between 70% and 86% of China's farmland, according to government estimates, is soil of low fertility, which must be enriched by irrigation and fertilizer inputs. Out of 100 million hectares, 20 million have very scant fertility, 20 million are too dry, and another 13 million have hilly, rocky terrain. Raising the yield capacities of these fields is a task which has the utmost importance. China can do this by hooking up with the successes from the Green Revolution era.

The Green Revolution

Over the last three decades, the Asian countries, especially China, India, and Korea, have been able to drastically increase their capacity to feed themselves. In the last 25 years, the yields of rice fields have doubled. Although the population in these countries grew by some 80%, thanks to the increase in crop yields, not only have these people been fed more, but during this same period consumer prices have fallen by about 40%, while the total consumption increased by about 25%. The revolution in rice farming, which is mainly due to the use of better seeds, much more fertilizer, and more irrigation, was able to protect the population in this part of the world from great famines.

The 1978 agricultural reforms, which gave the land back to the peasants and their families to cultivate, led to a stormy development in China's agriculture. Within only six years, the grain crops increased by one-half, from an annual 200 million tons to 300 million tons. Thus, the Middle Kingdom, already in 1984, outstripped the United States as the world's biggest grain producer, relegating it to second place. The rice harvest nearly tripled from less than 2 tons to over 4 tons per hectare, while the wheat harvest nearly quintupled, from 0.7 tons to 3.4 tons. (See **Figures 1, 2, and 3.**)

The enormous energy which was liberated by the 1978 land reforms was supported by inputs of more mineral fertilizers, better seed stocks, and more irrigation. Especially the increase in fertilizers played a key role. In the 1950s, the entire national use of fertilizers was barely 0.3 million tons; in the decade after land reform, China's peasants tripled their use of mineral fertilizers from 7 million tons to 20 million tons. There was a corresponding increase in crop yields, from 170 million tons to over 400 million tons. These rates of increase have significantly slowed down, since the government cut back on subsidies for fertilizers 11 years ago; last

FIGURE 1
Grain crops and fertilizer inputs in China, 1952-1984

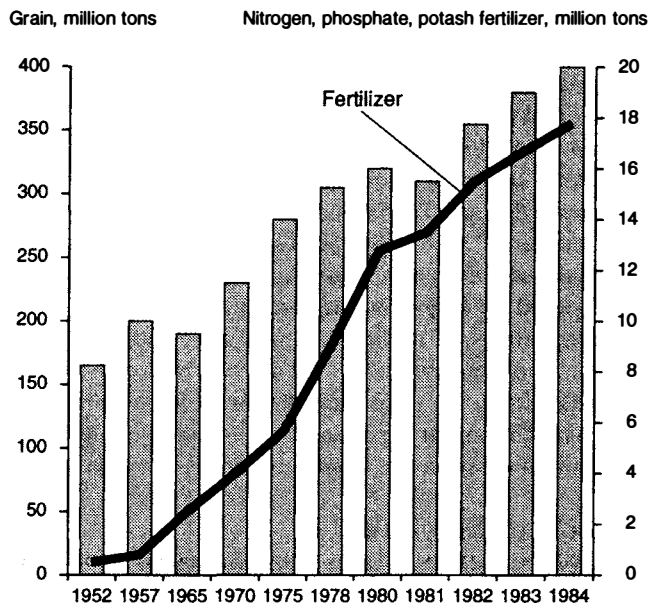
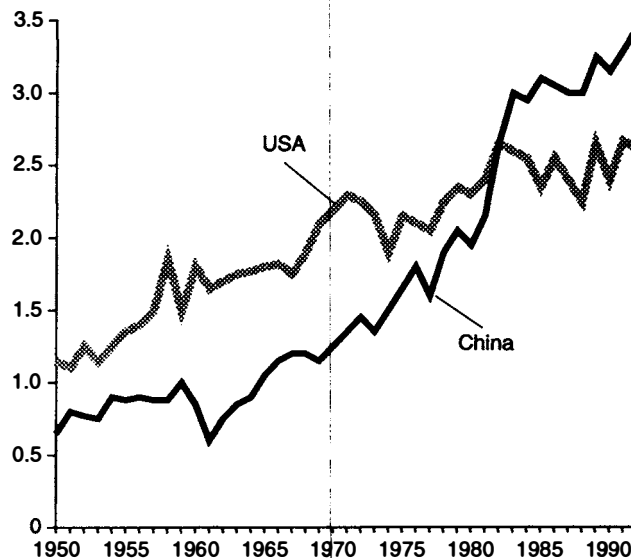
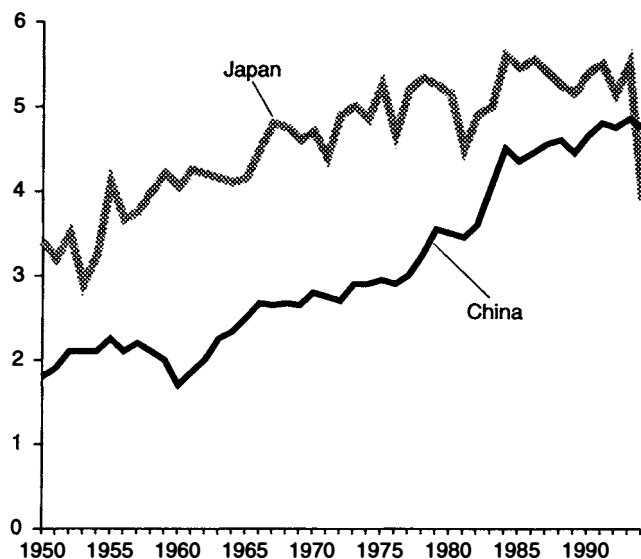


FIGURE 3
Wheat crop in United States and China
 tons per hectare



Source: USDA

FIGURE 2
Rice crops in China and Japan
 tons per hectare



Source: USDA

year, the growth with nearly 30 million tons of fertilizer only amounted to 50%.

A further key factor is irrigation. Around half of the farmlands today are irrigated. Between 1950 and 1978, about

1.2 million additional hectares were opened up to irrigation each year, and total irrigated area expanded from 12 million to 45 million hectares. Since then, the ambitious growth rate has slackened to a scant 200,000 hectares added per year. Both factors, fertilization and irrigation, influence the crop yields decisively. To build irrigation systems requires large investments, which, however, have the quickest payback, since the crop yields immediately increase fourfold.

The big question is: Will China will take these advances further, or will Beijing end up choosing a course of paying attention to doomsayers like Lester Brown and political manipulations like those of Gerald Segal. The Middle Kingdom stands at a crossroads. The situation can be very rapidly overturned, and that would threaten social chaos. Farm incomes, already much lower than in the urban centers, are constantly dropping. Often, peasants obtain often only worthless paper in exchange for the goods they deliver, and they are sinking further and further into misery and want. This is why uprisings and unrest are becoming much more frequent in the agricultural regions.

If Beijing stays on this course and also chooses to join GATT, and thus chooses a free-trade policy instead of a policy of domestic social and economic development, then the situation will indeed become hopeless. Grain production will fall; the GATT regime will take care of that. Under those circumstances, there is no possibility that the country can meet its own needs, not to mention developing the rest of its economy. And then the question will not only be who will feed China, but, who will feed the human race?

Book Reviews

Resolved: People are *not* pollution

by Paul Gallagher

Scarcity or Abundance: A Debate on the Environment

by Norman Myers and Julian Simon
W.W. Norton, New York, 1994
254 pages, hardbound, \$21

This book—actually a debate, both live at Columbia University and written, between a leading British globalist and world government advocate, Norman Myers of Oxford, and a prominently quoted American “neo-conservative” economist, Julian Simon—shows how far below science as truth was the level of the “population debate” before the U.N.’s Cairo conference on world population. But during 1994, that debate was shifted by the worldwide outrage against the Cairo conference from Catholic, Muslim, Jewish, and Christian evangelical associations and nations.

Norman Myers was a planner of the Cairo conference agenda as a consultant to the U.S. State Department on population affairs (working with the “Global Undersecretary” Timothy Wirth) as the elements of this book were being created. In the book, he repeatedly makes the following claim—which, if true, would condemn humanity to a collapse: “Ninety percent of developing world people now live in countries where population growth is considered too high for economic growth, and should be reduced with all due dispatch. To meet these aspirations, we shall need to double our outlays on family planning by the year 2000.” That was exactly the U.N.’s projected agenda and purpose at Cairo. It was, in part, jettisoned in advance in the face of the ecumenical opposition led by Pope John Paul II; what was not abandoned was rendered unenforceable. In fighting off this Cairo agenda, much of humanity showed its moral fitness to survive.

The Columbia University debate was also noteworthy for Myers’s admission of the fraudulence of the document which launched the current mass “ecology movement”—the 1972 Club of Rome book *Limits to Growth*. Asked about previous malthusian forecasts which have proven false, Myers responded:

“The *Limits to Growth* book published by the Club of Rome in 1972 had a number of conceptual errors. It did not allow for feedback, whether positive or negative [for any technological change]. I still think it served a valuable purpose in opening up a public debate. . . . Today we are learning our predicament is not so much a case of limits to growth, but of the growth of limits. . . . We don’t really know why. The problem baffles scientists and technologists. It could well be that our crops are reaching some kind of photosynthetic limit.”

This will give some idea of the anti-scientific ideology of the U.N.’s attempted Cairo conference agenda. One of the U.N. global planning documents for Cairo, the *WorldWatch State of the World 1994* report, maintained exactly what Myers does here.

Julian Simon opposes the population control dogmas not from the standpoint of the ecumenical religious opposition, but as a “free market” economist who has become widely known for debunking environmentalists’ claims. Unlike Myers, Simon presents the reader or student with a great deal of historical data, some of it compiled originally by his research; and he demonstrates the fundamental role of technological invention and change in transforming and creating “natural resources.” This is exactly what the *Limits to Growth* or *Global 2000 Report* and their offshoots completely denied, in creating the hoary myths and hoaxes of ecologism.

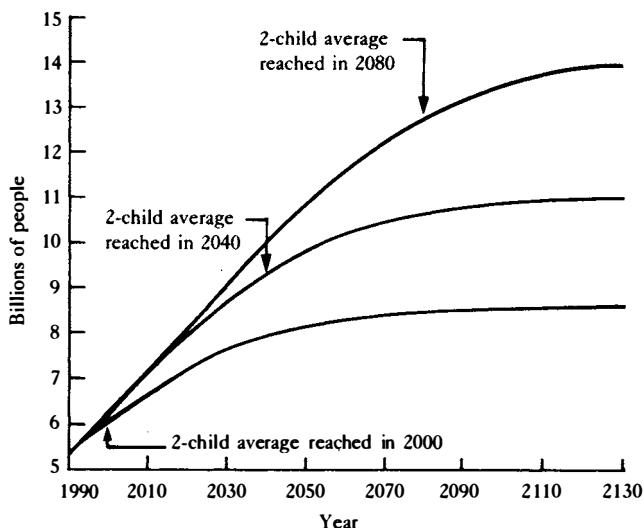
Forecasting the future

But an attentive reader who has observed the devastation of so many Third World nations’ economies during the past 10 years or so, the forced reductions of food production per capita since the late 1980s, and the collapse of average wages in “growth areas” like Mexico, will see that this is where Simon “does not allow for feedback, whether positive or negative.” Simon simply projects past trends in the history of industrial civilization since the Renaissance, into the future. In fact, he makes it both a stated rule of method, and a standing wager, that those trends which represent the triumphs of the Renaissance over death, misery, and backwardness, can simply be projected indefinitely into the future as economic forecasting. Such linearization is completely wrong in economic forecasting and in economic policy planning, both of which are based on recognizing the generation of *technological singularities* which transform previous “trends.”

Simon does not acknowledge the massive negative economic singularity the world economy has been thrown into by deregulation and usury. Yet, he presents the evidence of past, positive economic singularities in his own graphs and charts in this book and elsewhere. In giving his idea of the necessary conditions for such positive economic transformations, the flaw in his approach is clear: “respect for property, fair and sensible rules of the market, and the personal liberty that accompanies economic freedom.” Simon leaves out the nation-state, the unique creation of the European Renais-

Figure 1a. Momentum of Population Growth

Ultimate Stable World Population Size Depending on When the Two-Child Family Becomes the Norm



The crucial factor is the pace of fertility decline in the near future. Each 20-year delay in establishing replacement-level fertility, i.e., an average of 2.1 children per woman, will add at least 1 billion to the world's population size when it ultimately stabilizes at zero growth.

Note: Two-child average family size = replacement-level fertility, or an average of 2.1 children per woman with low mortality.

Source: C. Haub, M. M. Kent, and M. Yanagishita. *World Population Data Sheet 1990* (Population Reference Bureau, Washington, D.C., 1990).

Norman Myers's graph promotes the eugenical idea that "the crucial factor" in stabilizing the world population "is the pace of fertility decline in the near future."

sance which made such progress possible—with the extraordinary population growth accompanying it—by supplying great projects of economic infrastructure. Myers, in the debate, uses Simon's "free market" Pollyanna flaw to score points on the ongoing depression of the world's economies, for which he postulates environmental causes without evidence—then from these "causes" he generates further "effects" such as massive extinctions of species and erosion of soils, again without any basis in evidence.

Human 'fertility' and lifespan

The most fundamental issue in this debate on the human species' population growth, may not be the most obvious to a reader distracted by the "debaters' points" here. It is the issue of what accounts for human population growth, and on this historical issue, it is conclusive that Julian Simon lives and thinks in the real world, while Norman Myers speaks from the fog of centuries-old British eugenics.

Myers's "program" for saving the biosphere, as he presents it here, centers on the claim—put in chart form (shown

here) in his conclusion section—that the number of children that individual couples "choose to have" will determine the human population far into the future. In other words, that what demographers call the "fertility rate of women" determines future population. His chart says that simply whether world average fertility rate in 2025 is 1.8 or 2.8 children per woman, will determine whether the world population in 2100 (75 years later) is 6 billion or 19 billion.

Simon, presenting historical charts instead, shows that the growth of population in the world or a nation is determined much more fundamentally by *lifespan* than fertility; 80% of world population growth has occurred in the last 150 years, when the average human life expectancy has doubled. Simon's charts also relate both population and lifespan to urbanization—the drop in the portion of population needed to produce food, and the growth of cities with manufactures—with very interesting results.

The idea that *fertility determines population* is a crude, strongly eugenical fallacy which was embedded in the so-called "origins of population studies" by Sir William Petty and his friends in the British Royal Society from 1675-1715. It is, today, the line of the United Nations Population Fund, Planned Parenthood, and the rest of the heirs of the Eugenics Societies of the 19th and 20th centuries. In their drive to reduce fertility of Third World populations, eugenics is tantamount to genocide.

In fact, population growth is primarily associated with increases in lifespans and increase in the rate of marriage and family formation per capita per year. Both, in turn, are related to city-building and urbanization measures of human progress of which Simon gives a partial outline in his research, here and in other locations.

Books Received

The Coming Plague: Newly Emerging Diseases in a World Out of Balance, by Laurie Garrett, Farrar Straus Giroux, New York, 1994, 750 pages, hardbound, \$25.

The Hot Zone, by Richard Preston, Random House, New York, 1994, 300 pages, hardbound, \$23.

Queen Elizabeth II: A Woman Who Is Not Amused, by Nicholas Davies, Birch Lane Press, New York, 1994, 511 pages, hardbound, \$24.95.

Conor: A Biography of Conor Cruise O'Brien, by Donald Harmon Akenson, Cornell University Press, Ithaca, N.Y., 1994, 573 pages, hardbound, \$35.

A Mind of My Own: My Life with Robert Maxwell, by Elisabeth Maxwell, HarperCollins, New York, 1994, 536 pages, hardbound, \$25.

Cardoso will face money crisis

The new Brazilian President's political base is stronger than pundits expected, but economic crisis will set his agenda.

The incoming government of Fernando Henrique Cardoso, even before it assumes office on Jan. 1, is threatened by premature weakening from the grave problems which already confront the monetary stability plan which Cardoso drew up as treasury minister for Brazil's currency, the *real*.

That plan bought the momentary monetary stability which allowed Cardoso and his Brazilian Social Democratic Party (PSDB) to win a political base of support unprecedented for an elected Brazilian President in the Nov. 15 elections. The PSDB alone, without counting the parties allied with it, won the gubernatorial elections in São Paulo, Minas Gerais, and Rio de Janeiro, the states which contain two-thirds of all industrial and agricultural activity in Brazil.

Thus the potential for instability confronting the incoming government, does not stem from any lack of a political base in Congress, at least in the short-run, but rather from the fragility of its monetarist financial program.

According to monetarist reasoning, an excess of liquidity requires the government to keep interest rates high on government paper, which provides the reference point for the entire national banking system. By such reasoning, the overnight rate almost reached 6% a month in October, against an inflation rate of 3%. Then the economic team went on red alert.

The increase in domestic interest rates, in the context of total economic

deregulation, has caused two serious short-term economic problems. First, speculative capital of every kind has flowed in to benefit from the financial carnival. Some \$410 million entered the country on Nov. 8 alone. The financial derivatives market in Brazil tripled last year, reaching the fabulous sum of \$1.3 trillion. Also, according to the International Finance Corp., the Brazilian stock market grew by 77% over the last year, the largest increase in all Ibero-America.

This speculative income has artificially raised the value of the Brazilian currency vis-à-vis the dollar, reaching the record level of 83¢ to the *real* in the first week in November. This, before adding in the inflation rate since the *real* monetary program was implemented last July. Thus by December, the exchange rate is projected to reach heights at which Brazil's export sector can be expected to die of massive heart attack at any moment.

To slow the rapid increase in the *real's* value, financial authorities have had to intervene heavily in the exchange markets, buying up U.S. dollars. The country's foreign reserves have risen to over \$50 billion.

The increase in interest rates has also had a devastating effect on the productive sector, driving up costs of production, and therefore prices, despite the *real* plan's commitment to freeze prices.

With their costs rising, national industry will not be able to resist for much longer the influx of goods im-

ported at artificially low prices.

Yet the economic team insisted on penalizing credit even more, alleging that the inflation is the result of an increase in consumption by Brazilians. This policy of monetarist lunacy, in fact, promotes luxury consumption by a minuscule caste who stock their backyards with imported cars in the midst of general impoverishment.

The effect of this policy will also be felt soon in a dramatic increase of internal public debt, which is the mechanism through which speculative capital is looting the national budget. Soon, the only thing left will be the assets of public sector companies, which will be used to keep this unhappy system alive a short while longer.

In the face of this worsening economic picture, Cardoso's government will face two alternatives: To continue to cling to the fetish of an artificial and momentary monetary stability, will lead to a total dollarization of the economy, capital flight which will lead to a devaluation of the *real*, indiscriminate privatization of strategic sectors of the national economy, and the total and final opening of the economy to the speculative buzzards. Under this alternative, the country and its governing authorities can do no more than watch as Brazil becomes deindustrialized, and await the onset of the imminent world financial collapse.

If President Cardoso wishes to salvage what remains of the Brazilian economy, he will have to take actions in a diametrically opposite direction. Brazil's economic and financial problems did not stem from an excess of state intervention into the economy, but rather from precisely the reverse. No solution to the exchange crisis can escape the necessity for strict exchange controls to protect the national economy from foreign speculative capital.

Business Briefs

Science Research

Princeton sets new world fusion record

The Tokamak Fusion Test Reactor (TFTR) at the Princeton Plasma Physics Laboratory (PPPL) in New Jersey produced 10.7 megawatts of power on Nov. 2, setting a new world record. The previous record was 9 MW set last May. The fusion energy produced in a one-second burst was powered by an input of nearly 30 megawatts.

PPPL Director Ronald Davidson said that "the TFTR team has demonstrated successful use of practical fusion fuels, exceeded fusion power goals, and reached world-record temperatures," in a press release on Nov. 7.

The TFTR uses a 50-50 mixture of deuterium (D) and tritium (T), two forms for hydrogen, as fuel. Although there are other fusion fuels which have different advantages, D-T fuel releases more energy at lower temperatures than D-D or D-helium-3, for example. The TFTR was designed in 1976 to produce 10 megawatts. The test program was to have been ended in September, but the Department of Energy provided funding this year to extend the program for six months.

Middle East

Nations targeted for gambling, liberalization

Gambling is being pushed on Israel at the same time that the International Monetary Fund (IMF) is urging nations throughout the Middle East to liberalize their economies. The initiatives are directly at odds with attempts to build up the physical infrastructure in the region, e.g., canals, water and energy projects, ports.

According to William Eadington, director of the University of Nevada's Institute for the Study of Gambling, Israel could become a major gambling center for the Middle East, generating up to \$1 billion a year. "There is an absence of gambling casinos in this part of the world," Eadington said at an international business conference on Nov. 6 in Jerusalem. The conference, the third of its kind, for the

first time was attended by businessmen from Arab countries such as Tunisia, Morocco, Jordan, and Kuwait.

According to Robert Heller, a director of Salomon Brothers, Israel has attracted the attention of Donald Trump and Sol Kerzner, chairman of South Africa's Sun International. The Israeli government is discussing whether to allow gambling. "A majority of the government is in favor of allowing gambling but we have a problem with some of the religious members," Industry and Trade Minister Micha Harish told Reuters. He believes that if Israel opposes the idea, then Jordan would open up casinos in Aqaba.

IMF First Deputy Managing Director Stanley Fischer told the conference that liberalization was necessary to attract western investment. Fischer applauded Israel's moves to liberalize foreign exchange and curb inflation, and said Jordan, Egypt, Morocco, and Tunisia have taken similar steps. He said that the effects of increased investment would be felt only early in the next century.

Infrastructure

'Nordic Triangle' rail and highway links urged

European Union Finance Commissioner Henning Christophersen demanded that a "Nordic Triangle" of railroad and highway links among Copenhagen, Stockholm, and Oslo be added to the list of 11 projects that were approved at the EU summit in Corfu, in June. Christophersen spoke at the EU finance ministers meeting in Brussels in early November. He is leading the EU working group established to elaborate an extended list of priority projects.

With the upcoming December EU summit in Essen, Germany, the fight on infrastructure spending is escalating. According to the German economic daily *Handelsblatt*, the European Commission (EC) presented a package of proposals at the Brussels headquarters meeting which centers around new and not-so-new financing construction for the Trans-European nets. The effort to find additional funds for these projects without going for some form of Hamiltonian banking was, not surprisingly, rejected by the ministers.

An editorial in the French daily *Libération* characterized EC President Jacques Delors's "Union bonds" (bonds issued not by sovereign states, but by the EU) as contradicting the Maastricht Treaty. European governments are now becoming less enthusiastic on publicly financing Trans-European nets because they assume the recession is over, the paper said.

French Economics Minister Edmond Alphandéry said, "Many people thought we would go for a Roosevelt 'New Deal.' But Keynesianism, as we knew it before the war, is now out of fashion." He claimed that some of the 11 Corfu projects are lacking sufficient "profitability," singling out the TGV (the French high-speed rail) route from Lyon to Turin and the Lisbon-Valladolid highway as examples.

Mexico

Excelsior cites LaRouche oil-for-technology plan

The Mexican daily *Excelsior* on Oct. 21 cited a proposal put forward by the Fusion Energy Foundation in 1981 for a \$150 billion U.S.-Mexico oil-for-technology deal, as a model for what Mexican President-elect Ernesto Zedillo should stress with President Bill Clinton. American economist Lyndon LaRouche was a board member of the FEF, which was shut down in the mid-1980s by illegal actions of the U.S. government.

In an article entitled "Oil for 21st-Century Technology," correspondent José Neme Salum proposed that such a deal include nuclear energy especially. With U.S. oil reserve depletion and growing import needs and the Bush administration's approach of trying to force Mexico to sell more oil at low prices, Neme Salum contrasted "the Clinton factor," a willingness to carry on direct, bilateral negotiations with other countries, with the "multilateral or one-worldist [approach] of Bush."

The FEF proposal exemplifies "a different U.S. vision of relations with Mexico concerning its hydrocarbon deposits," the paper said. Zedillo, during his trip to the Miami Americas heads of state summit in December, should come with "a proposal to exchange 20th-century technology (oil) for 21st-century technol-

Briefly

ogy." Mexico should seek investment in infrastructure, such as high-speed trains. Recent investment in road construction in Mexico has more value for tourism than for trade, he argued. The priority instead should be high-speed trains, covering routes that link agricultural production with sources of supply and five-star ports. Canada, France, and Japan, all buyers of Mexican oil, are potential suppliers to Mexico of the most advanced rail technology in the world.

In addition, still on the table before the United States, Canada, and Mexico is the North American Water and Power Alliance water project drawn up by Ralph Parsons engineers in 1964, which could supply water to irrigate Mexico's northern deserts, Neme Salum wrote.

Agriculture

New European farm group backs parity pricing

At a meeting in the headquarters of the European Union in Brussels on Nov. 7, farmers from Germany, Belgium, France, Denmark, Holland, and Switzerland founded a European-wide agricultural movement called the European Country Union (ECU). Its primary goal will be to influence the agricultural policies of the EU in favor of farmers and producers. The statutes of the ECU explicitly call for a parity price system, which would guarantee farmers a fair return and thereby allow for modernizing equipment.

The president of the ECU is C. Adriaens of Belgium, and the board of directors includes members from all the founding national organizations. Georg Neudecker from Deutsche Landwirt will represent Germany, and Fritz Hermann of LFO will represent Denmark. The ECU headquarters will be in the Belgian city of Roeselare, and the organization expects to establish a permanent office in Brussels. It will file for recognition as an EU agricultural organization.

Meanwhile, Ritt Bjerregaard, a Danish Socialist International figure who has just been named EU environment minister beginning in January, gave a speech in northern Denmark on Nov. 9 in which she outlined a frontal attack

on western European farmers. "More than half the expenditures of the EU go to agriculture," she stated. "These monies should be better used instead to finance the integration of eastern and central Europe into the EU. The privileges of farmers in the EU cannot be allowed to continue. We have to take a confrontation course with agriculture and their powerful organizations to get funds for East Europe."

Bjerregaard opposed German unity, and wrote in 1992 that Europe needed the Maastricht Treaty to contain the "German giant," along the model of the 1920s Locarno Treaty in the Versailles era, rather than allow Germany to build a new "Rapallo" with Russia.

Nuclear Energy

Handelsblatt sees new 'Atoms for Peace' plan

Confidence in nuclear energy is strengthening worldwide and estimates of energy consumption in the next decades require that every option be mobilized, the German economic daily *Handelsblatt* said on Nov. 7. Otherwise, the world risks "geopolitical conflicts—especially in the Middle East."

Author Heinz Jürgen Schuermann wrote, "The 'Atoms for Peace' program, which was presented by U.S. President Dwight D. Eisenhower in his speech before the United Nations General Assembly in 1953, is now, with the end of the East-West conflict, again becoming a vision." He emphasized the necessity of nuclear power for "sustainable development," and said that rich nations have the duty to use "capital-intensive" systems in order to conserve fossil resources.

While 61 new reactors are under construction worldwide, the prospects for new reactors in Germany are not good. A new law which mandates further safety features to control a possible meltdown is not the real problem, said Schuermann, because the new generation of reactors like the French-German "European Pressurized Reactor" will fulfill these demands. The main problem is that all the top managers of German energy suppliers have said in recent years that they will build new reactors only if both major political parties give their okay.

● **CANADIAN** Prime Minister Jean Chrétien signed nuclear and aid agreements during his trip to China in November. Canada will sell China four heavy-water nuclear reactors in a deal that could be worth up to U.S. \$3.7 billion.

● **UKRAINE'S** potato harvest is expected to be almost 50% lower than year, in addition to an overall drop in grain output and beef production of 20% or more each, according to western press reports.

● **RUSSIA'S** new deputy prime minister, Alexei Bolshakov, whom President Boris Yeltsin on Nov. 9 appointed to coordinate Russian relations with the Community of Independent States, has been the manager of the engineering consortium that is in charge of the envisioned high-speed railway project from St. Petersburg to Moscow.

● **CHOLERA** killed one and infected 15 other people in the Gaza Strip, the Palestinian Health Ministry said on Nov. 8. Gaza suffers from serious water and sewage infrastructure problems. Israel has banned the import of food from Gaza to Israel and the occupied West Bank. Farmers in Gaza protested the loss of an estimated \$300,000 a day.

● **GEORGE SOROS'S** Quantum Fund reportedly lost another \$400-600 million speculating against the yen, according to unnamed traders, the Nov. 10 *Wall Street Journal* reported. Many other funds "wholeheartedly followed the Soros lead . . . and also have lost a bundle," including Julian Robertson's Tiger Fund and Steinhardt Management.

● **THE BEIJING** municipal government began its first census of the city's "floating population" on Nov. 10, to determine how many rural workers have come to the city, BBC reported. Over 1 million temporary residents are registered in the city of 10 million, but at least that many more are not registered, officials say.

British free-trade policies are destroying Nigeria

by Lawrence Freeman and Uwe Friesecke

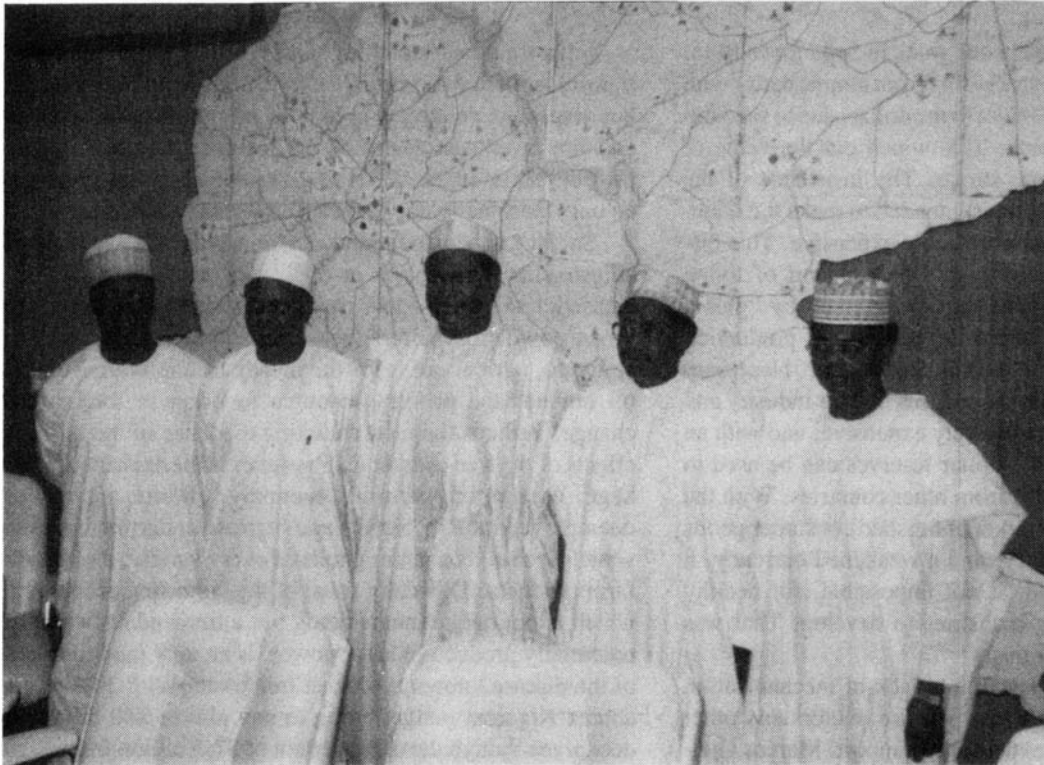
This report is the first of a series based upon a visit to Nigeria on Oct. 2-16. See EIR of July 29, Aug. 5, and Aug. 12, 1994, for in-depth reports and interviews following an earlier visit by our correspondents to Nigeria.

On Oct. 17, Kalu Idika Kalu was forced to resign as the finance minister of Nigeria. The sacking of Kalu is a sign of the ongoing battle in the Nigerian government headed by Gen. Sani Abacha, between those forces committed to real economic development and those wishing to return to the structural adjustment programs (SAPs) of the International Monetary Fund (IMF). As the finance minister in the Abacha administration, Kalu was seen as a staunch defender of the "free-market" policies that destroyed Nigeria from 1986 to 1993.

General Abacha assumed power in November 1993, and immediately implemented anti-IMF reforms, which Kalu never fully agreed with. At that time, General Abacha fixed the rate of the currency at 22 naira to \$1, lowered interest rates from over 70% to 21%, and directed a portion of dollar reserves to be used to develop the industrial manufacturing sectors of the Nigerian economy. To the horror of the international financier families of the British-Dutch oligarchy, General Abacha essentially ended the eight-year reign of the SAPs and indicated that he intended to lead Nigeria on a different course.

There are reports that Kalu continued to verbally berate other cabinet members for their agreement with this new policy direction. It was Abacha's clear and unequivocal rejection of British free-trade manipulation of the Nigerian economy that made him a target of the British-Dutch financial oligarchy, which responded by helping initiate and fund the so-called pro-democracy movements that tried to overthrow the Abacha government this past summer.

In interviews with *EIR*, many members of the current cabinet and several of the military administrators who govern each of Nigeria's 30 states, made it unmistakably clear that the IMF is responsible for the weakened condition of the Nigerian economy, and that now, with the new anti-IMF direction, they intend to



Col. Muhammad Abdullahi Wase (center), the military administrator of Nigeria's Kano state, with members of his cabinet. Colonel Wase and other Nigerian leaders insist that something has to be done quickly, to improve the life of the people. This means infrastructure development, food, housing, health care, and education.

move ahead with rebuilding Nigeria.

Col. Muhammad Abdullahi Wase, the military administrator for the state of Kano, expressed the urgency of raising the standard of living of the Nigerian people by deploying limited resources toward expanding the physical economy, when he told us, "We had to do something quickly, in order to improve the quality of life of the people. You know what the indicators are of the quality of life: health, education, food, shelter, and so on." This requires upgrading infrastructure by providing more and better roads, improved health care and new hospitals, irrigation for farmers, as well as increased supplies of fertilizer, and improved sanitation.

British colonial policy

The programs used to destroy Nigeria's economy are the same ones that have been used against all developing nations, and are dictated by international financiers under the guise of the supposed need to adjust to "market realities." In truth, these so-called adjustment policies are nothing but the continuation of the free-trade policies of Britain's Adam Smith, which were used throughout the eighteenth and nineteenth centuries. Then as now, the intent of free trade was to help Britain keep her colonies and enemies backward and economically weak, by preventing them from developing their own manufacturing industries, stealing their raw materials at artificially low prices, utilizing cheap labor, and forcing the colonies to remain in a rural-agricultural mode of existence. The continuation of this insane policy is today causing the deaths of tens of millions of Africans through disease and

starvation, and has also driven the global economy to the point of disintegration.

The IMF programs embraced by head of state Gen. Ibrahim Babangida from 1986-93 forced Nigeria to swallow the bitter medicine, which was not intended to improve the health of the Nigerian economy, but to kill the patient. The prescription was as follows:

- reduce the fiscal deficit;
- reduce government expenditures;
- devalue the currency (the naira);
- deregulate commodity prices;
- deregulate the banking business;
- deregulate interest rates;
- increase privatization of previously state-owned enterprises.

Devastating impact

The results, as expected, were disastrous, and the Nigerian economy today has still not recovered. Dr. M.S. Umoru, a leading businessman from Kano, stated in a press release issued by the Organization for Patriotic Nigerians, which he heads: "It is the wish of the IMF to leave interest rates and exchange rates to the vagaries of the market. This policy has been tried out and seen to be a disaster to the Nigerian economy: Nigeria was on the brink of total chaos and collapse during the implementation of IMF policy—1986-93. Nigeria was drifting aimlessly on the economic ocean without a compass and a rudder."

This nightmare began when General Babangida agreed

to devalue the naira by 63% in one week in September 1986, which sent the currency skyrocketing from almost parity with the dollar to levels of 40-70 naira to the dollar, due to speculation spurred by deregulation. This wiped out the value of Nigerian business with one stroke. The insistence of the SAPs on currency devaluation is intended to make the country's exports cheaper and imports more expensive. This further drives down the economy and the standard of living of the population, because exports determined by "global market forces" are priced below the real cost of production and depend on the use of plentiful cheap labor. Necessary goods, most especially capital goods needed for industry and infrastructure, become prohibitively expensive, and with an inconvertible currency, only dollar reserves can be used to buy these vital capital goods from other countries. With the dumping on the Nigerian market of finished consumer goods produced outside the country, and a weakened currency, it became extremely difficult, if not impossible, for healthy indigenous manufacturing industries to develop. That was the intent of the IMF programs.

Agriculture suffers today from a lack of mechanization and irrigation in the drier areas, because tractors and other capital goods became too expensive to import. Marcos Gundiri, who directs irrigation projects for the states of Kano, Bauchi, and Jigawa, detailed the dramatic effects of the SAPs on agriculture, in the interview published below. He reports that tractors cost 25,000 naira in 1984, but 1 million naira in 1994; pumps that cost 50,000 naira in 1984, today sell for almost 2 million; land graders that went for 70-100,000 naira before the structural adjustments, today sell for 5 million naira; and fertilizer went from 20 naira a pound to about 200 naira during the same period.

According to Colonel Wase, the extreme expense of purchasing new tractors and spare parts forced farmers to rely on more backward, less efficient practices, such as using animals to till the soil. Due to the deliberate denial of modern technology to the farmer, plus low prices for his products, only a small portion of land is used, but almost two-thirds of the workforce is scratching out a meager existence on 1-3 hectares of subsistence farming. Rather than concentrating on growing food for the population, the emphasis has been on cash crops that can be exported, like cocoa, palm oil, rubber, and ground nuts.

Industry has not fared any better, after almost a decade of IMF policies. Nigeria has to rely almost exclusively on imports for capital goods. The large Ajeokuta Steel Plant, begun in the early 1980s, is still only 98% completed, and the aluminum plant is only 60% completed. Capacity utilization in major manufacturing industries in 1991 was 39%, while in some manufacturing sectors it is as low as 28%. The plentiful supply of minerals other than oil—bauxite, tin, lead, limestone, coal, etc.—have not been properly exploited, because of shortages in foreign exchange and infrastructure that limit the development of more industries.

Infrastructure, including roads, rail, electricity, mass transit, sanitation, and health care, varies from state to state, but across the country it is in need of significant expansion and improvement. Many of the infrastructure and related projects begun in the 1970s simply stopped, or have expanded only marginally due to the effects of the SAPs.

So, let's look at the results of almost a decade of structural adjustments: Inflation is at 60%, budget deficits have increased, less capital goods per capita are being produced, the urban population suffers from massive shortages of infrastructure, agriculture is for the most part unproductive, and oil remains the primary resource to bring in foreign exchange. Perhaps the most indicting evidence of the hideous effects of the free-market IMF policies is the existence of the huge, unreported "informal economy," where millions of unemployed mob the streets and highways, darting between vehicles to sell consumer goods of every variety, along with farm products. This daily ritual of the "informal economy," which is not only dehumanizing but a tremendous waste of potentially productive labor power, is an ugly manifestation of the disease known as British free trade. With 30% of the annual Nigerian budget going to pay almost \$40 billion in debt, even though the original debt of \$7.5 billion from 1980 has been paid off many times over, there is little available for developing the country for the benefit of the Nigerian people. The banks have always maintained that the debts must be paid, regardless of the consequent loss in human life.

Although Nigeria has the largest population in Africa and the most populated city, Ibadan (southwest Nigeria), with 5.5 million people, on the continent, there is not one shred of scientific evidence to support the claims by Britain's Prince Philip and his genocidal World Wide Fund for Nature, that Nigeria or any part of Africa is overpopulated. Nigeria is rich in land, has abundant reserves of oil and natural gas, and an energetic population of approximately 100 million people. Despite the difficulties of the last 34 years of its tumultuous history since achieving independence on Oct. 1, 1960, Nigerians still hold onto the idea that they can be a prosperous sovereign nation, if they were to be allowed to develop their economy, free from the dictates of the IMF and World Bank.

It still remains to be seen how Nigeria under the leadership of General Abacha will fully realize its enormous potential. Is Nigeria prepared to break with all British free-trade controls? With the commitment by the majority of the cabinet to direct investment into Nigeria's poorly funded industrial-manufacturing sector, and to expand its grossly underdeveloped infrastructure, there is a basis for optimism. However, since the British-Royal Dutch Shell crowd will not allow Nigeria a peaceful transition to prosperity, it is imperative that leaders of Nigeria be prepared to wage ruthless warfare against their centuries-old oligarchical enemy, now known as the House of Windsor. One hopes that the year-long campaign by the current Nigerian leadership against the British free-trade policies and the IMF will progress to that level as quickly as possible.



'We have progress to report here in the state of Kano'

Colonel Wase is the military administrator of Kano state. The following are excerpts from two interviews conducted with him by Lawrence Freeman and Uwe Friesecke. The first one was during a visit to Nigeria on July 5, the second was in October.

EIR: You are the administrator and governor of the state of Kano. Could you tell us something about this state, what your functions are, and what the features of the state are?

Wase: Kano is one of the most industrial and commercial centers in the North. It is one of the most populous states in Nigeria. Apart from the commercial and industrial status which Kano enjoys, not only in the northern part of the country, we also are the largest agricultural state in the country, with our agricultural activities taking place all year round. Kano is blessed with dams that favor irrigation. As a matter of fact, we have the largest irrigation capability in West Africa. Kano City is an ancient city. We are a gateway to the North. Kano state is placed strategically, both economically and politically. We have a highly politically motivated people, highly enlightened politically. So Kano, so to speak, is a mini-Nigeria. You have people from various parts of the world, not only from various parts of the country, living together without any problem.

Regarding my responsibility as the administrator of Kano state, I am chief executive of the state. I am responsible for the development of the state economically, politically, and socially. I'm also in charge of keeping law and order, peace and security throughout the state.

EIR: In the 1980s, during the period of the International Monetary Fund's [IMF] structural adjustment programs all over the world and especially in Africa, there was a dramatic deterioration of the terms of trade; a dramatic fall in prices for agricultural raw materials; and at the same time, an increase of the costs of inputs of machinery, fertilizer, etc., through the devaluation of the currency.

Could you give us a sense of how this affected the situation in your state? How did this pressure affect the ability to develop agriculture, to develop infrastructure, and keep

productivity of agriculture growing?

Wase: Certainly all these factors affected the development of the state, not only in the area of agriculture, but also in foreign exchange. What we are trying to do now, is to try and look inward and find out what we can generate to sustain our agricultural growth. The cost of a tractor is so high. A tractor used to cost about 200,000 naira, about 8-10 years ago, and now you need about 1 million naira to buy a tractor. This has an adverse effect on agriculture. . . .

EIR: We have seen that under the World Bank-IMF policies, there was tremendous pressure put on the Nigerian economy—interest rates went up, deregulation was imposed, the exchange rate was out of control. The current government has now put certain measures in place to try to correct that. How do you see those measures by the current government affecting the development of industry and agriculture in Kano state?

Wase: What we used to obtain was land and input of raw materials, and borrowing from the commercial banks, which was at very high interest rates, very costly. The present policy is to encourage the use of local raw materials to produce goods and services for the people. The emphasis is on manufacturing rather than on consumption, because over the years, we have been a nation of consumers, without producing anything. What we are doing in Kano is to ensure that industries that have gone out of production are reactivated. As a matter of fact, we have drawn up an industry policy for the state, which was nonexistent, because this is the only way we will be able to address the problem of industry. What we are trying to do now, is to try to start from the basics, especially industries in the various local government areas, and then encourage people also to pool resources instead of having one-man, individual companies.

Some of the raw materials have to be imported, which means that the industries have to compete for foreign exchange at the banks. So rather than allowing individual manufacturers to go and try and obtain a certain amount of foreign exchange that will not be enough for them, we want them to come together.

That is one of the policies that we are pursuing. . . .

EIR: What kind of loans is Kano state receiving right now? Are you getting World Bank loans?

Wase: Yes, we have a World Bank loan for the rehabilitation of the water scheme, and another for rural areas. From what I've seen so far, some of the loans are not performing to their expected capacity. So we sit down and review the various loans, to make sure that they conform to our requirements, to our ability to pay, and our ability to benefit from the loan.

EIR: Do you think that the conditions they are attaching to these loans are fair and suitable to your conditions, or do you have suggestions of what should be handled in a better way?

Wase: Naturally, some of the conditions are adverse.

EIR: Can you give some examples?

Wase: There is so much delay in the processing, it takes a lot of time. And once you allow the time to elapse, with the skyrocketing rate of inflation, not only in Nigeria, but all over the world, if you don't buy something quickly, by the time you buy it, the amount has doubled. These are some of the conditions. We are trying to make sure that they remove the institutional rules, in order to avoid any delay in the execution of the projects. We are reviewing all the projects.

This interview was conducted in October:

EIR: Given your responsibility for the state of Kano, could you tell us some of the measures you have been taking, some of the areas where you think progress has been made, in terms of education, health, agriculture, infrastructure?

Wase: When we came into office, a lot of problems had developed in the states, and I'm happy to report that major progress has been made toward resolving some of these problems.

Let me take an example of the civil service. We found a very disorganized civil service, and low morale. We have been able to reorganize the civil service, because it's the focal point in any development. We have been able to give a sense of belonging, a sense of responsibility. We have done this through major reorganization, by making sure that we put the proper people in the right place.

We had to do something quickly, in order to improve the quality of life of the people. You know what the indicators are of the quality of life—health, education, food, shelter, and so forth.

In the area of water supply, we've made a lot of improvements toward rehabilitation of both urban and rural water supply systems in the state, because we believe that water is very important, not only for ordinary drinking, but it also is important for preventive health care.

EIR: Could you be more specific about exactly what you've done, what you've succeeded in rehabilitating?

Wase: We'll give you a write-up.

In the area of education, we have done a lot to revive our ailing educational system, which has been battered in the last two years. This we have done in terms of supply of teaching equipment, rehabilitation of dilapidated villages, and schools and primary schools.

In the area of agriculture, which is the most important occupation (about 80% of our people are in agriculture), Kano happens to have one of the most developed agricultural programs in West Africa. So, in that area, we have also made significant achievements toward distribution of farm implements, tools, and so forth.

Our fertilizer distribution is one of the best in the country. And we have been able to reach the local farmers to give them this fertilizer and other farm implements well ahead of time and at a controlled price. I can give you the breakdown of the fertilizer distribution and of farm implements.

Because we are expecting bumper harvests this year, we are making arrangements to ensure that the farm products are purchased by the government directly from the farmers, to prevent any exploitation by the middlemen.

In the area of health, it is our policy to upgrade health care delivery in the local government areas, by upgrading some of the general hospitals. This we have done in quite a number of local governments.

In the area of infrastructure, we are doing everything possible to rehabilitate both roads and railroads. Our effort has been impeded by the torrential rain which we experienced this year. So this effort has been slowed down, but now that the rains are over, we're going to go out, very soon, to ensure the rehabilitation of the roads and railroads, because this is the only effort that will be able to help the farmers to bring their farm products to market. So we are opening the roads, rural roads, to the markets, to facilitate movement.

EIR: How are you able to finance all this?

Wase: We benefit from World Bank loans, but principally, we've been able to do that through judicious use of whatever funds we have.

EIR: What is the combination of the money you get allocated from the federal government and the money you can raise in your state?

Wase: Every state depends on the allocation from the federal government. For our part, we tried to revamp our internal revenue collection system, that is, through local means, on which we've been able to make a little progress, by tightening up collections. We have more than tripled the amount we have been able to realize internally.

EIR: And the federal government part? Has that stayed what it was before, or has that increased?

Wase: The formula for the distribution of revenue allocation remains the same. But it is up to the individual states to be sure that the revenue is collected.

EIR: I would like to go back to the question of agriculture. You would say that Kano is one of the more developed agricultural states in Nigeria. Could you tell us how the farms are organized? Are they primarily subsistence farms, or are they more commercial farms? Is there irrigation? Is there more mechanization?

Wase: There are both subsistence and commercial farm entities here in the state. There are large-scale farmers and there are also subsistence farmers, local peasant farmers. When I say that we have the most developed agricultural system here in this state, it is because of the various dams constructed over the years that allowed farmers to farm all year round. I think Kano state is leading in the area of wheat production and other farm products like tomatoes. In a place not very far from here, they load almost an average of about 100 trucks a day, during the tomato season. So they are looking into the possibility of establishing a small canning industry.

EIR: Do you have any idea of what percentage of the farms are irrigated?

Wase: Quite a large proportion of the land which is under cultivation is irrigated in the state.

EIR: Would you say that Kano has more irrigation than most states in Nigeria?

Wase: No doubt about it. It's the most irrigated.

EIR: Could you say how large these commercial farms are? How much mechanization is involved, in terms of combines being used, advanced machinery?

Wase: There are some highly mechanized farms owned by some farmers, but we are also trying to develop, because of the present economic situation, the semi-indigenous farming technology. Ox-drawn implements—there's a program which we're trying to initiate. The majority of our local farmers are peasant farmers. Because of the high maintenance cost of tractors, and also the high cost of tractors themselves, we are trying to look inwards, getting loans for the farmers, guaranteeing the loans, so that they can buy the animals, and then the ox-drawn implements. That way, the farmers would have control over what they already have, and we believe that that would increase the yield of our various farms, and also increase the income of the farmers.

EIR: I can understand the cost of tractors and maintaining them, but it has been the case historically, that with increased mechanization, you can increase the yield significantly beyond what you can with animal-drawn implements.

Wase: What is happening now, is that the amount needed to repair our little tractors, which were damaged and need

repairs, is so astronomical that we will not be able to repair them. Also, there is a problem of sharing the tractors. The tractors have to have fuel, and you have to move one tractor from one farm to the other. So if care is not taken, by the time the last person gets the tractor, the farming season is over. So there's a need to diversify and make sure that everybody gets the benefit of either the tractors or the ox-drawn implement.

Most importantly, not all the farmers can afford to have the tractors, so they should be able to get something within their reach.

EIR: Or we should find a way to cheapen the cost of tractors. You mentioned that 80% of the people are employed in agriculture. What are the other areas of employment in the state? How big is the urban center in the state of Kano?

Wase: One of the areas of employment is industry. Kano happens to be one of the most industrialized states here, but the industries suffered some reverses over the last two to three years. To prop the industries up, first of all, we initiated what we call an interest rate policy.

This policy is aimed at addressing the problems that the industries are facing, and also to look at certain incentives that can be given to the would-be native [industries]. Such incentives include free land for anybody who wishes to go into business and establish an industry. Also, there's a tax exemption or a tax moratorium for a certain number of years.

We set up a committee which involved the manufacturers, industrialists, and bankers, and with this policy, and the willing participation of the people in the state, most of the industries are now being revived.

EIR: Could you name some of the industries?

Wase: We have textiles. We have canneries. We have plastics industries, agro-based industries, and many other industries, small, medium, and large industries.

EIR: You say that you were supplying fertilizers to farmers. Are fertilizers being developed in Nigeria, or are you importing them?

Wase: The bulk of our fertilizers come through importation. But we now have a company. We also manufacture our own fertilizer here in Kano.

EIR: Was the supply of fertilizer affected by the rapid devaluation of the naira vis-à-vis the dollar?

Wase: No, I don't think so. Because in terms of transporting, bringing the fertilizer into the state, it doesn't hurt. Because what normally happens, is that we get our allocation from the federal government, and we transport it to the states and down to the farmers.

What happened over the years, was a problem of distribution. To overcome the problem of distribution of fertilizer, down to the farmer: This is the major problem.

We need the understanding of the American government

Dr. Umoru is chairman of the Manufacturing Association of Nigeria, from Kano state. He was interviewed by Lawrence Freeman and Uwe Friesecke during their visit to Nigeria.

EIR: What is the attitude of officials in Nigeria toward the International Monetary Fund [IMF]?

Umoru: They are not heeding the World Bank, the IMF. In 1980, the President of Nigeria made a statement that Nigeria would punish any country that supports apartheid, with its oil economy. Since that time, three banks, including the Bank for International Settlements in Basel and the IMF, ganged up against Nigeria, to bankrupt it. They have done their worst. Those people have left. Another regime has come and gone. I'm begging you, on behalf of Nigeria: Enough is enough.

I will tell you what one western banker said to me: "Alhaji Umoru, when I was asked to see you, to hear from the grassroots, I was told that I would get all I want to hear. But when Nigeria tries to behave like that, what do you want the western world to do? To sit down and fold its hands?"

"Now," he said, "Nigeria is naked, and has no means to solve its debts. So, what do we do? We do not forgive."

He said, "All right, if we must, we must write off [the debt]. You must demonstrate to us that it is not good to use immorality in the management of a colony."

This is the kind of situation that we have been made to face. They *knew* that this adjustment program was going to destroy the Nigerian economy. They supervised the destruction, because they supervised the *looting* of the government treasury, to our detriment. Nigeria did not issue any chits to local industry; we are now a country of shopkeepers.

EIR: So, the IMF structural adjustment programs [SAPs], liberalization, and devaluation of the naira [currency] that former leader Babangida adopted in 1986 are the main causes of the economic destruction, which the current administration finds itself dealing with?

Umoru: Exactly.

EIR: Some measures were taken when Gen. Sani Abacha came in, to stabilize the naira, reduce interest rates, and put forward funds for manufacturing. Recently, he proposed to fix the price of petroleum at 11 naira per liter and use that fund for development. Do you think that these are the correct

measures to rebuild the Nigerian economy?

Umoru: To build the Nigerian economy, we need the understanding of the American government. We need the sympathy of the western world. No matter what we do at home, with America not favorably disposed to what we are doing, it's a problem, we are just daydreaming. America in particular has to understand that Nigeria has been terribly battered, and all of us in Nigeria want democracy.

I was thinking about Abiola, who was the chief accountant of ITT in 1975. He now has billions in his foreign account. How did he get the money?

Let America ask for Abiola's tax return. Where are your tax letters? I have my tax letters, his governor has his tax letters. Where are Abiola's tax letters for his billions? That's why I said that I never knew that we voted for a President who is morally backward. America should understand that Nigeria is in a peculiar situation, and has to be assisted, free of sanctions.

EIR: Under Babangida we have the destruction of the economy through the acceptance of the SAPs, the devaluation of the naira, liberalization. Now moves have been taken by General Abacha to stabilize the currency, reduce interest rates, and provide measures for the increase of production of manufactures in the economy. Do you think these measures are in the right direction to reverse what was done?

Umoru: They are major, but you cannot reverse the SAPs any more. You can only look into what is wrong and correct it, like the interest rate, foreign exchange. But the point is that we can do nothing domestically without the sympathy and understanding of the American government and the western world. America should understand that the Nigerian situation is a peculiar situation that needs to be nurtured to a proper, well-founded democratic system of government, a democracy. It should not be carried away by cynics, by radicals, who are talking about democracy.

America, I say to you: Keep free of sanctions, and assist this regime. If this regime fails, to my mind, that is goodbye to Nigeria as a nation. That is not good for Africa, for America, or for the world.

So, we need the cooperation, the understanding, the sympathy. The people who are now crying "democracy," when they were jumping up and down, CNN was in the area. We

all listened, we all watched. In this country, it became news. That's news? These people first said that they are the ones who destroyed the first democratic system. They destroyed the second regime. The same people, all because the military entered into the politics of Nigeria.

For Abacha's policies to succeed, to materialize, to see the light of day, we need the sympathy of America. We need that sympathy free of sanctions, free of sentiment. We want a situation in the government where industry can thrive, where the economy can improve.

We want America to look at the money in Switzerland, in Britain, the billions of dollars which were taken fraudulently. We have said that we do not owe. The money that's supposed to develop Nigeria is there, in the banks of Europe. America should say, "Look, you banks, all the money that was illegally brought into the banks, transfer to the central bank of England, net it off. Paris Club: Take your money. British Club: Take your money. Whatever is left, take it out."

Then, let Nigeria go and sort itself out. That is morality, which the IMF and World Bank turn away from.

So, when the president of the Swiss bank said they would do something about it, I want America to follow it up. I want to be sure that these billions of dollars are transferred to Nigeria's account in the central bank of England. If that happens, no Nigerian will dare to steal money again, and try to keep it outside the country. They know that the banks will find out where you got that money, and it will be transferred back to where you got it, and you will be declared a rogue, a thief.

Why should Babangida still be given a passport to travel? We know they have clearly robbed the treasury, they robbed Nigeria. That passport should not be approved. In America, Clinton is in trouble over \$100,000 profit. Yet, these people took billions.

Clinton wants to open up markets for American industries and reduce unemployment in America. But we have to be able to buy. Nigeria has 100 million people. If it is possible to consume what comes from America, you create jobs for America. That is a guaranteed market for America. The money would be available, people would be discouraged from stealing. That's the way it's supposed to be. The military would think twice before they ever overthrew a government—anywhere.

EIR: The policies you have described—dumping cheap products, devaluing currencies, deregulating the economy—are all classic free-trade policies that the British have used over centuries, not just against Nigeria, but against Russia and other countries, including western countries, which are now collapsing as well. Do you think that it's appropriate for Nigeria and other countries now to, in essence, rebel against this policy, and bring in a new economic system, promoting production, development, manufacturing, and agriculture?

Umoru: What game are the superpowers playing? Right now, the IMF and the World Bank were let into Russia and

the republics of the former U.S.S.R. The preconditions for such policies are not there, like they weren't there with Nigeria. Why do they want to destroy?

The only way for America to manage its role in world affairs is by being sympathetic to the less-privileged nations, so that they become the friend of America. By being oriented positively toward America, God then will support America to go further.

Right now, there is a plague in India. It's played down. India did something to curtail it. If it was only 12 people that died, say, in Nigeria, there would be no flights into this place. They would be stopped. So, what I am saying is, please, let America intervene. Because there is nothing we can do without that kind of understanding, that kind of support, that kind of intervention.

We might introduce an interest rate mechanism. There must be government interference to adjust the interest rate. Even in France, even in Britain, even on Wall Street they still do that. There is an element of the Treasury looking into what is going on, what we should do to assist this. That is intervention.

We want an understanding, that Nigeria as a whole is yearning for democracy. They should know that. We want the understanding, the support for the present administration, to be able to come out of this national conference with a model that is acceptable to everyone. [The national conference, inaugurated on June 27, with some 370 delegates, is to deliberate on those political institutions and procedures by which Nigeria can return to democracy—ed.] We have a democratic system, but that model must ensure that things not go backward again. No matter how much we adjust interest rates, or the parity alignment, we need that understanding. Without it, there's nothing we can do.

EIR: Now that we're here, we find that over 10 years ago, you were a subscriber to *EIR*. Having read what we said then and what is happening now in the world economy, what do you think of *EIR*'s analysis?

Umoru: What you said in those years, what you prophesied, there is nothing that hasn't taken place. It has all happened. You spoke about the gunboat approach by the western world to debt matters in the developing countries. It has happened! They went and destroyed OPEC; and how did they destroy OPEC, Mexico, and others? You prophesied it, you said we should watch it. You said America was going to arrange a financial bailout package with the Latin American countries. What you said was not hidden. It took place, and that destroyed OPEC.

What *EIR* said would happen in the world economic situation, in world affairs, has all taken place. In economic matters, nothing has not come true. I hope you can use that same wealth of experience and knowledge, to influence the opinions of the western world, particularly the American government, to come to the aid of Nigeria, economically and politically.

The role of water projects and irrigation in developing Nigeria

Mr. Gundiri is head of the Hadejia Jamaare River Basin Development Authority in Kano state. He was interviewed on Oct. 8 by Lawrence Freeman and Uwe Friesecke.

EIR: Could you explain to us the scope of your tasks and responsibilities?

Gundiri: We are a committee set up by the federal government to take care of the Hadejia Jamaare River Basin Development Authority, in Kano, which is one of the five river basins in the country. We are primarily responsible for the development of irrigated agriculture in three states of the federation—Kano, Jigawa, and Bauchi. We also do some flood and soil erosion protection works, and supply water to some rural areas—we get involved in rural development to a certain extent. Presently, the river basin has established an irrigation project in Kano state of 15,000 hectares, which is being irrigated by waters from the Tiga and Baganda dams.

Under the Kano River basin plan, there is supposed to be 30,000 hectares irrigated; you can see that we have just started the first 100 hectares. We have yet to start with the full implementation of the program because of the financial implications, which are enormous. There is, however, another hydroelectric project, which relies on water from some of the rivers upstream, and which lies at the confluence of the Kano River and Hadejia barrage.

We hope to develop in that area about 25,000 hectares, and so far the contracts for stage one of the project have been signed and are being implemented by a French company, and so far almost 65% of the work has been done. That's going to produce a variety of sources of water from the reservoir which has been constructed, and the construction is now on site, and we hope that pretty soon we will have the project completed. That project is located in Jigawa state.

Now, in Bauchi state, there is the proposed Kafin Zaki dam, which is yet to be started. It would double the area under irrigation, providing water for about 127,000 hectares there. Then there are other small projects. There are some smaller dams in Bauchi, for instance, and I would hope to irrigate more than another 2,000 hectares of land for production of wheat, rice, and other cereals. The good thing about that dam, is that it can serve both Jigawa and Bauchi states, because it is on the border. And then you have some small

projects which utilize the already-existing water and natural lakes located in Bauchi, and these include the Patabu, where you have irrigated up to about 250 hectares of land.

There are other projects which are under feasibility study. We have to look at the projects and the recommendations of the consultants, and look at what the government can offer in terms of funding, before the decision is taken on whether to go ahead. One good thing about most of our projects is that they are farmer-based, because all of the development is done by the farmers. For instance, the 10,000 hectares we talked about in the Kano basin project belong to the farmers. We go in and develop the land and hand it back to the farmers, provide them with water. We charge them for the water and cost of land preparation and other services which we render.

EIR: Could you indicate how important irrigated agriculture is for the area of your responsibility?

Gundiri: We cannot run away from the fact that if we want to have a viable agricultural project, we have to have irrigated agriculture, particularly in this part of the country or in this part of the world, which is very, very prone to drought. There is an absolute necessity for irrigated agriculture. In Kano, the rainfall is sometimes very short. Even if you have rainfed agriculture, if you can, you do some additional irrigation, to have more water for your crops; that man is going to improve his yields. It is not important for this area alone, but for the entire country.

EIR: Nigeria went through almost 10 years of structural adjustment programs forced by the International Monetary Fund and World Bank. Did that affect irrigated farming?

Gundiri: I think that to a certain extent it did, because the cost of inputs rose astronomically, beyond which most farmers could pay. Before the structural adjustment program, the cost of fertilizer was 20 naira a pound, and now they are charged about 200 naira—10 times more. Most farmers are not prosperous enough to adjust. Most of them do subsistence farming, so they cannot sell enough of their products to buy enough of these inputs. If we go around Kano state today, we will find a lot of them back using natural manure, that is, cow dung, and some of them using compost, the ordinary rudiments of organic fertilizer, from their homes. And if you

look at the question of herbicides and pesticides and other chemicals that are used in agriculture, their prices have gone beyond the reach of even the rich farmers. Some of them now don't even use them. The effects have been very, very negative on most of these farmers.

Also, the cost of spare parts has gone up. The cost of petroleum products has gone up. The cost of labor has gone up. For instance, before the structural adjustment program, the cost of a tractor in Nigeria was about 5,000 naira; today a tractor with implements costs over 1 million naira. The cost of land graders before structural adjustment was 70-100,000 naira, and now they cost more than 5 million. Pumps are in exactly the same situation. The so-called lister pumps used to cost 50,000 naira per unit. These pumps now sell for nearly 2 million.

EIR: Would you say those increases in prices have significantly slowed down your plans for expanding irrigated land?

Gundiri: Yes, that is why we have slowed down the development of the Baganda project, for one example. All the other programs have been stalled because of cash flow. We are estimating that the works on the Kano phase two will cost nearly 6 billion naira, and at the time of construction, it was about 400 million naira.

EIR: Do subsistence farmers use irrigation?

Gundiri: Yes, especially in the wetlands. Most of them have wells that have been developed by the World Bank, and have been adapted by a lot of ministries of agriculture of other countries. These are wells about 6-8 meters deep, from which the farmers draw water to irrigate their small parcels of land. The country today has more area under this nonconventional form of irrigation than the conventional form developed by the government. Most of the farmers have more land under irrigation than what the government has under irrigation.

EIR: These agricultural projects that you outlined are funded by the federal government of Nigeria?

Gundiri: Yes. The river basin projects were established beginning in 1973-76. All the projects on the river basins are funded by the federal government.

EIR: Are there more water resources that should be tapped, and are there more projects on the drawing board which, for lack of funds, are not being implemented?

Gundiri: The water resources of Nigeria are absolutely tremendous, mostly ground-to-surface, and a lot of it is untapped. Almost all river basins in this country have one or more projects that is still on the drawing board. There are some that, because of the poor funding, cannot really get started.

EIR: Africa has often made the world headline news with

drought, starvation, and harvests and crops being destroyed due to aversive weather, etc., especially in the Sahel. What would be the correct approach to solve that problem, beyond the borders of Nigeria?

Gundiri: The European Community has done a lot of work, some irrigation programs, but they are concentrating on the northern fringe of this country. However, I think one of the best ways out is to develop more irrigated agriculture, maybe through the use of groundwater, or through the use of water transported from areas of surplus to areas where there is low consumption of water, particularly from Central African countries, especially the Congo basin, into some of these Sahelian areas. It is going to cost a lot, but in the end that is one of the best ways to solve the problem. You transport the water and develop a lot of irrigated areas.

EIR: Was there a plan on the books to divert water north to expand Lake Chad?

Gundiri: Support for a program is dependent upon knowing whether you are going to get funding or not. A lot of studies have been done, especially for transporting water from some rivers in Nigeria to Lake Chad. That's a very feasible and commendable thing, if it could happen. I support that plan.

EIR: One of the arguments over the years has been that large-scale irrigation turns out to be a big problem, because one is unable to handle the after-effects of salination of the soil. It is said that such projects were typical of the first euphoria of independence, but in the end these large-scale irrigation schemes will cause more damage to the environment and therefore should not be done. How would you answer that?

Gundiri: It all depends upon the initial education you give to people. There has to be some sort of mobilization of the communities that are going to be served by the project, both on the environmental impact and the way they should maintain the project. If you look at what we have in Kano today, there's the Baganda project. We know there is a problem of salinity, which has taken over about 1,000 hectares of our land, but the people are educated about how to take care of the project. However, if you look at some other large projects, you find that the people are not as educated, as receptive to be educated as a culture, as in Kano. So there is a problem of maintenance, and even the culture of the area, because not many of the people accept irrigated agriculture. In the end, you will find that it is important, first of all, to convince people to do irrigated agriculture. It is always better to start from the small. Let the farmers have the concept themselves, and come in and assist. That is better than going out to have a large scheme and then trying later to convince the people to come in, because in the end you will fail.

For sure, problems like salination can be handled, although the solution can be costly at times.

EIR goes toe to toe against the House of Windsor

by Carlos Wesley

From Bogotá to Canberra, from Los Angeles to Buenos Aires, from Lima to Chiapas, and all around the world, the British royal family has abandoned all pretense of keeping a stiff upper lip and is going all out to prevent *EIR* from disseminating its Oct. 28 *Special Report*, "The Coming Fall of the House of Windsor," assembled by a team of investigators led by *EIR* Founding Editor Lyndon LaRouche. It documents how the Queen of England's royal consort, Prince Philip, personally directs a global ecological SS centered around the World Wildlife Fund (WWF, now the World Wide Fund for Nature) that has been carrying out genocide against the nations and peoples of the southern hemisphere for over three decades, and now threatens to do the same to Europe and the United States.

On Nov. 16, the Australian Labour Party government of Prime Minister Paul Keating, who claims to be an anti-monarchist republican, jumped higher than a kangaroo and threatened to deport *EIR* Editorial Board member Webster Tarpley, to stop him from holding a news conference on the report at the National Press Club in the capital of Canberra. "The minister for immigration, Nick Bolkus, has warned a prominent American extreme-right activist currently in Canberra that his tourist visa may be revoked if he is found to be engaging in political activities," said the Nov. 17 *Canberra Times*. "Webster Tarpley is understood to be promoting a new report suggesting the British royal family is behind the Rwandan genocide and other worldwide atrocities. He will appear at the National Press Club today."

Despite the threats, the press conference proceeded as scheduled, and Tarpley engaged reporters from print and electronic media, and several diplomats, in a dialogue about the contents of the report.

Two weeks earlier, across the Pacific, in Colombia, the

manager of the Hotel Bogotá Royal told *EIR* that he was forced to cancel the room it had rented to present the report, because of pressure from the embassy of Her Britannic Majesty. "My phone has been ringing off the hook. I have been getting calls demanding cancellation of your event from people influential with the hotel, and from its main customers, including the British Embassy," he said. "We are going to lose money by cancelling your seminar, but I have no choice: My job is at stake."

The seminar was held elsewhere in Bogotá, and diplomats, journalists, military officers, and businessmen attended.

Philip, a mass murderer

While at one time the Windsors could have dismissed the *EIR* report by sniffing, "Well, old chap, LaRouche bloody says that the queen pushes drugs, you know," that no longer works, given the overwhelming evidence that Prince Philip is not waiting for the afterlife to fulfill his stated wish to "come back as a deadly virus" to reduce the world's population. The London weekly the *People*, which is read by over 5 million Britons, on Oct. 30 covered *EIR*'s charges about the Duke of Edinburgh's genocidal activities through his leadership of the WWF. *EIR*'s 60-page report, it said, "compares Philip with Hitler and brands him a mass murderer who is plotting to stamp out Africa's 'darker complexioned peoples.' The group even tries to link Prince Philip with the deaths of hundreds of thousands in Rwanda. . . . The WWF was staggered at the attack on Philip and the charity. WWF public affairs executive Dana West said: 'It's just nonsense. We are helping people in Africa—not killing them. It's laughable. We've never even heard of this organization.' " The WWF staffer lied; at one time the WWF had threatened

to sue *EIR*.

When a group of LaRouche co-thinkers protested—with signs reading “England Brought Slaves to America,” “Windsors Kill Blacks in Rwanda,” and one with a photo of Prince Charles captioned “The Queen Does Push Dope”—against the visit of the Prince of Wales to Los Angeles, the Nov. 6 London *Sunday Times* warned that Prince Philip is “someone you mess with at your peril” (see box, p. 9).

That the royals have been driven to these displays of desperation is indicative of how far their credibility has plummeted. In Argentina, there were substantial, and even violent, protests staged against the visit of Prince Andrew on Nov. 15 and 16. At the same time, the influence of LaRouche and his co-thinkers worldwide is on the rise.

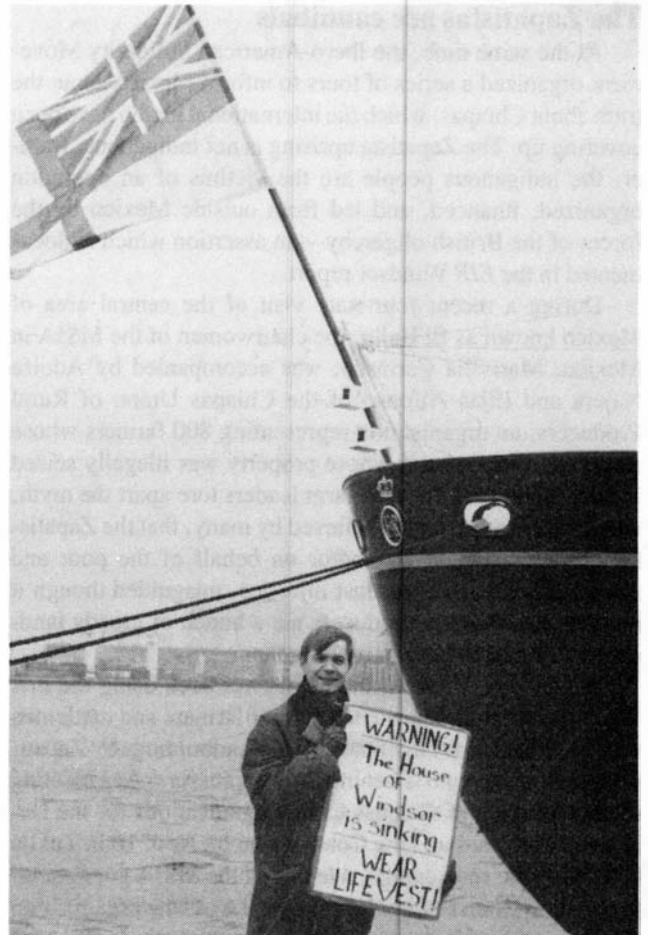
In Lima, the daily *La Mañana* condemned the government for awarding Peru’s highest decoration to Prince Michael of Kent, and the Ibero-American Solidarity Movement (MSIA) in Peru demanded that the award be retracted. The MSIA circulated copies of the *EIR* Windsor report and held a news conference on Nov. 9 in Lima in which Luis Vásquez, chairman of the MSIA in Peru, presented evidence of the aid given by the British government to the narco-terrorist Shining Path, including propaganda support and allowing it to use London as a base of its international operations. At a seminar on Nov. 17, the MSIA demonstrated in greater detail how Prince Philip’s WWF and the British government oversaw the creation in Peru of a number of “ecological reserves,” some of which they still run, which today serve as safe havens for drug-trafficking and narco-terrorists.

One of these British-spawned reserves, Apurímac, was used as a killing field by the Pol Pot-like Shining Path to exterminate Asháninka Indians. The bodies of 1,200 Asháninkas—culled from the estimated 10,000 Indians enslaved by Shining Path, said survivors—were discovered in 300 mass graves at Apurímac, the Peruvian press reported in September and October.

Across the Americas and elsewhere, national security officials are now reviewing maps of the “nature preserves” in their nations and, in light of the *EIR* report, matching up these areas with those known for drug trafficking and terrorism. The picture emerging is rocking quite a few nations.

Mexico heats up

Nowhere is the battle more heated than in Mexico. On Nov. 4, *Ultimas Noticias*, the afternoon edition of the leading daily *Excelsior*, ran an article headlined, “According to *EIR* Correspondents, World Wildlife Fund Ecological Association Is Responsible for Training the EZLN,” the Zapatista National Liberation Army. The article reported on a news conference the same day in Mexico City by *EIR* correspondents Hugo López Ochoa and Carlos Cota Meza to announce the upcoming publication of the Spanish-language version of the *EIR* report. They said that the Zapatistas, who launched the so-called indigenous separatist uprising in Mexico’s



A demonstrator in Copenhagen on Oct. 22 greets the royal yacht Britannia.

southern state of Chiapas on Jan. 1, 1994, were trained at the Laguna de Montebello, an ecological zone under the protection of the WWF, the paper reported.

The *EIR* exposé contains “new revelations about the role of the British Crown in controlling the EZLN and the Narco-Terrorist International,” it said. It quoted Cota saying: “The link between the World Wildlife Fund and the Zapatista army is by no means the first experience of this sort, because in several countries a link has been proven between the supposedly ecologist organization and terrorism.” Cota, the paper said, “added that ‘the days of the Crown are numbered, because its tentacles are ever more extending into areas that don’t belong to it, but are instead linked to terrorism and drug trafficking.’ Cota Meza and Hugo López demanded that an in-depth investigation be carried out to determine the extent of the WWF’s responsibility in the forming and training of the Zapatista army.”

The *Excelsior* wire service carried the story and it appeared in *El Norte*, the leading daily in the industrial city of Monterrey, in Queretaro’s *Noticias*, and in many other newspapers in Mexico.

The Zapatistas are cannibals

At the same time, the Ibero-American Solidarity Movement organized a series of tours to inform Mexico about the truth about Chiapas, which the international media have been covering up: The Zapatista uprising is not indigenous. Rather, the indigenous people are the victims of an operation organized, financed, and led from outside Mexico by the forces of the British oligarchy—an assertion which is documented in the *EIR* Windsor report.

During a recent four-state visit of the central area of Mexico known as El Bajío, the chairwoman of the MSIA in Mexico, Marivilia Carrasco, was accompanied by Adolfo Najera and Elias Alfonso of the Chiapas Union of Rural Producers, an organization representing 800 farmers whose cattle were rustled and whose property was illegally seized by the Zapatistas. The two farm leaders tore apart the myth, which still is at least half-believed by many, that the Zapatistas are a movement by and/or on behalf of the poor and downtrodden Indians against injustice, misguided though it may be, and that the producers are a bunch of greedy landowners who have been exploiting them.

In Chiapas, Mexico, the MSIA has been using the *EIR* Windsor report to educate the former farmers and cattlemen who have been driven off their small landholdings by Zapatista terror, about who is behind their oppressors. At a meeting of the Coalition of Chiapas Civic Organizations for the Defense of the Laws and the Constitution on Nov. 10 in Tuxtla Gutiérrez, the state capital, a leader of the MSIA got a standing ovation when he identified the MSIA as “the organization that put out the ‘Wanted’ poster on [Zapatista leader Bishop] Samuel Ruiz for treason to the fatherland.” The MSIA spokesman noted the parallels between the Khmer Rouge, Shining Path, Rwanda’s RPF, and the Zapatistas. All have in common that they enjoyed the support of Prince Philip’s WWF, he said. He noted that even Mexican President Carlos Salinas de Gortari had admitted in his State of the Union message on Nov. 1, that the Zapatistas were an artificial operation launched, at least in part, by foreign interests. Salinas said that Mexico was prevented from taking action against the Zapatistas by foreign powers that threatened to “isolate us internationally.”

The MSIA spokesman was praised by a local farmer, who said: “I finally understand what’s going on.”

There have been several other instances of ritual satanic murders which are a carbon copy of the killings by Pol Pot’s Khmer Rouge in Cambodia, and more recently by Shining Path in Peru. *EIR*’s Nov. 11 *Feature*, “Royal Family Runs Indigenism to Cull the ‘Human Flock,’ ” documented how the Asháninkas in Peru are being massacred by Shining Path. Similarly, in Chiapas, the principal victims of the Zapatistas are the indigenous people. Right now there are 27,000 families who are refugees in Chiapas, living off alms and what they can scrounge in the streets, because they have been forced out of their homes by the Zapatistas, said Najeras.

The vast majority of these displaced families are Indians.

According to the Mexicali daily *La Cronica*, Carrasco said that the uprising in Chiapas, last year’s assassination of Cardinal Juan Jesús Posadas Ocampo, the archbishop of Guadalajara, and this year’s killings of Revolutionary Institutional Party (PRI) presidential candidate Luis Donaldo Colosio and PRI Secretary General José Francisco Ruiz Massieu, are all part of the same plot to destabilize Mexico. Behind the plot are “foreign groups directed from London, who are angry because their PRD [Party of the Democratic Revolution] foot-soldiers suffered an overwhelming defeat” in the recent elections, when the leftist Cuauhtémoc Cárdenas came in a distant third. “It is not only Chiapas that is at stake, but the entire country.” Carrasco said that the insurgents and their supporters in oil-rich Chiapas “are financed from abroad by groups such as the Rockefeller, Ford or MacArthur foundations. ‘It is unheard of that a government, under conditions of peace, refuses to uphold the nation’s sovereignty because of threats from insurgents,’ said Carrasco. She added that the EZLN ‘are the biggest victimizers of the Indians, and not the protectors that they pretend to be.’ She added that the current government has been crucified between the Chiapas crisis and the anti-immigration offensive of California Gov. Pete Wilson.”

On Nov. 14, the Guadalajara daily *El Occidental* reported on Carrasco’s speech in Aguascaliente, another of the dozen cities she visited, saying that the Zapatista uprising is part of “something created by British intelligence networks starting during the last century, by the same networks that split off Texas from the Republic of Mexico, whose dream it is to control the isthmus of Tehuantepec as set forth by the geopolitics invented by the old financial oligarchy.” It also reported her saying that the idea is to promote population warfare, to reduce the world population, which is “an obsession of the oligarchy.” To that end, she said, the Armed Forces, the Catholic Church, and the nation-state have been targeted for destruction, the paper reported.

The empire strikes back

In response, on Nov. 16, Mexico’s leftist daily *La Jornada*, which serves as a mouthpiece for the Zapatistas, published an ad attacking the MSIA for its purported “slanders and aggressions” against Bishop Ruiz. The ad, which also appeared in Spain’s *El País*, was signed by a number of European Liberation Theology organizations, including the Oscar Romero Solidarity Committees of Berlin, Belgium, Spain, Paris, Ireland, and Switzerland. The Oscar Romero Committees are named for the pro-terrorist bishop of San Salvador who was slain several years ago. Also, a campaign has been launched among Mexican conservative Catholic circles, to convince them that *EIR*’s denunciations of the schismatic Ruiz are really a plot against the church. “LaRouche is a Protestant who wants to destroy the church,” one of these leaders was told.

Geneva gatherings will fund WWF mass murder

by Our Special Correspondent

As *EIR* has recently documented, the World Wide Fund for Nature (WWF, formerly the World Wildlife Fund), with British Royal Consort Prince Philip as its international president, has been carrying out genocide against black Africans and other peoples of the southern hemisphere. On Nov. 28, Prince Philip's WWF mob will be making a killing of a different sort. On that date, in Geneva, Switzerland, perhaps the biggest fundraising event for the WWF since its founding in the early 1960s will take place. The expected massive new revenues will go a long way to ensuring new slaughters against the non-white populations of the globe.

The chief event will be at Geneva's Victoria Hall, a British concert hall that is commemorating its 100th anniversary on Nov. 28. The concert is being officially sponsored by the British consul general in Geneva, Philip Priestley, and all profits will go to the WWF's secretive fundraising arm, the 1001 Nature Trust (formerly the 1001 Club). The concert will reportedly be conducted by pianist Vladimir Ashkenazy, and 1,400 guests are expected to attend. Whether Ashkenazy is aware of the nature of the cause for which he is lending his talents, is not known at the time of writing.

On the same evening, Prince Philip will be speaking before a dinner for 400 guests at the Foyer du Grand Théâtre. Reportedly, one of the featured events will be an auction of precious jewels, donated by Cartier and others. Again, all proceeds will go to WWF-1001 Trust combine.

Priestley has recruited some notable sponsors for the events. These include the Swiss branches of three of Britain's most prominent banks, including Coutts, one of the institutions that has traditionally handled the royal family accounts; London's Kleinwort Benson, one of those most involved in "privatization" scams in western Europe; and the British Bank of the Middle East (BBME). Swiss interests involved include Pictet and Lombard Odier banks, and the Swiss Omega and Rolex watch companies. Support is also coming from seedy banker Edmond Safra, a financial patron of the U.S.-based and organized crime-linked Anti-Defamation League of B'nai B'rith, and from Mr. and Mrs. Edgar Picciotto; Edgar Picciotto is the chairman of the Union Bancaire Privée of Geneva. Picciotto bought up Safra's Trade Development Bank interests in the early 1990s, under circumstances that remain a mystery.

Kleinwort Benson and, even more, BBME, are part of that cabal of British financial institutions that have been in-

strumental for decades in the financing and promotion of the international drug traffic. BBME was founded in the late 19th century as the royally chartered Imperial Bank of Persia (later Imperial Bank of Iran). In 1960, it was 99.5% purchased by Hongkong and Shanghai Bank. In 1973, HongShang bought the full 100% of BBME, which now has its headquarters in Hongkong. A recent list of BBME's "London Advisory Committee" included members of the drug trafficking-related Keswick and Swire families; HongShang Chairman Michael Sandberg; the late Sir Philip de Zulueta of Rio Tinto Zinc and the Trilateral Commission; Viscount Weir; Lord Rawlinson; and others. BBME board member Henry Neville Lindley was formerly chairman of the opium trade's Jardine Matheson bank, and has been a board member of HongShang in recent years. Details of these and related matters may be found in the best-selling *EIR* book, *Dope, Inc.: The Book that Drove Kissinger Crazy*.

There is also an "honorary committee" for the gala Nov. 28 extravaganza. This includes Edgar and Mrs. Picciotto; top representatives from such Swiss banking families as Pictet, Lombard, and Oltramare; the Aga Khan; former General Agreement on Tariffs and Trade director Arthur Dunkel; former United Nations Secretary General Javier Pérez de Cuellar; leading representatives of the American Heinz family; leading Greek shipping families like Livanos; Lord and Lady Yehudi Menuhin; and others. Also, various unidentified "prominent people from the Geneva area" are involved in preparations for the event, according to WWF and 1001 Trust sources.

The Geopol connection

Among those named, Picciotto's connections to a suspect Geneva-based "consulting" firm called Geopol should be mentioned. A top figure in his Union Bancaire Privée is one Pierre Hafner. Hafner is a board member of Geopol. The board also includes an arms trafficker named Helmut Raiser of the Krupp von Bohlen interests, and a certain disreputable character named Laurent Murawiec (based out of Paris). Geopol has recently been the subject of exposés in German-language publications in western Europe. The Geopol grouping is at the center of various dirty intelligence activities, as well as operations against Lyndon LaRouche and associates.

The 1001 Nature Trust was founded as the 1001 Club by Prince Bernhard of the Netherlands in 1971, as a funding mechanism for the WWF. Today, Bernhard is "member 1001," sitting atop a grouping of 1,000 oligarchical bigshots from all over the world, each of whom pays a \$10,000 initial fee which goes toward a multimillion-dollar trust to bankroll WWF operations. If one dies or disassociates himself from 1001, a replacement is voted in. The head of 1001 Nature Trust is Princess Tatyana Gorchakov, of the Russian Gorchakov clan. Further documentation on its activities can be found in *EIR*'s Oct. 28 *Special Report*, "The Coming Fall of the House of Windsor."

Surrender to narco-terrorism meets growing resistance in Colombia

by Javier Almario and Valerie Rush

Peruvian Armed Forces commander Gen. Nicolás Hermoza spent several days in Colombia in November on the invitation of that country's military high command. The purpose of his visit was to coordinate a joint strategy for defeating the narco-terrorist armies plaguing both their countries. The invitation to General Hermoza takes on special significance in light of the fact that Colombian President Ernesto Samper Pizarro has publicly committed his administration to implementing a United Nations-mediated "negotiated peace" with the Colombian Revolutionary Armed Forces (FARC) and National Liberation Army (ELN) guerrillas, on the model of El Salvador. Such a "peace" would be a power-sharing arrangement with narco-terrorism, and, as such, is unacceptable to the Armed Forces.

According to a Colombian Defense Ministry communiqué on General Hermoza's visit, the talks between the two countries' military leaders "respond to the policy of the governments of Peru and Colombia of increasing integration between their armed institutions for the purpose of encouraging mutual confidence and development of regional security." As the Peruvian press put it, the Colombian military is anxious to learn about the "success in the pacification of Peru by the forces of order, with the support of the population."

The Lima daily *Expreso*, in referring to the meetings in Colombia, reported that an estimated 10,000 terrorists currently operate in Colombia and along its borders, ranging from the hired guns of the drug cartels, to the murderous drug-trafficking cadre of the Cuba-trained FARC and ELN guerrilla movements, to paramilitary bandits. Strategists across the continent are "extremely concerned" by this regional destabilization threat, the newspaper said.

A model to emulate

The invitation to Hermoza was extended after the Peruvian general addressed a gathering of Ibero-American military attachés in Lima 45 days earlier. At that meeting, representatives from Colombia, Chile, and Ecuador, in particular, praised the Peruvian national security model and expressed a desire to learn from Peru's successes. While in Colombia, the meetings with General Hermoza centered around both psychological and military operations undertaken by the Pe-

ruvian Army in combatting the bloodthirsty Shining Path narco-terrorists.

During the meetings, Colombian officials confessed that the Army had heretofore been unsuccessful in winning the backing of entire villages which have been under the control of the drug cartels and/or the narco-guerrillas. They displayed maps to the Peruvian delegation showing large chunks of territory which, in their words, are "lost to Colombia" due to the subversion of the cartels and the guerrillas.

General Hermoza affirmed that "the relation between subversion and the drug trade is undeniable, such that in defeating Shining Path, we have had greater effectiveness in the fight against the mafia." Hermoza detailed the Peruvian strategy of decapitating Shining Path through the capture of its top leaders, combined with a limited "Repentance Law" which facilitated the desertion and surrender of some 5,000 of Shining Path's combatants.

One significant outcome of the meetings in Colombia is the Peruvian government's decision to establish a military base at a key point along the Putumayo River, which forms a natural border between both countries and which has long provided a convenient escape route for narco-terrorists in Colombia. That border region is also a major center of cocaine processing and shipment, and was heavily targeted in 1985 by joint anti-drug raids carried out by the Peruvian and Colombian governments, in collaboration with the U.S. Drug Enforcement Administration.

It is noteworthy that Great Britain's International Union for the Conservation of Nature proposed as far back as 1978 that that very border region be turned into a tri-national park reserve of some 6 million hectares, which would carve a vast "Amazon International Park" out of the countries of Colombia, Peru, and Brazil. According to a Sept. 19 report in the daily *El Tiempo*, the protected national park system has provided refuge to Colombia's narco-terrorists.

The plot

On the day that General Hermoza arrived in Colombia, *EIR*'s Ibero-America Director Dennis Small appeared twice on national television, where he was interviewed by NCT-TV on *EIR*'s book, *The Plot to Annihilate the Armed Forces*

and Nations of Ibero-America. Small was asked to elaborate on the proposed U.N.-mediated peace talks with the narco-guerrillas, to which he responded that any El Salvador-type negotiations would be a disaster for Colombia, because it would constitute a surrender to terrorism and to drug trafficking.

Only weeks earlier, the head of the Ibero-American Solidarity Movement in Colombia, Maximiliano Londoño, appeared in a national television broadcast with the retired head of Colombian Army intelligence, Gen. Hernando Zuluága. Londoño and Zuluága offered millions of Colombian viewers an in-depth review of the plot to dismantle the armed forces of Ibero-America, and also slammed government efforts to negotiate a deal with the nation's enemies.

From the first day of his government on Aug. 7, Samper Pizano has pursued precisely such a strategy. He has already formally appealed to the United Nations to serve as mediator in the "internal conflict" caused by the FARC and ELN, and by a minuscule splinter of the Maoist former People's Liberation Army. The power of these groups—which many consider antediluvian, especially since the fall of the Berlin Wall—has nothing to do with either their popularity (they have none) nor their present military strength (which is not very large), but rather lies in the decision of the Colombian political class to allow them to operate with impunity. The "Project Democracy" forces of the Inter-American Dialogue and British intelligence use these anachronistic guerrilla bands as useful weapons against the national sovereignty and military institutions of the countries of Ibero-America.

The 'El Salvador' model

On Oct. 27-29, the Samper government jointly sponsored with the U.N. a seminar in Colombia on the activities of the U.N. in El Salvador, Guatemala, and Chiapas, Mexico. In El Salvador, for example, thanks to U.N. mediation, the Salvadoran Army was reduced by more than 50% and the FMLN narco-terrorists were invited to take part in government decision-making. In the words of one of the Colombian diplomats who helped to apply the model, "the U.N. began as a mediator of the conflict, and now runs all of El Salvador, absolutely everything." That is, El Salvador is now a colony of a supranational dictatorship known as the United Nations.

Participating in the seminar were various U.N. officials, like former Colombian Foreign Minister Augusto Ramírez Ocampo, who explained that accepting continued terrorist activity during the ongoing negotiations in El Salvador was strategically important because "the cease-fire is a product of negotiation." Taking his cue, President Samper announced on Nov. 4, just after FARC terrorists massacred a busload of soldiers and students in Cauca province, that "the peace process will continue," no matter what.

Playing the Samper government like a piano, the ELN is now demanding as a condition for "dialogue" with the

government that its imprisoned leader Francisco Galán be their spokesman at the negotiating table. The FARC wants as its spokesman Francisco Caraballo, also imprisoned. Caraballo ordered the assassination of at least 200 of his former comrades when they opted for abandoning the armed struggle. Government acceptance of these conditions would imply their immediate release from prison—still more impunity.

Resistance spreads

While the Samper government pursues its suicidal path, both civilian and military resistance to this scenario is spreading. The invitation to Peruvian General Hermoza was but one indication. Another was the decision by the Attorney General's office—no friend of the Colombian Armed Forces, to be sure—to suspend its ongoing investigation of active-duty generals Juan Salcedo Lora and Manuel José Bonnet, who had written two articles strongly critical of the government's efforts to strip the military of the crucial precepts of "due obedience" and "military legal jurisdiction," and which accused the government of serving as an agent of an international plot against national sovereignty and the armed forces.

It is strongly suspected that the decision of the Attorney General's office, along with the office of civilian Defense Minister Fernando Botero Zea, to suspend their witchhunt against the two outspoken generals, resulted from intense pressure from certain political and military quarters. The rumored forced "retirements" of generals Salcedo Lora and Bonnet have also apparently been abandoned, at least for now.

Also, in an uncharacteristic editorial in its Nov. 9 issue, the Santos family's newspaper *El Tiempo* called on Colombia to adopt the anti-subversion methods of Peruvian President Alberto Fujimori. "The Peruvian experience regarding the fight against subversion merits a detailed analysis by a country like our own." The Peruvian case, "despite its proximity [to Colombia] and its analogies to our own situation, receives less attention here, for example, than the comings-and-goings of the declining British royalty."

"Nearly four years later," the editorial continued, "Peru's internal security has been reestablished . . . and last year Peru showed the largest growth in Latin America (7%). Economic recovery responds in large degree to the successes of the Fujimori government's anti-subversive campaign. . . . Fujimori's achievements, despite the severity of many of his measures, has encountered a favorable climate of opinion today. Even his fiercest critics recognize his success in this area. And applaud it. Because the degree of anarchy to which the demented terrorism of Shining Path had brought Peru is something to which no reasonable Peruvian wants to return."

Nor does any reasonable Colombian want to continue to suffer.

306

Thatcher, Bush, and North charged with 'breathtaking' Lockerbie coverup

by Mark Burdman

Despite efforts by the George Bush-Oliver North crowd in the United States and by the friends of former British Prime Minister Margaret Thatcher in the United Kingdom to suppress it, a film was shown in the British House of Commons on Nov. 16, exposing the Bush-Thatcher coverup of efforts to find out who was really responsible for the Dec. 21, 1988 bombing of the Pan Am 103 jet over Lockerbie, Scotland, a terrorist atrocity in which 270 people lost their lives. Entitled "The Maltese Double Cross," the film was made by veteran filmmaker Allan Francovich, who specializes in documentaries about sensitive intelligence themes. Money for the film was provided by British tycoon Tiny Rowland, of the Lonrho interests, although Francovich insists that he was given complete editorial freedom by Rowland. The House of Commons showing was sponsored by Labour Party parliamentarian Tom Dalyell.

The film has had very restricted circulation, and was not available to *EIR* at press time. Our news report therefore focusses on the controversy it has aroused, and what others have said about it.

According to various synopses of its contents, Francovich rips apart the story that it was the Libyans who were responsible for Lockerbie. That has been the insistent claim of the British and American authorities, since Bush and Thatcher colluded, in early 1989, to suppress police investigative tracks that were clearly pointing to Syria and to the Syrian-controlled Popular Front for the Liberation of Palestine-General Command. Libya has been pursued with rare fervor on the issue, including the imposition of U.N. sanctions against the country because of its refusal to hand over suspects.

Francovich insists that the Lockerbie atrocity occurred as a derivative of an arrangement between Syrian arms- and drugs-trafficker Monzer al-Kassar, then-U.S. National Security Council operative Lt. Col. Oliver North, and complicit elements in the U.S. Central Intelligence Agency and Drug Enforcement Administration (DEA), to run "controlled deliveries" of drugs from the Bekaa Valley in Lebanon, to Nicosia, Cyprus, and then, via Frankfurt and London, to the United States. He punches holes in the "Libya did it" line, which hinges, in significant part, on the claim that an unchecked suitcase, planted by Libyan agents, got onto an Air

Malta flight, and was then re-routed onto Pan Am 103. Air Malta has already won two damage suits on this matter, and evidence has surfaced to shed great doubt on this angle.

'Bush and Thatcher in the docks'

William Paul of the *Scotsman* newspaper, who attended a preview of the film, wrote on Nov. 12 that Francovich had successfully exposed the "glaring inconsistencies" in the official finger-pointing at Libya. Paul asserted that Francovich's material, while admittedly circumstantial, is extremely powerful. What he has uncovered "puts George Bush and Margaret Thatcher in the docks, for orchestrating a breathtaking coverup, of proportions that are unbelievable."

As synopsised by Paul, Francovich's hypothesis is that "Oliver North is wooing Middle East drug dealers, allowing them to run batches of heroin via Cyprus via Frankfurt to America, in return for the release of the hostages. The 'controlled deliveries' are shepherded through airport security by U.S. agents." A "drug mule" who was involved in this arrangement, one Khaled Jafaar, was assigned to bring drugs onto the Pan Am 103 flight destined for New York; however, his bags were exchanged for one carrying the bombing device. This last-minute exchange was done by Syria, via al-Kassar and the PFLP-GC, who turned the "controlled delivery" around to their advantage. They did this at the behest of Iran, which wanted revenge for the shooting down of an Iranian airliner by the *U.S.S. Vincennes* in July 1987.

The film contains a sequence with U.S. intelligence operative Oswald Lewinter, describing how he was approached by North to set up a dirty tricks operation. A U.S. National Security Council document is displayed, purporting to show North's payments to Monzer al-Kassar.

From accounts so far available, however, it seems that the film sidesteps the fact that North was just a junior officer in a chain of command that had George Bush at the top, with the backing of the British.

Francovich details how a major in the U.S. Special Forces, Charles McKee, who was responsible for bringing about the release of hostages, had gotten wind of North's activities. He was sickened by the involvement of U.S. intelligence in drug activities, and was determined to stop it. McKee, however, conveniently died on the Pan Am 103 flight. He

was never warned off the flight, even though relevant U.S. authorities were fully cognizant of a terrorist threat. A related "curiosity" is that hordes of U.S. investigators arrived in the small town of Lockerbie, immediately after the plane was destroyed. Their mission, according to "The Maltese Double Cross," was to find and hide any incriminating evidence.

The film has been praised by members of the British organization Families of Victims of Lockerbie. The group's leader, Dr. Jim Swire, who lost his daughter in the bombing, has given a number of interviews to the press, describing the film as a "satisfying explanation of events." While he could make no absolute statement on the correctness of the film's contentions, he said that it certainly "portrays the most amazing coverup," a coverup launched, he said, by Mrs. Thatcher and the Reagan-Bush crowd. Were the findings to be confirmed, he stated, this would amount to "the biggest coverup in history." He asked why the authorities were "so afraid" to allow an open discussion of the issue.

Martin Cadman, a British "Lockerbie Families" member, is quoted on film, saying he was told by an official of the Commission on Aviation Safety and Terrorism, set up by then-President Bush after the Lockerbie bombing: "Your government and ours know exactly what happened, but they are never going to tell."

North's 'sabotage and interference'

On two occasions, scheduled airings of the film were cancelled. Britain's Channel 4 was supposed to air it earlier this year, but backed off under pressure. The London Film Festival had scheduled an airing for Nov. 20, but backed off, claiming that they had been threatened with a libel suit by retired U.S. DEA official Michael Hurley, a key protagonist in Francovich's tale. Francovich has accused both Channel 4 and the London Film Festival of having succumbed to "scare tactics." The House of Commons is covered against legal action, by what is known in Britain as "Commons privilege."

One source close to Francovich surmised that Hurley could not possibly be acting on his own, as he would not have the resources to mount such a legal battle. This source told *EIR* that Francovich "has no doubt that the most strenuous of the efforts to suppress his film are coming from Ollie North's associates in the U.S., from the 'hang-over' from the old North-National Security Council group. He is convinced that this North-NSC crowd is interfering with, and attempting to sabotage, the showing of the film, that they were the ones, for example, who got the London Film Festival to back off from showing it."

North must be frantic. He has just been humiliated by losing the Senate race in the state of Virginia, despite having spent a record \$20 million on the campaign. Imagine what Ollie must now be thinking, about the possibility that he will be held responsible not only for the deaths of 270 innocent people—most of them Americans, and including McKee and one other senior U.S. intelligence operative, Matthew Gan-

non, deputy CIA station chief in Beirut and the handler of "drug mule" Jaffar—but also for having been involved in an *international coverup*, of several years' duration, of what really happened.

'This lightbird colonel running loose'

Francovich's film is largely based on the account in the 1993 book, *Trail of the Octopus: From Beirut to Lockerbie—Inside the DIA*, by British writer Donald Goddard, and based on the account of U.S. Defense Intelligence Agency officer Lester Coleman (the book was reviewed in *EIR*, Jan. 7, 1994). Coleman has been a fugitive from the U.S. justice system since the early 1990s, claiming that he is the victim of a witchhunt by various U.S. official agencies, because of what he knows about Lockerbie. Indeed, five days before the publication of the book by London's Bloomsbury Publishers on Sept. 27, 1993, Coleman was indicted on eight counts of perjury by a New York grand jury. Bloomsbury has more recently been hit by a lawsuit for publishing the book.

According to the Nov. 16 London *Guardian*, the U.S. House Judiciary Committee recently agreed to look into his claims of persecution by the U.S. government.

Goddard refers to North's prominent role in dirty Middle East activities on a number of occasions. For example, he details the importance of Monzer al-Kassar in the drug pipeline from the Bekaa Valley to the United States, via Frankfurt and London. He writes: "Al-Kassar was an arms dealer, armorer-in-chief to Palestinian extremist groups in the Middle East, including the PFLP-General Command, and also, through Lt. Colonel Oliver North and former Air Force Gen. Richard Secord, to the Contras in Nicaragua. In this latter capacity, he enjoyed the protected status of a CIA 'asset.'"

North's links to al-Kassar have been confirmed by a number of investigative reports into the Iran-Contra networks.

Coleman asserts, as reported by Goddard, that he was assigned by the DIA to blow apart a North operation in the Middle East that involved aid from the Pat Robertson/Christian Broadcasting Network complex in Virginia Beach, Virginia, to the Nicaraguan Contras. Coleman's case officer for the reported assignment is quoted telling Coleman that "Ollie North and that whole damn bunch of kooks and weirdos" were becoming a "real pain in the a—" for the DIA. "We got this lightbird colonel running around loose, telling two- and three-star generals what to do, and they're getting p—d off about it. So don't be surprised if we pull his plug."

This North-Robertson story, and the alleged involvement of Coleman in blowing it, has not been independently confirmed.

On another occasion, involving the story of how senior British Church of England envoy Rev. Terry Waite became a hostage, Goddard derides North's "cowboy mentality." In one further citation, he writes of North's "ragtag army of conmen, yahoos, and armchair merdenaries from Georgia."

Irish peace process is in peril as government falls

by Mary Jane Freeman

The coalition government which has governed Ireland since 1992 fell on Nov. 17, as Labour Party leader and Foreign Minister Dick Spring resigned, along with five other Labour ministers. The fall of the government could jeopardize the Northern Ireland peace process, which is at a critical stage of discussions between the British and Irish governments.

The crisis began with a walkout by Irish Labour Party coalition partners at the Nov. 11 cabinet meeting. Prime Minister Albert Reynolds immediately called on his Labour Party partners to put national interests first, and warned that the threatened breakup of the Fianna Fail-Labour Party coalition government could jeopardize the Northern Ireland peace initiative. "At this crucial stage of the peace process, it is my personal conviction that the interests of the nation are best served by the government continuing in office," Reynolds said.

The ostensible cause for the walkout was Labour's opposition to the appointment of Attorney General Harry Whelehan to the High Court as its president; Whelehan is under attack for allegedly delaying the extradition of a priest accused of child abuse. On Nov. 15, Reynolds expressed his "deep and genuine regret" to the Irish people over the handling of the case, and urged the House not to let the controversy over a single judicial appointment jeopardize "the biggest breakthrough in Northern Ireland in 25 years."

Despite Reynolds's call for unity, after the Labour ministers formally resigned, he announced his own resignation from the government, as well as from the leadership of his party, Fianna Fail. He asked President Mary Robinson to form a new government, as is required by the Irish Constitution.

Major sabotage

The most crucial question of the whole affair is, who benefits from this disruption of the peace process?

Up until Nov. 10, despite British Prime Minister John Major's foot-dragging, all of the players and pieces were coming together to bring about a peace settlement for war-torn Northern Ireland. In September and early October, both the Irish Republican Army (IRA) and the militant Loyalists had announced cease-fires. On Nov. 1, President Clinton announced a major trade and investment package for North-

ern Ireland in support of the peace process; and on Nov. 4, the first meeting of the Irish Forum for Peace and Reconciliation occurred.

The stage was set for the next phase of negotiations to proceed, leaving Major no more excuses to "go slow." But the events of Nov. 10 and 11, including a murder in Newry, Northern Ireland and the Labour Party ministers walkout, put the peace process in peril.

The disrupting events unfolded as follows: On Nov. 10, in the town of Newry, which is about 40 miles south of Belfast, postal worker Frank Kerr was shot to death when he attempted to stop a robbery. Within hours, the Royal Ulster Constabulary claimed the three gunmen "had known links" to the IRA, and, on cue, media outlets worldwide mooted that the IRA cease-fire had been violated. The claims of the IRA link caused Justice Minister Maire Goeghegan-Quinn to halt the early release of nine IRA political prisoners, to which the Irish government had agreed after examining the specific cases.

On the next day, mid-term parliamentary elections were to be held in Cork, Ireland, home of the semi-state-owned Irish Steel plant. Opposition parties to the Fianna Fail-Labour Party-led coalition government were making inroads in Cork due to high unemployment there, which is expected to increase if a government plan to streamline the steel plant goes into effect. Early evening returns from Cork showed opposition parties Fine Gael and the Democratic Left leading and likely to win. On the same day, the government crisis erupted.

British reactions to the events are telling. Britain's Northern Ireland Secretary Patrick Mayhew, commenting on the Newry killing, stressed a British point of contention, i.e., that IRA weapons must be relinquished before peace talks can go forward. "It demonstrates the wanton dangers of illegally held weapons," he said. Ulster Unionist Party (UUP) legislator David Trimble condemned the IRA for the murder, saying, "I think [the Newry murder] underlines the wisdom of the British government's cautious approach to this matter . . . and the priority now must be disarmament" of the IRA. The UUP has insisted that Northern Ireland remain under British control and thus has supported Major's "go slow" approach to the peace initiative. And suddenly, as the Irish government crisis hit, Major had a change of heart and an-

nounced plans to meet with Northern Ireland Loyalists and Sinn Fein leaders—something he has refused to do until now.

Conor Cruise O'Brien, a mouthpiece for former British Prime Minister Margaret Thatcher's line that independent Germany would become a "Fourth Reich," cheered on the potential fall of the Reynolds government in his Nov. 13 London *Sunday Independent* column. Calling the peace process just a bunch of "hype," he declared the "quest for reconciliation" between Catholics and Protestants of Northern Ireland to be "revolting."

O'Brien hailed the results of the Cork elections, saying that it was the "best news of the week" because they "strengthen[ed] the opposition," especially the Fine Gael. Fine Gael President John Bruton, who has echoed Major's doubts that the IRA cease-fire is "permanent" and accused Reynolds and Spring of ignoring "domestic problems" as they "jet-set" around the world pursuing peace, is O'Brien's favored replacement for Prime Minister Reynolds. It is an open secret that opposition parties, particularly Fine Gael, have long been looking to exploit the differences between the Fianna Fail and Labour parties over the Whelehan appointment.

Economic aid must be forthcoming

The positive side of this otherwise bleak picture is the effort by both U.S. President Bill Clinton and the European Commission to support the drive for peace with offers of economic aid. Along with announcing a major conference on trade between the United States and Northern Ireland for April, President Clinton's Nov. 1 trade package announcement said one of the U.S. objectives is to "enhance our cooperation with Northern Ireland in science and technology, especially strengthened collaboration with our Manufacturing Extension Partnerships and other programs to encourage technological innovation."

In addition, the U.S. Trade and Development Agency will "lead a delegation to Northern Ireland to identify infrastructure and industrial projects that represent mutually beneficial trade and investment opportunities," according to the President's statement. Simultaneously, the European Commission announced on Nov. 15 that it has granted \$1.27 billion in aid to Ireland to promote industrial development.

Just a week before the beginning of the fall of the government, the Irish prime minister told American businessmen at the Waldorf-Astoria in New York that economically uniting the North and South "can be achieved, without prejudice to constitutional differences" between Ireland and Britain. But not naive to the tensions the 25 years of the "Troubles" have brought, the prime minister cautioned, "sensitive issues lie ahead in the whole area of total demilitarization." And, presaging the ominous events which followed, Reynolds concluded, "The Troubles in Northern Ireland were in large part the product of the old divide-and-rule policy pursued by successive past British governments over the centuries."

Schiller Institute celebrates poet's 235th birthday

by Susan Welsh

In this age of multiculturalism, when what is *particular* is considered to be politically correct, nearly 2,000 people met in cities around the world, under the banner of the Schiller Institute, to celebrate the 235th birthday of the most *universal* poet and playwright of the last three centuries: Friedrich Schiller.

On Nov. 10-13, the institute honored the occasion with poetry readings, performance of Classical music, and selections from Schiller's plays. Participants also commemorated the tenth anniversary of the founding of the Schiller Institute, and the fifth anniversary of the fall of the Berlin Wall.

Schiller was born on Nov. 10, 1759 in Marburg, Germany. Although he never traveled outside his native land, he became the beloved "national poet" of many nations, first and foremost for his poem "An die Freude" (the "Ode to Joy"), which Ludwig van Beethoven used for the choral finale to his Ninth Symphony. The poem's theme, "All men shall become brothers," has inspired countless republicans ever since, including the heroes of China's Tiananmen Square freedom movement in 1989. Each of Schiller's plays portrays the struggle for freedom and universal truth, in a different national context: *Joan of Arc* (France), *Cabals and Love* (America), *Don Carlos* (Spain), the *Wallenstein* trilogy (Germany), *Mary Stuart* (England), *William Tell* (Switzerland), and the unfinished play *Demetrius* (Russia).

Relevance for today

Helga Zepp-LaRouche, the founder of the Schiller Institute, sent a message of greeting to the celebrations, underlining the importance of Schiller's ideas for solving the crisis facing mankind today.

She quoted from Schiller's "Second Letter on the Aesthetic Education of Man," that art must elevate itself above people's felt needs, and draw its prescriptions from the necessity of the mind and not from other pressing needs. "Now, however, need dominates, and presses mankind under its tyrannical yoke," Schiller wrote. "Utility is the great idol of the time, an idol to which all forces should dedicate themselves and which all talents should worship. Upon this crude scale, the intellectual merit of art has no weight, and deprived of all encouragement, it disappears from the screeching mouths of the century."



Members of the Schiller Institute in Wiesbaden, Germany perform a scene from Schiller's Die Räuber (The Robbers), at a celebration of the poet's birthday.

Zepp-LaRouche continued: "Is Schiller only talking about his own time, or is he talking about the materialism and the cost-benefit thinking of our time?"

"As a consequence of the tyranny of these ideologies, Schiller writes in the Fifth Letter, 'in the lower and most numerous classes,' the most crude and lawless drives proliferate, 'which unleash themselves once the bonds of civil society have been loosened, and with unbridled rage hurry toward their bestial satisfaction.' Is he talking about the *sans culottes* of his time, or the uninhibited addicts of pleasure of our own time?"

"On the other hand, the civilized classes give us a most disgusting sight of torpidity and a depravity of character, which is all the more outrageous, because culture itself is its source. I no longer recall which of the ancient or modern philosophers made the remark that the more noble, is the more horrible in its degeneration, but one will find it confirmed in the area of morals as well.' Is Schiller talking about the degenerate Voltaire, or is he talking about the jet-set lifestyle of the money-elite of today?"

'All men shall be brothers'

The Schiller Institute celebrations brought together people from diverse countries and walks of life, in a manifestation of brotherhood which certainly would have made the poet happy. Here are just a few highlights:

In **Wiesbaden, Germany**, scenes from Schiller's early play *The Robbers* were performed, along with a full musical program.

In **Los Angeles**, more than 100 people attended the celebration, organized around the theme that Schiller is an "American poet," and must be claimed by America. A Ukrainian artist who has done illustrations for a book on Schiller displayed some of his work, and Chinese supporters of the institute presented poems and music.

In **Baltimore**, a musician from Poland, formerly active with the Solidarnosc movement, performed Bach's fifth 'cello suite. Her husband introduced her with the words, "Artists can and must lead the way."

In **Boston**, the party was held in the ghetto area of Roxbury, and was attended by about 100 people, mostly from the neighborhood. Among them were several music teachers and a former Classical music singer, who used to perform in recitals organized by Nation of Islam leader Louis Farrakhan's mother.

In **Chicago**, many in the audience of 60 were African-American youth, joining supporters from Colombia, Peru, eastern Europe, and the Middle East. All joined in singing Beethoven's "Der freie Mann" ("The Free Man"), which was the theme of the keynote speech by Schiller Institute board member Sheila Jones. Scenes from *William Tell* were performed.

In **New York**, two African-American members of the Schiller Institute laid a wreath at the statue of Schiller in Central Park, and sang the "Ode to Joy." A number of Germans who happened to be passing by joined in, and some reported that they came from Jena, where Schiller taught the subject of universal history at the university.

LaRouche: British geopolitics is behind Yeltsin's attacks on U.S.

The following is an excerpt from Lyndon LaRouche's Nov. 16 radio interview with Mel Klenetsky of "EIR Talks." Klenetsky asked LaRouche to comment on a recent speech by Russian President Boris Yeltsin, which suggested that the U.S. position on Bosnia and NATO could make for a future hostile environment for Russia.

This is kind of interesting. And if you know history (unfortunately, most Americans do *not*, especially since the socialists like Charles Beard and John Dewey and Walter Lippmann got hold of the history books, or the people who wrote them), this is *very* interesting.

From the time of the 1850s, especially from 1862-63 until the assassination of President McKinley, the United States had three leading allies in the world: Germany, Russia, and Meiji Japan. After the assassination of McKinley by some admirers of Teddy Roosevelt (and that's a fact), it shifted. Teddy Roosevelt broke our alliance with Germany, with Russia, and with Japan, which had something to do with the wars and the Cold War and so forth that we had in this century. They're the gift of Teddy Roosevelt and his friends, and Woodrow Wilson, too.

The British gameplan

In the 1890s, a foreign minister of Russia by the name of Count Sergei Witte, who was overthrown by the 1905 Revolution, had struck an agreement with a French foreign minister by the name of Gabriel Hanotaux. This involved large-scale railway system development across Eurasia, from Brest in France to Vladivostok and into Japan in Asia, and down into India, and at the German branch of this effort, there was the so-called Berlin to Baghdad railway effort.

The British reacted to that about 1896-98, and, over that period, they moved to set up what became World War I. What they did, is the following:

The British first secured France, at a famous incident called Fashoda. A young French captain and Lord Kitchener were involved there. A fellow called Théophile Delcassé, who was a catamite for Britain's Lord Grey, influenced the French government or his faction, the so-called *revanchistes*, to capitulate to Britain on the question of East-West, North-South railway development through Sudan, in the interests of a common warfare front against Germany. Out of this, by

1904, the so-called Entente Cordiale was established between Grey and Delcassé. And this organization, during that 1898-1904 period, intervened in Russia to turn the Russians against Germany (which was supposed to be one of their cooperating partners, along with France), over the issue of the Balkans.

The British, using a British freemasonic organization based in Salonika, Greece, organized, out of a B'nai B'rith Lodge run from London, a government called the Young Turk regime. The operation which organized the Young Turk regime was also the agency which, through Serbia and other channels, organized the Balkan wars, which led into World War I.

The Russians were drawn in, through a pan-Slavic faction in the political establishment and military in Russia, and in the pan-Slavic opposition in the Balkans, where the French and the British were stirring up the Balkan crisis, leading to a conflict between Russia and Austro-Hungary. The Russians declared a general mobilization, and that led to World War I.

Background to the current situation

What's happening today, is a similar thing.

I had developed a concept back in the 1970s, which was used by the Reagan administration prior to March 1983. I was asked to run this back-channel for the U.S. government with high levels of the Soviet government, and, as a talking point, it was agreed from the U.S. government side, that my prior proposal on what became known as the Strategic Defense Initiative [SDI], would be one of the levers by which this exploratory back-channel discussion would occur.

For various reasons, there was a change of horses in the Soviet Union during that period, in which it was agreed, during the late spring and early summer of 1982, that Yuri Andropov would replace Leonid Brezhnev, on whom they were going to pull the plug very soon. Andropov and his crowd were very much against the SDI; but nonetheless, the Reagan administration, President Reagan himself, went ahead with the SDI, despite the signals from Moscow that the Soviets were going to reject it.

During that period, in February 1983, I told my Soviet interlocutor, my connection to Moscow, that if they took the policy of opposition, which he signalled they would take,

that the Russian economy would collapse within five years from the strain on the satellite countries and other countries' economies, which would not take one more half-cycle of de-capitalization with that kind of strain.

It did collapse in 1988-89, and when that occurred, I set into motion what I'd already announced earlier, when I'd said this thing is coming up and soon: a proposal to proceed with an economic development policy which *paralleled* what Hanotaux and Witte had proposed back in the 1890s. That is, that France and Germany, with U.S. sponsorship, should move ahead toward opening up the collapsed communist

Thatcher succeeded in dragging France into a revival of the Entente Cordiale, in opposition to the kind of proposal I put forward, in the same way that Britain had seduced France into the suicidal policy, as World War I showed, of opposition to the agreements between Hanotaux and Witte back in the 1890s, leading into World War I.

regimes in eastern Europe and then the Soviet Union, for cooperative infrastructure-building projects *throughout* Eurasia. This is called the Productive Triangle proposal, which was widely circulated first at the end of 1989, and through 1990 and so on.

What happened is that Margaret Thatcher, at the same time I was launching this proposal, went the other way, and she dragged George Bush into that proposal. She also succeeded in dragging France into a revival of the Entente Cordiale, in opposition to this kind of proposal, in the same way that Britain had seduced France into the suicidal policy, as World War I showed, of opposition to the agreements between Hanotaux and Witte back in the 1890s, leading into World War I.

At the same time, Margaret Thatcher, with the cooperation of George Bush's regime (which was sort of her puppy dog, as she claims in her memoirs), started the Balkan war by unleashing Serbian fascist aggression against, first, Croatia and Slovenia, and then directly against Bosnia-Herzegovina and also, implicitly, against Macedonia, with the help of the Greek regime there, and, of course, against the Albanians in Kosova, threatening to set off a general Balkan war, *just as they had done between 1898 and 1904 and on into the World War I period.*

This Anglo-French Entente Cordiale, initially with the full backing of George Bush and his regime, set an economic policy which, on the one hand, has succeeded in collapsing the economies of the states of eastern Europe and the Soviet Union to *below 30% of what they were in 1989*. It's produced a situation of desperation and rage throughout eastern Europe (except in the Czech part of former Czechoslovakia), and in Russia.

Yeltsin is doomed

Yeltsin was made the instrument of a policy of destroying his own country, as Gorbachov before him was already doing. Yeltsin was backed by the Franco-Anglo-American powers on this policy, and by the International Monetary Fund. This policy has *driven all of Russia into a state of rage*. At the same time, the Anglo-French influences on Moscow *have revived the same kind of pan-Slavic attachment to the Serbian fascist murderers in the Balkans, which engaged Russia in the assault, the war on Austro-Hungary, which started World War I.*

There is a solution, of course. Sergei Glazyev, chairman of the Committee on Economic Affairs in Russia's State Duma, in an interview which is published in this week's *EIR* [No. 46, Nov. 18] addresses some of these issues. But without the kind of development program which I announced years ago, and have continued to announce, which I'm working for now, and without the kind of policy orientation which President Clinton has announced, that is, Germany as the preferred partner of the United States in Eurasian policy—without those kinds of policies, this thing is going to go to Hell, and we are going to get a *powerful reaction* in Russia of some form.

It can be the kind of reaction which leads to a new adversarial relationship between Russia and the United States, organized by Britain and France, against us and against Germany, *unless* we get the kind of development program going in Russia, which I proposed in the tradition of the Hanotaux-Witte agreements of many years ago.

In any case, I think Yeltsin is doomed. What you have, is a doomed regime which has made itself the complete captive of the ideas of that little idiot from Boston, Jeffrey Sachs, who deserves a Nobel Prize for Idiocy in Economics. He's a good competitor of Nash on that question.

Therefore, Yeltsin is going down. But in the death agony of his regime, Yeltsin is lashing out, trying to appease and control some of the military, by threatening an adversarial posture against the United States, on the pretext of the Bosnia question, and trying to blame the United States for the policy which is ruining Russia. In a sense, yes, it was the policy of Bush; but it was a policy created by the British. And what you have, is a situation in which, in Moscow, the potential enemies of the United States in Moscow today, are the *friends of London*.

That's the lesson to be learned.

New Suez crisis over U.S. moves in Balkans

by Katharine L. Kanter

The cat is out of the bag. When, on Nov. 12, the United States made effective at midnight the President's decision to stop monitoring breaches of the arms embargo which had been imposed upon Bosnia and Croatia in 1992, London and Paris erupted in vitriolic spite.

Three supposed partners of a single military treaty alliance, NATO, are actually fighting on opposite sides of a major war on the European continent: England and France alongside Serbia, the United States alongside Bosnia.

The events of the last weeks, marked by increasingly open U.S. support to the Bosnian war effort, are being frankly discussed as the "beginning of the end of NATO" by military analysts such as Jacques Amalric in Paris, who have their ear firmly pressed to the keyhole of the gods. England, wrote Amalric, is "the European country most conscious of the [end of NATO] and the one where the most interesting and the most disingenuous advocacy for a common European defense can be heard." Both French Foreign Minister Alain Juppé and his British colleague Douglas Hurd, made similar statements.

Although every effort is being made to write off Clinton's move as nothing but a sop thrown to Sen. Bob Dole (R-Kan.) and the new Republican majority in Congress, the reality is that neither the French nor the British were forewarned of what was about to take place in the Adriatic on Nov. 12, and they are spitting with rage.

By the weekend, the Paris "newspapers of record" were running headlines such as "The U.S.A. Dumps Europe" and "A Dirty Trick Pulled by the U.S.A." Ants swarmed out of official anthills such as the Inter-Army Operational Center (COIA) in the French Defense Ministry, and broke anthill rules by speaking, albeit under cover of anonymity, to the press: "We were not informed in any way beforehand of the U.S. decision . . . the United States is showing a complete lack of solidarity with the allies. The decision was taken without the slightest discussion of analysis about the effect this will have on . . . the terrain, but also especially, on the chains of command."

The American "contribution" to the arms embargo involved two frigates in the Adriatic, 8 of the 11 AWACS planes (the others being British and French), as well as satellite information and intelligence from special operations. What is critical here, is that Clinton has decided *not* to share intelligence with England. The so-called Anglo-American

chain of command, which notably does include secret intelligence, and from which the French, as junior partners, have been benefitting, has been broken. Is Clinton naive in intelligence matters? Is he just "muddling through," as the British claim? At a background briefing to the American press to announce the decision, a "senior defense official" commented on the relevant provision of the Nunn-Mitchell Amendment, namely, that the United States will no longer pass intelligence to other NATO countries about arms shipments bound for Bosnia, as follows: "If we inspect the cargo and find the ship is exclusively carrying . . . arms for Bosnia, we are not allowed to report on the issue of what the cargo was. We must remain silent. That's the key word—we must remain silent on that point."

This briefing, which found its way into the *New York Times*, is the means by which England and France found out about the U.S. decision—*after* the *Times* came out. So we can probably exclude "naiveté" and "muddling through" from the American move, which has implications far beyond the war in Bosnia. These, Douglas Hurd doubtless did not fail to draw to the attention of U.S. Ambassador to London Adm. William Crowe, when he scuttled over to the U.S. Embassy on Nov. 11. Hurd emerged, sputtering something about how the admiral had been "most unclear about the instructions which had in fact been given to the American NATO contingent in the Adriatic."

On Nov. 18, at Chartres, France, the Franco-British summit opened. Although the British side has since tried to downplay the thing since press leaks in *Le Monde* caused considerable embarrassment, military cooperation of the most far-reaching kind in "areas of mutual concern" such as Africa, not to speak of the Balkans, were top on the agenda. An agreement had already been signed for joint Special Forces deployments, and there was talk of a joint Air Force, of joint nuclear patrols, and even, of the "germ of a joint General Staff." But Clinton gave them plenty more to discuss. The French permanent representative to the Western European Union, Jean-Marie Guéhenno, told the press that the Western European Union "can no longer be a body subordinate to NATO. Defense means a political project. Logically, the WEU should become the armed hand of the [European] Union."

Hastily dropping the pretense of a split between Serbia and the so-called Bosnian Serb regime in Pale, the British and the French have reacted and regrouped their forces—i.e., the Serbians. By Nov. 13, seven thousand additional JNA (Yugoslav Army) soldiers were being rushed over the northern corridor to the Bihac front, to join a three-pronged offensive on the city from the north and the east, which forces include the Bosnian renegade militia of Fikret Abdic, and from the south-southwest out of Serbian-occupied Croatia.

Bihac is a Unprofor "security zone" upon which howitzer, tank, and mortar fire has been raining for a week, as of mid-November, out of the Krajina in Serbian-occupied

Croatia. Fighter bombers have taken off from the Krajina and bombed Bihac. Unprofor Command has claimed that they are "unable" to disarm the Serbian forces inside Croatia, and that they are "unable" to enforce the air interdict against Serbia, because its planes take off from occupied Croatia, which is not subject to the interdict! By refusing to force its food convoys through, Unprofor has ensured that since June, only 630 tons in total of food has gotten through to the 300,000 people in the Bihac area. This amounts to one kilo (2.2 pounds) of food per person in five months.

Thanks to this, and other aid of the most-secret variety, from the British and the French, the Serbians, who now have the Bosnian 5th Army Corps outnumbered almost 3 to 1 in the Bihac pocket, have retaken perhaps 200 of the 250 square kilometers which the 5th Corps took back in October at the cost of great sacrifices. That this offensive by Serbia has also the aim of "showing the Americans what's what," was stated baldly by a French officer from the Unprofor General Staff to *Libération*. Gloating at the discomfiture of a nation of 3.5 million people, the officer said: "The Bosnian Army is doped up by its recent successes and the U.S. move, even turning arrogant! But Unprofor will not clear out so fast! The weight of the U.S. gesture will be measured tit for tat by the Serbian response. . . . The Serbians were caught off guard by the Bosnian offensive, but, when they started to bomb Bihac on Thursday, you could see that they are well back on the attack."

President Clinton's decision has come none too soon. According to reports finally made public in mid-November by the German Institute for Russian Studies (ISO), Russia has, over the last few months, quite emptied its arsenal withdrawn from East Germany, into the Serbian war effort. It is believed to have sent in, on 4,000 rail cars, an unknown number of ultra-modern missile launchers (15 km range), 300 BMP 2 armored vehicles, and 50 self-guided missiles, *inter alia*. Officially, however, there has been little said in Russia concerning Clinton's move, save that it is "worrying."

Over the week of Nov. 14, while attempting to defend Bihac and the Gremec Plateau in the West, the Bosnian Army moved on occupied Donji Vakuf; the aim has been to break through toward Jajce and the Bihac-Kljuc-Jajce road, which would allow the 5th and 7th Bosnian Corps to cut off the supply lines to Serbian-occupied Croatia. A state of emergency has been declared in Mostar—another area supposedly under European Union administration—due to heavy Serbian attacks. All schools in Mostar have been closed and street gatherings forbidden.

Lamentably, the government of Franjo Tudjman in the Croatian capital Zagreb has done little save grunt, faced with the Serbian offensive upon Bihac which has been mounted out of Serbian-occupied *Croatian* territory. Without a full-scale military commitment by Zagreb to reconquer its own occupied territories and to succor the Bosnian Army on its border, both Bosnia and Croatia will lose the war.

Algeria plunges into civil war

by Muriel Mirak-Weissbach

On the fortieth anniversary of the beginning of the war of liberation against colonialist France, Algeria is plunging into a civil war with the full backing of certain sectors of the French elite. Although from a strictly military point of view it is an illusion to think that the state forces can wipe out an opposition which has vast popular support, the government and military are gambling precisely on a quick, bloody victory.

Algerian President Liamine Zeroual announced on Nov. 1 in a televised speech commemorating the anniversary of the liberation war, that the dialogue with the Islamic Salvation front (FIS) had been aborted. Zeroual blamed one of the two FIS leaders released from jail, but under house arrest, Ali Benhadj, for the decision, charging that Benhadj had incited the Armed Islamist Group militants to pursue armed struggle. Abassi Madani, the older of the two FIS leaders, dispatched a letter to Zeroual the following day, urging him "to demonstrate his wisdom, to remain the man of the solution and not to lead his people to the same impasse as his predecessors had done." That day, however, the Interior Ministry issued a declaration that it was "determined to annihilate" those responsible for terrorism and violence.

What prepared public opinion for the escalation was an atrocity of unprecedented brutality. During the Nov. 1 commemorations of the liberation war against France, at the cemetery of Mostaganem, a bomb exploded, killing five children who were honoring the national heroes. Television crews on the scene flashed the images across the nation's TV sets, and the government seized on the deaths, immediately attributed to the Islamists, to justify its crackdown.

The FIS responded in an unusual manner, denouncing the assassination, and directly implicating the government in the bloody deed. In a declaration circulated in Europe, the FIS executive abroad characterized it as a "massacre which had targeted the tombs of freedom fighters and had killed innocent children in an ignoble manner." The release also referred to passages in Zeroual's speech, given the evening before the bombings, which allegedly "alluded to acts leading to assaults on the graves of freedom fighters, although"—the communiqué explains—"no such acts have been registered in the past two and a half years." Rather, the allusion recalled desecrations of cemeteries in the period prior to the Algerian elections (1992), which the FIS was poised to win. The FIS communiqué expressed "shock which surprised and frightened us" when the news of the bombings in the cemetery was made

known, the day after Zeroual's speech. The FIS "denounces and forcefully condemns this ignoble assassination and the perpetrators," it said. It concluded with condolences to the victims' families. In short, the FIS accused the security services of being behind the cemetery bombings. The suspicion was shared by many, according to the French press.

The decision to abandon dialogue was made by the Algerian military in consultation with circles in France. According to the Paris daily *Le Monde* on Nov. 11, Algerian Army Chief of Staff Mohammed Lamari, who had just been promoted to the newly created rank of General of the Army Corps, was in France just prior to the government's shift. In Paris, French military and political leaders, including Gen. Jacques Massu, assured him of their support for total war against the Islamist opposition. Following Lamari's trip, French Interior Minister Charles Pasqua launched the largest raid to date against suspected Islamist supporters, jailing 95.

The French also reportedly agreed to supply military matériel to the Algerians for the war. *Le Monde*, on Nov. 10 and 11, reported that weapons and equipment were being flown in on cargo planes. The shipments were said to include oxygen-absorbent bombs and night-fighting equipment to be mounted on Russian MI-24 helicopters. On Nov. 16, the news was released that France had also signed a contract to sell nine Ecureuil helicopters to the Algerian Interior Ministry, for anti-terror use.

The situation inside Algeria has escalated to all-out war. Up to 1,000 civilians died between Nov. 1 and Nov. 9, according to an FIS release; the figure is in the hundreds, according to government sources. Executions and atrocities, for which the Islamists are being held responsible (though many suspect government manipulation), are being given mass circulation by the media, which have been brought under total control of the state; and weapons are being distributed to the population by government forces.

Reason for hope

Although Algeria appears to be hopelessly locked into civil war, there are still means to halt the bloodshed. Inside the country, it is known that the entire military leadership does not share the view of hardliner Lamari, who was most responsible for pushing Zeroual into breaking the dialogue. It is not inconceivable that Lamari could be replaced by a nationalist military man eager to negotiate a reasonable agreement with the FIS and other opposition forces, in the interests of national reconciliation. Such an option would require support from those sectors in France still committed to a policy of dialogue. France, in the final days of the Mitterrand regime, is, however, caught in a political vacuum.

A further crucial factor in the Algerian crisis concerns Washington. The policy of dialogue, which was aborted by Pasqua-Lamari at the beginning of November, had been warmly encouraged by the U.S. administration. President Clinton had established a liaison with the FIS, and, on his

trip to France last June, had stressed the need to develop contacts with the moderate Islamists to avoid military escalation. The question of what the Clinton administration's reaction to the dramatic turn of events in Algeria would be, seemed to be answered by U.S. Assistant Secretary of State Robert Pelletreau, in a press conference on Nov. 15.

According to *Le Monde*, Pelletreau expressed concern about the "excesses committed by the security forces" and about the "growing influence of the most hard-line individuals within the military hierarchy" in Algeria. This trend "casts doubt on the viability of any election that the regime would organize in 1995," he said. Pelletreau said that the United States condemned terrorism by Islamist groups, but was particularly worried about the extreme actions of the forces of order, which were committing "extra-judiciary executions, torture, and arbitrary detention." Washington, he stressed, still favored the opening of "a dialogue with the members of the opposition, lay or Islamist, who want to work for a non-violent solution to the crisis."

Finally, there are scenarios already being floated for a U.N. intervention. This option was introduced on Nov. 14 in the London *Independent* by Robert Fisk, who asked: "Can Europe stand aloof from a calamity which will inevitably endanger French security? Or must the West now consider a massive U.N. deployment, larger than anything previously contemplated, to put out the fires of Algeria?"

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French politics: foiling the trap

Jacques Cheminade, in announcing his candidacy for President of France, exposes the limits of the terms of the political debate in this pivotal nation.

An extremely dangerous trap has been set for our country. It consists in saying: Either you are for national independence and opposed to the "Kohl Europe," or else you are in favor of the Franco-German alliance and against the nation-state. This fake dilemma is intended to paralyze France's contribution to the necessary emergence of a Europe from the Atlantic to the Urals, and could thus deal the death-blow to peace through the common economic development of our continent.

My candidacy for President is intended, in the first place, to expose this trap, putting people on guard against any "Entente Cordiale" with the British financial oligarchy, and defining a policy which is truly fitting to our national mission and not some parody of it. For this purpose, we must start off on the right foot—which none of our politicians is doing: We must first define the essential challenge which has been thrown down to us, and then answer it with the political means history has given us.

The first challenge consists of rejecting an international financial and monetary order which is destroying the real economy and of replacing it with a new order, based on infrastructural buildup and productive investment. Europe, in this shift, should play a model role, and France, with Germany, must become the motor of that Europe. Continental Europe, with its links to Eurasia and Eurafica, has the unique mass of knowledge, of skills, and economic and cultural capacities to be able to serve as the fulcrum of this urgent obligation.

Who opposes this? The same people who control the present monetary and payments system. The statistics of the Bank for International Settlements reveal their identity: Out of total world trading on the stock markets, transactions on the London financial markets account for 34.1%. If you add the two financial offshoots of the Commonwealth, Hongkong and Singapore, you get around 50% of the total, whereas the North American markets have less than 25%. The British financial oligarchy, with its allies in the Eastern Establishment of the United States, do not therefore represent a nation, but a supranational institution based on systematic looting of world resources for their interest payments. The proof is in the fact that in this system, transactions in goods or real services amount to only 2% of transactions on the world exchange markets (this ratio is 0.56% in England), which is

the same as saying that 98% of the shares traded do not correspond to the creation of any real wealth! Quite the contrary, the system lives by looting real wealth, because the logic of short-term returns drives out medium- and long-term productive investment.

With the challenge and the enemy thus identified, let us examine what is happening in political and economic life. These interests are systematically preying on the productive systems of France and Germany—on the "Colbertian" as well as the "Rhineland" economies.

Developing continental Europe

Margaret Thatcher, in her memoirs, showed clearly that she would stoop to anything to stop German reunification and shut down a development policy for continental Europe. What she did head-on, the Major government is trying to do from the inside, as a Trojan Horse. Already at the end of the 19th century, Britain did its utmost to scuttle plans for peace through economic development in continental Europe, especially those starting from France and passing through Germany, which were shaped by Russia's Count Sergei Witte and France's Gabriel Hanotaux, who foresaw Russia's emergence from isolation. The first Entente Cordiale, as it was conceived in France by Théophile Delcassé,¹ was a weapon against the project for European economic unity.

Closer to the present, has anyone noticed the regular offensive of the near-totality of Anglo-American press against France, especially against the policy of Franco-German entente? In *Forbes* magazine of Aug. 15, Sir Alan Walters, onetime favorite adviser of Thatcher and one of the most determined adversaries of the European Monetary System, goes after our country, inciting the world's investors to pull out their investments. "Remember what happened when the Stavisky affair broke out in December 1933!" cries the British Walters with his American co-author Steve Hanke, of Johns Hopkins University.²

1. Delcassé: French foreign minister 1898-1905; he succeeded Gabriel Hanotaux and crafted the 1904 alliance with Britain known as the Entente Cordiale.

2. The Stavisky affair was the Bayonne municipal credit swindle around Russian-born banker Alexander Stavisky, which was the partial cause of bloody riots in France in February 1934.

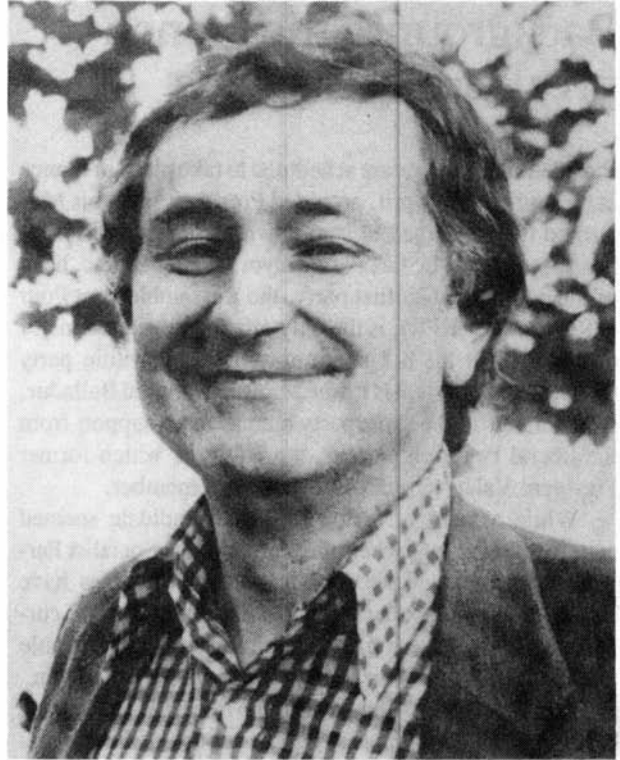
Jacques Cheminade, the presidential candidate of the Federation for a New Solidarity, was born in Buenos Aires, Argentina in 1941. An economist and historian, he is the author of several books, including *Regard sur la France républicaine* (*A Look at Republican France*, 1991) and *La France après de Gaulle* (*France after de Gaulle*, 1981).

In 1994, he edited the definitive treatise of Jean Jaurès, *La Réalité du Monde Sensible* (*The Reality of the Perceptible World*), for which he wrote a lengthy introduction.

Cheminade's supporters are currently petitioning to obtain the 500 signatures of French elected officials required to put Cheminade on the presidential ballot for the April elections.

A former student at the prestigious National School of Administration (ENA), Cheminade has experience in public administration as well as in the private sector and political life. Having traveled in France, the United States, and many countries of the Third World, he has had experience which is rare in France, which gives him a view of both the "inside" and the "outside" of the country.

A collaborator and friend of American economist Lyndon LaRouche, he is also a prominent member of the Schiller Institute in France. He writes a political, strategic, and economic newsletter, *Le Commentaire de Jacques Cheminade*. He is also an editorialist for the newspaper *Nouvelle Solidarité*.



Jacques Cheminade

Similar articles have appeared in the *American Spectator*, *Wall Street Journal*, and the London *Economist* and *Financial Times*. All of them denounce an "arrogant" French government, "seized by excess," which has "chosen to be prisoner of German policy" and to disobey the injunctions of speculators. The *Wall Street Journal* accused Jacques Delors and Prime Minister Edouard Balladur of "paranoia" for having "denounced," in August 1993, "a plot by Anglo-Saxon finance against the franc and the European Monetary System." That's an astonishing definition of the word "paranoia": The Anglo-American press unanimously trumpeted France's weakness, and the "non-residents," most of them English and Americans, dumped their French treasury bonds and stocks post-haste. Hence, one would have to admit that reality corresponds to the "paranoia."

Our hereditary foe: British oligarchy

Without entirely understanding the fundamental economic game of this policy, Charles de Gaulle perfectly grasped its geopolitical expression. As quoted in Alain Peyrefitte's *C'Était de Gaulle*: "Our major hereditary enemy was not Germany, it was England. . . . It wants to keep us from leading the Common Market to a good end. It is true that it was our ally in both wars, but it does not naturally tend to

wish us well. For Germany, on the other hand, it is clear that our interests meet and will meet more and more. It needs us, as much as we need it. . . . England will not enter the Common Market until it has repudiated at the same time its imperial dream and its symbiosis with the Americans."

Oh, but, some will say, times have changed, and the Britain of the end of the 19th century is not the Britain of the 1960s. This is perfectly accurate with respect to Britain, but totally false with respect to the British oligarchy, which remains the same as ever. The British oligarchy's primary enemy today is a Germany integrated into a European development program, and a Europe in the process of economic unification. Countless articles in the British press attest to that.

This press, which has already vigorously gone after President Clinton—who is more detached from the British alliance than all his postwar predecessors, with the exception of John Kennedy—has redoubled attacks and slanders since the American President's visit to Germany this past July 10-12. The reason is that during that trip, Clinton elevated Germany, no longer Britain, to the rank of main European partner, and supported a continental development policy resting on the Franco-German alliance. The symbol of this commitment was his meeting with European Commission President

Background: the French presidential elections

Presidential elections are scheduled to take place in France at the end of next April, provided President François Mitterrand is not obliged to step down earlier due to severe health problems. So far, Paris Mayor Jacques Chirac, head of the nominally Gaullist party, the Rassemblement Pour la République (RPR), is the only officially declared major candidate, but his bid is strongly opposed within party ranks. His major rival is Prime Minister Edouard Balladur, who belongs to the same party but has more support from the liberal coalition partner, the UDF, of which former President Valéry Giscard d'Estaing is a member.

While a victory for the majority candidate seemed certain after the overwhelming defeat of the Socialist Party in the European elections last June, the tables have turned. Some polls now show that if Jacques Delors, current president of the European Commission and probable candidate of the Socialist Party, does run, he would win.

While the right-wing parties, the majority, are tearing themselves apart in internal fights for power, the government is slowly disintegrating. Since last summer, three ministers have resigned over ongoing judicial investigations against them on various charges of corruption, graft, and illegal funding of political parties. This is a result of France's version of the "Clean Hands" anti-corruption campaign, in which Italy's institutions were destroyed in record time. Although initial Socialist Party calls for dissolving the government may be more demagogic than serious, the present government is not likely to last beyond

the year's end.

Meanwhile, the directors of many of France's leading industries and infrastructure suppliers are being targeted by the "Clean Hands" investigations.

The main issue has not been raised by anyone: the imminent financial meltdown and the emergency reconstruction measures which need to be taken. In France, as in other European countries, talk is focusing on the so-called ongoing economic recovery, the inevitability of unemployment, how to cut public spending, and so forth.

Since there is no perspective of growth and of breaking out of the monetarist straitjacket, the debate around Europe is irrelevant. Chirac will try to capitalize on the very strong sentiment in France against the Maastricht Treaty on European union (the referendum ratifying the treaty only passed with 51% of the vote last June), by accusing his probable rival Delors of being a European federalist, which means in favor of a common currency for Europe, a European central bank, and doing away with national sovereignty. Delors is presented by his opponents as the "candidate of Chancellor Kohl," who will subjugate France's interests to those of the "big, bad neighbor" Germany. This all plays into Great Britain's effort to set up a new "Entente Cordiale" with France and to weaken the Franco-German alliance, which goes back to de Gaulle and Adenauer.

What the actual stance of Delors will be on these questions is not clear. He has been head of the European Commission since 1985, and somewhat removed from the French political "pulse." But even if the debate drags on endlessly, everyone agrees in private that the Maastricht Treaty will never be applied, simply because it is a bureaucratic text which in no way takes into account political and economic realities.—Christine Schier

Delors and German Chancellor Helmut Kohl.

Faced with this situation, the British leaders and press attempted by every means to frighten France—"alone" in the face of the German and American "giants," and to make us believe that an "Entente Cordiale" could rhyme with national independence. Jimmy Goldsmith, simultaneously, supports the "nationalism" of a Philippe de Villiers³ and a French version of the "Operation Clean Hands" which has swept Italy's traditional postwar political parties off the map and disgraced or jailed their leaders en masse. Let us remember, in passing, that he justifies the *Forbes* accusation by talking about a "new Stavisky affair."

3. Philippe de Villiers, a former member of the Republican Party of France, split dramatically from the party recently and ran a "neo-conservative" campaign for European Parliament last June, lavishly funded by Jimmy Goldsmith.

It is striking to note in these circumstances, that the "Clean Hands" operation (sponsored by the hands of Jimmy Goldsmith) is aiming precisely at all the major French companies—Alcatel-Alsthom (communications, transportation), Générale des Eaux and Lyonnaise des Eaux (urban water systems), Saint-Gobain (chemical), Schneider (equipment)—which constitute the mainstays of any European infrastructural and industrial development plan.

So, it's clear: A Franco-German alliance for peace through development in Europe is in the crosshairs of the British (and Anglo-American) financial oligarchy, which is, by its nature and historically, the main enemy of our nation-state and of productive economy. Against this are found the political orientations—surely imperfect, but opposed in principle—of Chancellor Kohl and President Clinton, which are also attacked by the same media organs that are going after France.

Adrift toward the Entente Cordiale

So what are Messrs. de Villiers and Chevènement, these good “nationalists,” denouncing? The plot by Germany, a “Rhineland conspiracy.” Jean-Pierre Chevènement,⁴ in *Le Monde* of Oct. 18, sees Delors as the “candidate of the German Christian Democracy,” whereas Philippe de Villiers and Jean-Marie Le Pen⁵ have raised a hue and cry (and without having first looked in a mirror or looked around at their friends), demanding a huge “Clean Hands” operation which would destabilize France, as we have seen in Italy.

At the same time, the famous Franco-German axis has, from the Paris side, the consistency of a marshmallow. In a government with no long-range vision, we find the curious bedfellows of “Maastrichtian” Europeans and those who hold Maastricht in contempt, their only point in common being that they accept the Maastricht Treaty (see box) as the obligatory reference-point for Europe.

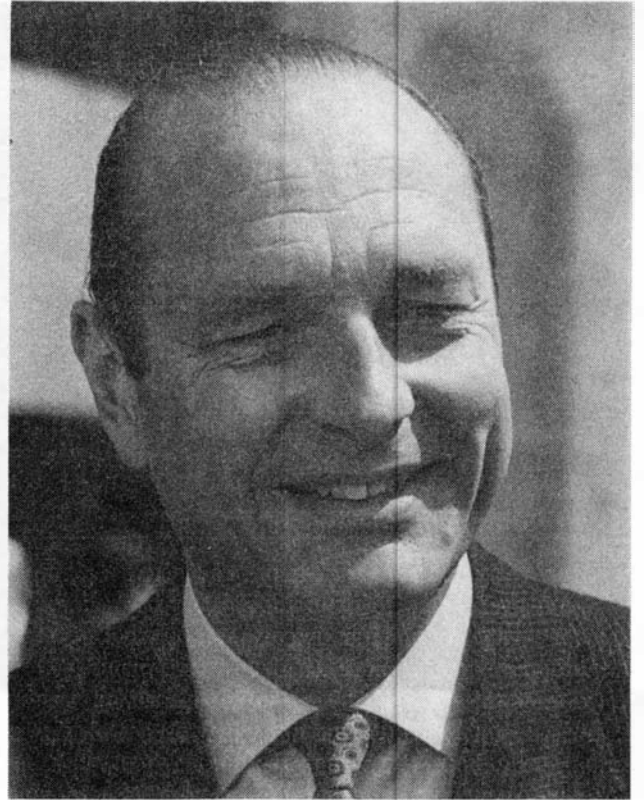
Meanwhile, and even more dangerously, there is a Franco-British cozying-up being pursued in Bosnia, which goes far beyond cooperation (which in itself is unacceptable). Douglas Hurd, the head of the British Foreign Office, congratulated himself during a session of the Franco-British Council, over the “substantial similarities of France and Great Britain. . . . We do have differences perhaps on one or two points in our appreciation of world events, but when things get serious, we are always side by side.”

It is by playing the military collaboration card that London hopes to achieve a rebirth of the Entente Cordiale against the Europe of Kohl and Delors, patronized by Clinton. First of all, we find broached, in an accord concluded on the other side of the English Channel by Gen. Philippe Morillon—the U.N.’s and the Franco-British man in Bosnia—a “coupling” between the land detachments of the British Rapid Deployment Force and units of our French Rapid Action Force (FAR). Next, the two countries set up a commission charged with examining how the two navies could have joint patrols with their strategic missile-launching submarines, and share deployment zones. Finally, the United Kingdom and France envisage creating a joint air force, which could train and protect the units of the two countries to the benefit of peacekeeping operations in a U.N. framework, or joint bilateral actions. This project will be examined during the next Franco-British summit in Chartres on Nov. 18.

So there is a rapprochement with those whom we defined initially as our historic enemy, under the pretext of building a Europe with a variable geometry, from one domain to another, where our military will have to fight together with the British. Our Foreign Minister Alain Juppé was very clear on this point, in his decision to dismember Bosnia and pro-

4. Jean-Pierre Chevènement is a former Socialist who flanks the “neo-conservative” radicals in France from the left.

5. Jean-Marie Le Pen is the leader of the National Front, which has a rabid anti-immigrant stance.



Jacques Chirac

ceed with territorial exchanges, while ratifying genocide on the ground.

There is at the same time a systematic campaign to denigrate Germany, accompanied by expressions of esteem for Britain. For example, the journal *Valeurs Actuelles* of Oct. 22 describes a France whose economy “is going to suffer,” because “Germany will weigh heavily on our recovery” by raising taxes and reducing public spending. Other articles show the disastrous consequences of the “strong franc” policy—all blamed on Bonn—and sing the praises of the British break with the European Monetary System, alleged to have permitted a strong recovery in the British Isles! (In Britain, one child out of three was living below the poverty line as of 1993, according to the Child Poverty Action Group.)

But Pierre Juillet⁶ beats them all, in *Le Monde* of Oct. 28, when he writes: “Who is exposing the German party which is submerging us in its propaganda, as the Spanish party did under Louis XIII, the British party between the wars, and the American party under the Fifth Republic? No one.” He goes on with the rhetorical question: “Who is rising up against the decision of Chancellor Kohl to push our country into integration, into a federal whole to the point of irre-

6. Pierre Juillet was a leading adviser of de Gaulle’s successor, President Georges Pompidou, who did everything he could to push Pompidou to ally with Britain and abandon Gaullist policies.



Jacques Delors: His vision of Eurasian development is too bureaucratic, too timid. The existing financial and monetary structures must be put through bankruptcy proceedings, if the economy is to grow.

versibility, when independence was the watchword of Gaullism? No one.”

Franco-German alliance and sovereignty

Let us recall, in passing, that General de Gaulle used to say (again we quote from Alain Peyrefitte’s volume): “The European Economic Community is not an end in itself. It must be transformed into a political community. . . . It is because the British were not ready to enter into a political community that, finally, it was necessary that they not be allowed to enter the Economic Community.”

Some will say at this point: Here you are defending the Europe of Jacques Delors and Helmut Kohl, supported by President Clinton, a “Germano-American” Europe. Our answer: Contrary to those who don’t want to see the imperial hand of London because of their own imperial French nature, we do not think in the schemata of bygone systems.

I say clearly that I support a program of Eurasian and Eurafrikan infrastructure development and industrial plant buildup, like Delors—and others—but that we must go much farther than he.

The first problem is that Delors and his entourage have too bureaucratic a vision of things, not a political one, in the sense of politics as we have tried to define it here. Rejecting the British oligarchy is thus the starting point for a European growth initiative.

The second problem is, in fact, the question of federalism

and the nation-state. With the German Christian Democracy, we think that France and Germany should play a fundamental role in the world, and that they can only play it by acting together. But contrary to the German Christian Democracy, and in the tradition of the nation-state, we think that this objective cannot be reached in a multinational structure, but through an alliance of sovereign republics.

On a deeper level yet, and this is Delors’s third problem, we are utterly convinced that a major European growth initiative can be put into place only if the existing financial and monetary structures are put into bankruptcy proceedings. Their existence, manifested by the perception of financial revenues, is in fact incompatible with a development policy. Now the advisers of Delors—those whom *L’Express* of Oct. 27 calls his “apostles”—have instead distinguished themselves by their constant accommodation to the policy of international financial revenues, that of the British oligarchy. Elisabeth Guigou was the standard-bearer of the disastrous Europe of Maastricht, which has done more against Europe than the worst anti-Europeans. Ségolène Royal calls for a “Clean Hands” operation in France, taking up what Philippe de Villiers and Le Pen, the leader of the National Front, with the patronage of Jimmy Goldsmith, have repeated, with the object of paralyzing our productive apparatus and heavy industry. There are even those who have created the conditions of the corruption, who today are upset about its existence. Philippe Lagayette, former director of the cabinet of Delors when he was minister of economics and finance, was the artisan of deflation and the monetarist policy of Maastricht, a form of supranational austerity fully coherent with the system of monetary deregulation and world free trade which now exists—that of the British financial oligarchy. Jean-Baptiste de Foucauld is the man who propounded the idea that only sharing the poverty and doling out welfare could combat the problems of the jobless and social outcasts, while omitting to mention the financial and monetary interests responsible for these problems—i.e., agreeing to talk about the cage, without getting out of it.

The trap is quite clear: It works if you adopt the law of the prevailing system, but that is the very law which we have to reject.

To foil the trap, is to resituate the Franco-German alliance in the order of a true Colbertian economics, a program both of Eurasian and Eurafrikan development, and of cultural renaissance, which is indispensable to this reconstruction—a subject no one mentions with regard to Europe.

Time is running out. Choosing this or that side of the trap—for example, between the New Age Socialist Ségolène Royal and Pierre Juillet—is not to choose, it is to accept getting caught in the trap. To not get sheared, we must think, and to think we must not march with our heads down, because that position certainly makes it impossible to see the face of the enemy and even harder to see the horizon of the challenge to be met.

Disturbing green signals from Germany

Flirtations with the ecologists will limit the options for the new German government.

Germany's new chancellor is the old one—Christian Democrat Helmut Kohl, who was re-elected by a majority of only one vote in the parliament on Nov. 15. This one-vote affair shows that it will be difficult for Kohl to govern, and many insiders here think that the new government will either die of erosion or even fall by a no-confidence vote amid economic turmoil or scandals before the end of 1996.

Kohl won't be able to pass the FY 1995 budget, for example, if the one vote that made him chancellor is missing when the budget vote comes up. The erosion is shown in the Oct. 16 elections for national parliament which gave Kohl's three-party coalition of the Christian Democratic Union (CDU), Christian Social Union (CSU), and Free Democratic Party (FDP) a meager majority of 10 seats over the three opposition parties (Social Democrats, SPD; Greens; Socialists, PDS). A rising percentage of the electorate is fed up with the government's monetarist economics, characterized by proclamations of "up-swings," while jobless and bankruptcy figures zoom.

The erosion is also visible in the fact that numerically, 3 of the 341 votes which the government coalition controls in parliament did not vote for Kohl in the re-election: He received only 338 out of the 672 votes. As these were secret ballots, the votes of individual parliament members won't be published. It may even be that more than three CDU, CSU, or FDP members voted against Kohl, and a few votes from opposition party members contributed to his thin majority.

One or several of the Green party's members may have voted for the CDU's Kohl: indeed, a number of them have endorsed coalitions or alliances—on single issues—between Greens and Christian Democrats. Such a single-issue alliance surfaced in the first of the newly elected state parliaments in Berlin on Nov. 10, when CDU votes surprisingly made Green party member Antje Vollmer deputy speaker. The Greens could have returned that favor in the Nov. 15 voting on Kohl.

Both developments are a novelty, but there are other signs, from both sides, of developing options for replacing the ailing FDP, Kohl's minor coalition partner.

The FDP has been in a crisis ever since its longtime chairman, Hans-Dietrich Genscher, quit the chairmanship and the dual post of foreign minister and vice chancellor two years ago, depriving the party of its foremost "voter magnet."

The party has also suffered from the fact that the consequences of liberal free market economics (the trademark of the FDP throughout the post-war period) are visible in Germany's five eastern states, which have seen a dramatic rise in joblessness, along with the "privatization" of the former East German regime's state-sector industry. Even in the western states, Kohl's minister of economics (named in the January 1993 reshuffle), FDP member Günter Rexrodt, has become one of the most hated politicians of small and middle-sized businesses, which have suffered a 40% increase in corporate bankruptcies from Rexrodt's privatization drive. Rexrodt

was formerly a director at the same Berlin Treuhand agency that is running the draconian privatization and deindustrialization of the former state-sector economy in the east.

The FDP has been voted out of 9 of the 16 state parliaments in Germany over the past two years and is expected to leave the remaining 7 parliaments in the next two years. This bodes ill for Chancellor Kohl's plans to run a full four-year term until the elections of 1998.

Wolfgang Schäuble, the manager of the Christian Democrats' parliamentary group, sent probes a few weeks ago into the Green party camp. Also, numerous senior members of the CDU party organization, from Parliament Speaker Rita Süssmuth to cabinet ministers Norbert Blüm (labor) and Klaus Töpfer (environment), have publicly endorsed a "black-green" political cooperation with the Greens, along with Klaus Escher, the new chairman of the CDU youth organization. Many young Christian Democrats who want to be the "party of the post-Kohl era" are in favor of ecologism. Prominent Greens, among them the spokesman of the eastern German Greens, Werner Schulz, have called for cooperation with the CDU as well. Following the municipal elections in the state of North Rhine-Westphalia on Oct. 16, such "black-green" coalitions have been formed to run the administrations of two bigger cities of that state, Gladbeck and Mülheim.

This implies that not much can be expected to develop from that passage in the policy platform of the new Kohl cabinet which pledges the government to make "the construction of new nuclear power plants possible," and to realize such high-tech projects as the envisioned maglev train between the two biggest German cities, Hamburg and Berlin. Both are rabidly opposed by the Greens.

International Intelligence

United Nations fuels Serbian war machine

The United Nations has violated its own embargo by providing fuel to the Bosnian Serbs. The excuse given is that the fuel is officially to be used "by roadworks vehicles" for clearing snow, but according to Reuters, even U.N. sources admit that it would be impossible to prevent the fuel from being diverted to Bosnian Serb forces fighting the Bosnian government army.

The Serbs have demanded 50% of all fuel shipments passing through their territory, and apparently the U.N. is gladly complying. The compromise flies directly in the face of a U.N. directive from New York that the Serbs should under no circumstances be given fuel.

According to U.N. officials, the military success of the Bosnian government army in recent offensives has in part been due to fuel shortages hampering the mobility of Bosnian Serb heavy weaponry, their military strongpoint.

New criteria offered for NATO membership

NATO members have agreed to a formula under which the organization would eventually offer membership to countries in eastern Europe, but not in the near future, the *Washington Times* reported on Nov. 8. Unnamed diplomatic sources said that the guidelines reflect a compromise between the Clinton administration and Germany.

German officials, led by Defense Minister Volker Ruhe, have outspokenly argued for NATO to be expanded eastward as soon as possible. U.S. policy, said to be shaped primarily by Deputy Secretary of State Strobe Talbott, is described as not wanting rapid NATO expansion for fear of alienating Russia and strengthening hardliners in Moscow. British sources are said to back the U.S. position.

Diplomatic sources told the *Times* that the guidelines, expected to be approved by the next meeting of the North Atlantic Council in December, would require nations

seeking membership in central and eastern Europe to meet the following criteria: an irreversible commitment to democracy, civilian control of the military, military forces independent of security services, and military equipment and communications interchangeable with those of NATO members. No country will be able to meet these guidelines for several years.

Military exercises in eastern Europe under the 23-nation Partnership for Peace program are already introducing Poland and other countries to these requirements.

Western diplomats said the first countries expected to be seriously considered for full NATO membership are the so-called Visegrad Four: Poland, the Czech Republic, Slovakia, and Hungary. But even those countries are unlikely to be admitted before the year 2000, or may have to wait until 2005, according to the report.

Scandal sweeps Canada's intelligence agencies

A civilian review committee will report to the Canadian Parliament in late November on an exploding scandal in the Canadian intelligence establishment. These developments are under investigation:

- It is alleged that Grant Bristow, a paid agent of the Canadian Security Intelligence Service (CSIS), participated in a "far-right" rally in Munich, Germany in March 1991. Bristow and the spy agency were exposed earlier this year for having created and run the largest neo-Nazi organization in Canada, the Heritage Front.

The CSIS apparently did not inform German authorities of Bristow's presence in Germany, or that they were "investigating"—or perhaps helping to instigate—neo-Nazism there.

- It is alleged that the Canadian Security Establishment (CSE) acted at the request of British Prime Minister Margaret Thatcher to intercept and report on the phone calls of two British cabinet ministers. It is further alleged that, on Thatcher's orders, the Canadian spy agency intercepted communications between France and the government of Quebec. These allegations are contained in a new

book, *Spyworld*, written by Mike Frost, a longtime CSE employee, and journalist Michel Gratton. The reports prompted a demand by Bloc Québécois leader Lucien Bouchard for a commission to investigate the CSE.

The CSE made arrangements after World War II to share intelligence with Britain, the United States, Australia, and New Zealand. The very existence of the spy agency was first revealed to Canadians in 1975.

Indian envoy: Britain is source of terrorists

India's ambassador to the United Kingdom, L.M. Singhvi, speaking at a press conference in London in November, said that the interrogation of Ahmed Shaikh, a London School of Economics student held for kidnapping three Britons in India, revealed that young people were being recruited and trained by Islamic organizations, many of which are centered in Britain.

The Convoy of Mercy, which recruited Shaikh Ahmed, is run by a British national originally from Pakistan, Assad Khan. The group has links with Harkat-ul-Ansari, a group actively involved in terrorist operations inside the Indian part of Jammu and Kashmir, Singhvi said. Singhvi also claimed that the terrorists have targeted British universities to recruit fresh activists for acts of terrorism in the Indian subcontinent.

London has long been the headquarters of Amanullah Khan of the Jammu and Kashmir Liberation Front, which calls for the British-endorsed policy of an independent Kashmir.

Queen's savagery noted in world press

A photograph of Britain's Queen Elizabeth II killing a pheasant with a blackjack, was published in the mass-circulation German daily *Bildzeitung*, with the comment that this cruel practice is banned by German hunting laws.

The incident was also reported in the British *Mail on Sunday*, which ran several letters to the editor on Nov. 13 under the

Briefly

headline, "Fatal Blow for Royals." The letters are very nasty, including one mocking the queen "putting an animal out of its misery" while her husband, "president of the WWF [World Wide Fund for Nature], had shot it!" Forget the younger royals, the letter says, "what will finally sink the monarchy is the fact that, despite their attempts at being democratic, they remain totally oblivious to the sensitivity of lesser mortals. Or perhaps they do not care what their subjects think."

Another letter called the queen no better than the rest of her "foolish and insensitive family," and a third suggested that the Royal Society for the Protection of Birds drop the word "Royal" from its title immediately.

Colombian Indians demand autonomy

Calling for full implementation of Colombia's Constitution, which acknowledges the "right" of indigenous communities to form their own "territorial entities," Indian Senators Gabriel Muyuy and Lorenzo Muelas Hurtado have denounced the government's new law which puts conditions on the formation of such territories. Say the senators: "This is unacceptable, because the government is trying to ignore what the 1991 Constitution recognizes; that there exist indigenous territories inhabited by people of a great ethnic and cultural diversity, different from the rest of the Colombian population, with the right to develop in their own way, with roots much deeper and older than the time of the European arrival to this continent."

Hamas leader calls for cooperation with PLO

Ismail Hanieh, a leader of the Palestinian group Hamas, called on Nov. 13 for averting bloodshed among Palestinians, through dialogue with the Palestine Liberation Organization. Hanieh was speaking to Islamic University students in Gaza.

According to Reuters, Hanieh told the students that dialogue with the Palestinian

Authority "should be comprehensive and guarantee democracy, political freedom, and fair elections." He said that agreement was necessary in order to defuse "explosive factors in the Palestinian arena," and that compromises should be made by both sides to prevent in-fighting.

Hanieh's comments mark the first time that a top Hamas official has publicly called for cooperation and agreement with the PLO. According to some reports, a serious dialogue between the PLO and Hamas is under way, for the purpose of reaching a political agreement.

Yeltsin criticizes military reform effort

Russian President Boris Yeltsin on Nov. 14 addressed the country's entire military leadership, opening a two-day session devoted to dealing with the many problems that plague the Russian military. Present were not only the leaders of the Defense Ministry and General Staff, but also all Military District and fleet commanders. Except for Yeltsin's address, which was open to journalists, the entire proceedings took place behind closed doors.

Yeltsin declared that command and reorganization reforms in the Armed Forces were going too slowly, singling out the need to make mobile forces operational, a Russian version of the U.S. Rapid Deployment Force. He also stressed the need for the Armed Forces to reach required levels of combat readiness for 1995, adding that many units are undermanned. He attacked the fact that a severe housing shortage for officers and their families still exists, and called on Prime Minister Viktor Chernomyrdin, who was in the room, to ensure that the Armed Forces receive sufficient funding for readiness, procurement, and staff living conditions.

Noting the conflicts along or near the southern periphery of Russia, Yeltsin said that the situation "is fraught with a potential expansion of existing military conflicts and the emergence of new ones in which Russia will be involved, because of its geopolitical and geostrategic interests."

● **THE JORDANIAN** newspaper *Al-Bilad* cites "informed diplomatic sources" that Israeli Foreign Minister Shimon Peres and his Syrian counterpart, Farouq al-Shara, held a secret meeting in Cairo on Nov. 7, on the issue of the Golan Heights. They reportedly agreed to a 16-month timetable for Israeli withdrawal.

● **TAIWAN'S** Defense Ministry on Nov. 9 proposed a record budget of \$10.6 billion for the 1995-96 financial year—a 10% increase over the previous year. The defense budget would account for 24.5% of the total national budget. If approved by Parliament next year, this would represent the most money Taiwan has spent on defense in any single year during Kuomintang rule since 1949.

● **A 'NARCO-SUBMARINE'** was discovered by Colombian authorities in Barranquilla, off the Caribbean coast. The mini-sub, belonging to drug traffickers, was apparently less sophisticated than another one recently found docked in the waters alongside Tayrona National Park, which had radar and other high-technology communications equipment.

● **THE QUEEN MUM** is not dead after all. The British Broadcasting Corp. sent a formal letter of apology to the 94-year-old mother of Queen Elizabeth II, for reporting on Nov. 11 that she had died. The announcement was reportedly part of a British Broadcasting Corp. rehearsal script for the real event, and was transmitted briefly by mistake.

● **THE RUSSIAN** military is engineering a shift against Russia's policy of neglect toward Cuba, in the wake of a visit to Havana at the beginning of November by Gen. Mikhail Kolesnikov, Chief of the Russian General Staff. Kolesnikov told the Interfax news agency that Russia and Cuba have reached agreements on military and economic exchanges.

Voters flirt with fascism in mid-term elections

by Mel Klenetsky

The passage of California's Proposition 187, which denies education, hospital care, and basic state and municipal services to illegal immigrants, typifies a surly mood in the American electorate that was also expressed in support for harsher crime bills, increased calls for welfare "reform," and angry rhetoric that barely cloaked the racist, nativistic, fascist sentiments that were encouraged in the Nov. 8 elections. California Gov. Pete Wilson demagogically used the fear of immigrants and crime to engineer his electoral victory, as Americans gave in to passions that one day could easily become the mainstay of an outright, Mussolini-style fascist movement. Some 59% of those Californians who voted, favored Proposition 187.

The new Speaker of the House for the next U.S. congressional session, Newt Gingrich, and his followers, including Texas Sen. Phil Gramm's wing in the Senate, using the Republicans' "Contract with America," also stoked the flames of fascism to power their party to victory. The passions and fears that the Gingrich-Gramm-Wilson crowd is playing on, are not all that different than the ones that Russia's Vladimir Zhirinovskiy and France's Jean-Marie Le Pen played upon; nor are they different from the ones that Barry Goldwater and George Wallace fed during the late 1950s and 1960s.

In the first 100 days of the 104th Congress, Gingrich will try to implement ten bills proposed by the Republican "Contract with America." The proposed bills include term limits, a balanced budget amendment, the line item veto, welfare "reform," reforming product liability, lowering the capital gains tax, tax credits, restoration of defense spending, fighting crime, etc. This combination of eliminating the deficit, tax cuts, and other measures requires knocking out

\$200 billion a year out of a \$1.5 trillion budget.

The Republicans have indicated that they won't touch the \$200 billion federal debt payments, the \$350 billion for Social Security, the \$280 billion defense budget, \$70 billion for pensions, and most of Medicare's \$200 billion. This means that \$140 billion—the deficit reduction needed to balance the budget—would be cut out of the remaining \$450 billion.

Gingrich and company want to take the \$140 billion out of the hides of the nation's poor, plain and simple. If they could get away with it, they would gladly take it out of Social Security and other entitlements; but they fear the strength of the senior citizen lobby. Former drug-running operative Oliver North, for example, during his senatorial campaign in Virginia, let it slip out that he would make Social Security voluntary. The ensuing senior citizen mobilization against him cost him dearly, contributing to his defeat.

A mean-minded clique

The Gingrich-Gramm clique sinks to the depths of mean-spiritedness. Texas Rep. Bill Archer, the Republican who is expected to take over the chairmanship of the House Ways and Means Committee, said he would call for eliminating the federal income tax replacing it with a consumption tax. Such a levy would equally tax the rich and the poor, unlike the progressive income tax, which taxes the wealthy at a higher rate. Thus, the burden of government would be more heavily shouldered by the middle and lower class. The proposal to lower the capital gains tax on stocks and bonds heavily favors the affluent.

Gingrich has announced that one of his top legislative

priorities for the new Congress will be to "reform" the welfare system. Just how he intends to do so illustrates the brutality of this "Conservative Revolution" program, which moved the the U.S. Catholic Bishops Conference to issued a strongly worded statement on Nov. 14, criticizing this and other aspects of the "Conservative Revolution" agenda.

As enunciated in Gingrich's "Contract with America," his welfare overhaul would institute: a two-year cap on welfare benefits for all recipients; prohibiting all welfare assistance to minor mothers; and denying benefit increases to mothers for any additional children they may have while on welfare—a sure-fire recipe for fostering abortion. Furthermore, this great defender of "family values" wants children of minor mothers taken away from them and placed in orphanages. Asked what would happen to welfare recipients unable to obtain employment after two years on the rolls, Gingrich has said that "private charity" should step in as a substitute for government's social safety net.

Gingrich says, "We have to replace the welfare state with the opportunity state," yet he hypocritically calls for cutting the successful Head Start and Job Corps programs.

Gingrich's public policy ruthlessness extends into his personal life as well. "Mr. Family Values" dumped his first wife, Jackie, in order to marry his young secretary. Gingrich presented Jackie with divorce papers the day after she underwent uterine cancer surgery. After that, he behaved like your typical New Age deadbeat husband: Jackie Gingrich's pastor had to take up a collection for her in order to help her balance her family budget. Last year, she had to haul Newt into court to force him to cough up his alimony payments.

Gingrich and Gramm see the dismantling of all social services as a virtue. They would also destroy the productive base of the economy by knocking out farm subsidies and privatizing all areas of the government—state, local, and federal. They are backed by such think tanks as the Reason and Atlas foundations, which call for privatizing trillions of dollars of "unnecessary" government infrastructure, ranging from prisons and schools, to waterways and airports.

'Conservative Revolutionaries'

Economist and 1996 presidential pre-candidate Lyndon LaRouche has described the Gingrich-Gramm wing as fascists who trace back to the 19th-century "Conservative Revolution." In a Nov. 16 radio interview with *EIR*, LaRouche said, "First of all, Gingrich and Gramm, like North, and like George W. Bush down there in Texas, the governor-elect, are fairly described as fascists. That is not a slangy term the way the communists in the United States used to use the term fascist, but it's a *technically precise* term. Back during the 1920s and the 1930s, there arose in Europe, out of the bowels of the ideologies of the 19th century, a movement which was called the 'Conservative Revolution.' "

"This was essentially the idea of reverting back to a more or less feudal society, combatting industry, combatting

modern society and education, which made every man equal politically, implicitly; back to a society which was structured, where everyone knew you had a ruling class, everyone knew you had a middle level—a *Mittelstand*, so-called, in those days—and you had a lower class which you didn't educate too well, and which you used only for menial labor, either as serfs or slaves."

LaRouche pointed out that at the end of World War II, Winston Churchill personally intervened to continue the Conservative Revolution, with the establishment of the Mont Pelerin Society, founded by the late Friedrich von Hayek. This tradition carried into the present period with the efforts of Milton Friedman and Phil Gramm. While the Friedman-von Hayek tradition had been kicking around for years, LaRouche maintains that it has come together in a genuine fascist social formation around the "lunatic fringe" of the Republican Party, typified by North, Gramm, and Gingrich.

LaRouche said he expects that over the next 12 months, American politics will explode, and will be completely reorganized. While the Gingrich crowd itself will not last long, and will not establish a dictatorship in the United States, it nevertheless can be expected to cause considerable damage.

Voting patterns

If the Gingrich-Gramm crowd thinks it has won some sort of mandate, they are quite foolish. After all, 60% of all registered voters voted with their feet by staying away from the polls. Should "conservative futurist" Newt Gingrich attempt to actually implement the austerity programs he is trumpeting, he will run into the ire of this 60% of the electorate, plus many of the "Perot Democrats" and "Perot Republicans" who voted for Clinton over Bush in 1992, but were too frustrated with the Democratic Congress to vote for Democrats in 1994.

The actual cause of the revolution at the polls worldwide, is the 20-year-plus protracted collapse of the world economy. More than \$36 trillion in speculative derivatives, plus tens of trillions in debt overhang, are squeezing every ounce of real physical production out of the world economy. In the United States, mean family income dropped \$300 last year, and has dropped every year for the last five years. Hourly wages for private workers, adjusted for inflation, have steadily declined from 1973 to the present, from \$8.50 in 1973 to \$7.40 in 1994.

More than 1 million were added to the poverty list last year. (The poverty line is just under \$15,000 per year for a family of four.) Some 3.9 million American children are living in severely distressed environments, with poverty rates above 27.5%, male unemployment above 46.5%, and high school dropout rates above 23.3%. Almost one-half of these children are in Michigan, New York, Texas, Ohio, and California. What will Gingrich say to those among these states that have Republican governors who depend on federal subsidies?

Newt Gingrich's New Age kookery

For all his talk about "traditional values," and of "renewing American civilization," Rep. Newt Gingrich (R-Ga.), soon to be the new Speaker of the House of Representatives, is a New Age kook. The "third wave," "information age" of Alvin Toffler, which Gingrich praises so highly, is an anti-capitalist piece of lunacy; for Gingrich—a self-described "conservative futurist"—it becomes the "right-wing" counterpart of the "left-wing" Aquarian Conspiracy: Both are intended to induce an anti-industrial paradigm shift away from the principles of American System economics and scientific progress on which this country was built. To give the reader some flavor of this, we provide some excerpts from a speech delivered by Gingrich to the Heritage Foundation in Washington, D.C. on Nov. 16.

We're going to replace the welfare state, we're going to reassert American civilization, we're going to develop the opportunity society, and we're going to move into the information age, and we're going to compete in the world market, and we're going to reassert civic responsibility, then anybody who's willing to work within that framework, we want to have a total dialogue with and we want to accept good ideas from everybody who agrees on the general direction. But we don't particularly want to have a single ounce of compromise with those who still believe that they can somehow improve and prop up and make work a bureaucratic welfare state and a counter-culture set of values which are literally killing the poor. . . .

But I want to walk you through a few big ideas, because this will give you a sense of where I believe we have to go in the next two years. . . . I think that [Peter F.] Drucker's *The Effective Executive* is the best single book on citizenship for the 21st century. Drucker is a remarkable student of management, and every citizen in the information age is, in fact, an executive, and I believe that the new addition of Alvin Toffler's *Creating a New Civilization, The Politics of the Third Wave*, which was produced by the Progress and Freedom Foundation, gives you a sense of the direction we have to move in in terms of the information age. I believe that to solve problems—this is a model I use very explicitly and I will use in the Speaker's office—that there is a four-layer hierarchy of visions, strategies, projects, and tactics. This is part of what confuses the Washington news media and the Washington establishment. We have a very clear general vision which I'm going to give you in just a minute. We

are trying to design a series of strategies within that vision. Projects are the building blocks of a strategy. And a project in my mind, because it's an entrepreneurial model, is a definable, delegatable [sic] achievement. It's getting something done.

And, finally, you have to have tactics that fit where you are going. . . .

I think that there are five parallel changes we have to make, and we badly need the Heritage Foundation's help intellectually in helping us understand how to make them because they have to occur simultaneously. All five have to be occurring in an interlocked, synergistic pattern for it to work. The first is the transition from a bureaucratic, mechanical, second-wave society to an information-age, third-wave society—I'm using Alvin Toffler's model where he said the first wave was agriculture, the second wave is industry, the third wave is information. . . .

The second major change we have to have is to have a thorough inventory of America to make sure that we are competitive in the world market. Let me make it very clear, we are in the world market; you couldn't get out of the world market if you wanted to. We are permanently in the world market. The question is: Are we going to win and be competitive and be successful in the world market? And I would argue that we should have an inventory which reviews litigation, regulation, taxation, education, welfare, health, the structure of government—looks at all of it. . . .

The third thing we have to do is literally replace the welfare state with an opportunity society. Now, I was a little surprised on Sunday and Monday because I was asked what should do in the long run, what should be our focus be on dealing with the very poor. I believe we should have a conscious strategy of dramatically increasing private charities. . . .

The fourth big change, after moving into the information age, learning how to compete aggressively in the world market, and replacing the welfare state with an opportunity society, is to reassert American exceptionalism. . . .

Which gets me to my final point, and this is the most radical, and I don't understand it very well and we need the most help with it, and I'm totally convinced it's true. The experiment we have had with professional politicians and professional government has failed. . . . In fact you have to be engaged, you have to be involved, that we have to reassert civic responsibility. And for that purpose I want you to look at this one little chart. . . . There are four boxes here, you'll notice, within this framework. They start on the upper left hand with culture and society and work their way down through civic responsibility to free markets and the pursuit of happiness to a limited effective government. . . .

It's going to take a lot of effort. It's going to take help from [the] Heritage [Foundation]. It's going to take help from all of our conservative allies, from the radio talk show hosts. . . .

LaRouche launches attack on fascist 'privatizers'

by H. Graham Lowry

In the wake of the recent U.S. elections, statesman Lyndon LaRouche has launched a major initiative against the so-called "Conservative Revolution's" top-down drive for fascism in America. In the Nov. 21 issue of the weekly newspaper *New Federalist*, LaRouche released a lengthy document designed to inform and rally the American people against the vicious scheme to destroy public education in the United States—the prerequisite to imposing a fascist state.

Entitled "Creativity in Science, School, and Song," LaRouche's 28,000-word treatise takes dead aim at the roots of school "privatization" and the mind-destroying program known as "outcome-based education." As LaRouche put it in a post-election radio interview for the weekly "EIR Talks" on Nov. 9, "the *idea* of privatization of schools, the *idea* of outcome-based education, comes from the same Conservative Revolution crowd which gave us Adolf Hitler back in the 1920s and 1930s. That is, Friedrich von Hayek's Mont Pelerin Society; that is, the admirers of Margaret Thatcher, with her fascist ideas; George Bush, with his fascist ideas; the ideas of Milton Friedman, and the ideas of Sen. Phil Gramm [R-Tex.]."

In his treatise on education, LaRouche also defines the higher principles at stake: "the idea of universal political equality of the individual personality before God" at the core of western Christian civilization—a concept which became a matter of state policy during the Renaissance of the 15th century. That notion of true republican freedom, dependent upon "the right of the citizen to become a qualified citizen, through a foundation in the needed form of Classical humanist education, is the only durable remedy for the ills of the existing political system." It is the "divine spark" of creativity in all human beings which the Conservative Revolution's fascists—like all their oligarchical predecessors—wish to snuff out, LaRouche emphasizes.

The background of the battle

LaRouche likens the current assault on U.S. public education to the 19th-century British "entrepreneurial practice," made infamous by novelist Robert Louis Stevenson, "of suffocating innocent victims to provide salable corpses to Edinburgh medical schools." This ghoulish business became known as "burking," after William Burke, one of the princi-

pals in the enterprise, executed in 1829.

The "burking" of public education in the United States, LaRouche notes, has already reached epidemic proportions. "The better part of \$1 trillion is spent annually for education budgets in the U.S. today. The size of this budget has attracted financial vultures still hungry from their 1980s looting of the nation's savings and loan institutions, and from their presently crisis-ridden derivatives swindle. A new, widespread educational policy of 'dumbing-down' the nation's pupils, often called 'outcome-based education' (OBE), has given these bandits the key to many a schoolhouse's bank deposit.

"Unless this epidemic of privatization is stopped before the end of this school year, many public school systems throughout the United States are doomed already to irreversibly long-term collapse. The virtually irreplaceable, maturing, and rapidly shrinking number of employed teachers which is competent to teach, is being levered out of the classroom, perhaps never to return. Already, over the past two decades of 'New Age' reforms, large chunks of the basic traditional curriculum have been uprooted."

LaRouche points to the oligarchical outlook behind the plot to destroy the U.S. educational system. "What is the psychology of people like those wicked wealthy families backing the late Friedrich von Hayek and Milton Friedman's Mont Pelerin Society in this attack upon education? Ask why the United States fought justified wars against the British monarchy; ask why Henry A. Kissinger's idol, the Holy Alliance's Prince Clement Metternich, hated our United States. There you will find why admirers of such anachronisms as the British monarchy and Metternich's Holy Alliance have hateful opposition to the right of every child to be educated up to a modern standard of literacy."

That hatred is particularly focused against the United States, LaRouche explains, because "the American Revolution changed the course of world history," ending the confinement of over 90% of humanity to a "condition of rural toil," and under the rule of "a relatively small number of powerful families, under an administration performed by the lackeys of those oligarchical families; those at the bottom of the heap lived as serfs, or even slaves.

"Our United States was created in struggle against the

forces of the oligarchical tradition in Europe, against not only the evil of the British monarchy, but also the tyranny of those so-called 'conservatives' typified by Prince Clement Metternich's Holy Alliance. Our pioneering in the effort to bring a Christian form of Classical humanist education to every child and maturing adolescent, beginning with the 17th-century Massachusetts Bay Colony, was perceived in Europe as the gage of defiance thrown into the bloody face of every oligarchical 'conservative' tyrant of this planet. . . . It was that struggle of our forefathers, for the freedom to practice scientific progress, and to provide Classical humanist education to all its citizens, which enraged the British monarchy and the Metternich 'Conservatives' more than anything else."

During the 20th century, LaRouche argues, "that evil, against which our young republic's battles for freedom were fought, took the form of the so-called 'Conservative Revolution.' . . . The present international center of that Conservative Revolution movement is the World Wide Fund for Nature of the British Royal Consort, Prince Philip Mountbatten" (see *EIR*'s Oct. 28 *Special Report*, "The Coming Fall of the House of Windsor"). Within the United States, LaRouche declares, "that enemy is the American 'neo-conservative' movement represented by such ostensibly diverse specimens as the Anti-Defamation League, Prof. Charles Murray, and proto-fascist demagogues such as Virginia U.S. Senate candidate Oliver North."

True reactionaries

The Conservative Revolution's advocates are true reactionaries "in the literal sense of that term," LaRouche emphasizes. "They yearn for a bygone age, a lost age when knights could slaughter insolent members of the lower classes with relative impunity. . . . They yearn for a state of affairs in which your ancestors' features were suffused with an amiable quality of brutish, servile simplicity. They hate, and fear real Americans with as much passion as the ministers of King George III loathed that American insolent love for freedom which prompted our forefathers to beat back our British oligarchical oppressors, two centuries and more ago. They are 'reactionaries,' reacting against the heritage of our American Revolution."

In its battle "to win and keep a republic," the young United States drew upon the assistance of those European circles "which represented the highest level of culture existing throughout the world," LaRouche writes. "Just as the ante-bellum slaveholders made it a capital offense to teach an African-American slave to read, so those Americans devoted to a free republic rightly knew that a universal literacy up to the standard of European Classical humanism, was the precondition for preservation of individual freedom. . . . Conversely, the oligarchical 'conservatives' understood, then and now, that to restore and preserve an oligarchical system anywhere, the overwhelming majority of the popula-

tion must be reduced to a state of brutish ignorance and superstitions."

Hence, the drive to impose OBE. Fascism "is a natural outgrowth of a social policy consistent with OBE," LaRouche declares.

Time is running out

Although modern European civilization, sparked by the Golden Renaissance, improved the human condition more dramatically than "any earlier culture in any part of the world," the failure to free itself fully from the grip of ruinous, oligarchical traditions has permitted the past five centuries to become dominated by another long "dynastic cycle." Like those common to the fallen empires of the past, LaRouche argues, this modern dynastic cycle is now lurching toward early collapse—but on a global scale which could lead to a prolonged "new dark age."

To prevent "the worst calamity," we must defeat the forces "which are destroying the institutions most precious to our civilization," and "understand what it is we must defend, what we must save and revive." As for the required educational policy, LaRouche presents a thorough, scientific demonstration of how to develop the individual's powers of creative reason. (As the reader may have guessed, that involves a more rigorous elaboration than any descriptive summary could provide. The task is yours, to get your hands on the full document.)

"At whatever price," LaRouche emphasizes, "a Classical humanist secondary education must be made mandatory for all secondary-age pupils." That must involve "not only the principle of creative discovery in physical science, but also the same principle found in all great Classical forms of poetry, tragedy, music, and painting. . . . If we lack the will to pay that price, this republic, which we are near to losing, will not survive for long."

Yet the road to success is open. Though the forces of the Conservative Revolution had a "brief taste of victory" in the November elections, it will probably be "short-lived," LaRouche writes. "Come 1996-97, the majority of the U.S. population will be determined to have an economic recovery from the collapse brought on by a large dose of the Mont Pelerin Society's Thatcherism. The majority will demand all of the political conditions upon which economic recovery, and future national economic security depend. There will be no continued toleration for the thieves' banquet of 'privatization' of public education, social security, prisons, and what-not. . . ."

"Between now and then . . . we must work to halt the privateers' destruction of our public education system. . . . We must come to understand the quality of education needed to build and perpetuate a free society, freed of oligarchical parasites who have brought us now to the edge of chaos. To understand education, we must be willing to educate ourselves."

Privatizer Whittle going down the tubes

by Suzanne Rose

Media mogul Chris Whittle is one step ahead of the bankruptcy judge, as well as the law enforcement agencies of many states, even as he negotiates to run public schools and so-called "charter" schools around the country. Whittle's crowning achievement was to be the building of 1,000 private schools, to be based on the latest "educational" technology and which would be run for profit. But the defeat of the controversial voucher program in California, which would have allowed the state to fund such schools, and the slowness of other states to pass laws permitting the funding of charter schools, which are under semi-government control, have put his projects at risk. Whittle has now lowered his goal to taking over and running 200 existing public and charter schools.

Whittle's \$200 million media empire began to go sour in 1992. Whittle Communications, which owned Channel One educational television for schools (until a forced sale earlier this year) and various specialty media, has depended upon bringing ever more profitable ventures on line. Whittle's Edison Project, a subsidiary of Whittle Communications, is a "for profit" education company which has already contracted to run schools in Massachusetts; Wichita, Kansas; and Detroit, Michigan, and is negotiating to run schools in many other cities, including Chicago. The Edison design relies on computers and television technologies to replace teachers, as well as a heavy dose of "New Age" teaching methods. Like his Minneapolis-based counterpart John Golle, the chief executive officer (CEO) of Education Alternatives, Inc., Whittle has been plagued by a string of scandals and allegations of fraud and wrongdoing. A recent piece in *New Yorker* magazine profiled Whittle's penchant for high living off his companies.

Most of the Edison Project has been liquidated in the past year amidst charges of financial malfeasance directed against Whittle. It remains to be seen, however, whether the financial setbacks and allegations of wrongdoing will affect Whittle's attempts to contract to run more schools; they have not affected the ability of the scandal-ridden Golle to acquire a contract to run the public schools in Hartford, Connecticut in October.

Golle won the Hartford contract because of his connections to the Hartford Insurance Group, through the Midwest brokerage firm Piper Jaffray, whose investment portfolio

Golle helps to manage. The Hartford Insurance Groups' Edward Bennett is on the board of Piper Jaffray. Both Golle and Whittle represent the speculative interests which are desperate to raid city school budgets to prop up the collapsing global derivatives financial bubble. Piper Jaffray lost \$700 million in failed derivatives investments over the past year. Both Golle and Whittle have been given political support from "free enterprise" political fixers in the Republican Party, who are organizing an enraged population to demand the cutting of education costs, and Democratic Party mayors who are looking for an easy way out of their budget crises.

Over the last two years, Whittle has had to prune back an empire that once included Channel One, which provided television sets and satellite technologies to schools in return for the right to program two hours of school time which included commercials, and a Medical News Network. Whittle's major investors include the organized crime-linked Time Warner, the British company Associated Newspaper Holdings, and the Dutch electronics firm Phillips. He has liquidated all but the Edison Project.

The Bush connection

Whittle's success in attracting investors was phenomenal until 1992, when the Bush administration was defeated along with the California voucher initiative. Tennessee-based Whittle's political mentor was former Gov. Lamar Alexander, George Bush's education secretary. Alexander's undersecretary of education was Chester Finn, a prime backer of the California initiative.

Up until that point, his plans to build and operate private schools were based on seeking funding through vouchers, school choice plans, or legislation permitting state funding for charter schools. Whittle opted for a more modest plan of taking over existing schools when the voucher system failed. His empire began to unravel as the political setbacks discouraged new investors, and his revenue projections and accounting methods were exposed to have been based on pure hype. By August 1994, Whittle was \$100 million in the red.

Over the past year, allegations have been made that the company has not been making personal property tax payments on the equipment it owns in the schools which have contracted for Channel One. There are also allegations that Whittle made vastly overblown revenue projections, particularly of advertising revenues from Channel One, and that he forced his employees to cook the figures in order to attract investors. His chief revenue officer resigned over Whittle's use of questionable accounting methods.

A similar pattern has plagued Golle. The Minneapolis *Star Tribune*, the American Federation of Teachers, and others have exposed Golle for producing phony test results, and lying about future contracts. He is also accused of breaking the law with respect to the education of disabled children in order to improve his bottom line. The company also lost \$20 million in derivatives speculation.

Criminal justice in the Conservative Revolution

by Marianna Wertz

The so-called "Conservative Revolution" which swept into the U.S. Congress on Nov. 8 with its "Contract with America," published its policy for criminal justice reform just before the election. A voluminous study titled "Report Card on Crime and Punishment" was issued on Nov. 2 at a press conference in Washington, D.C. by the American Legislative Exchange Council (ALEC).

ALEC promotes itself as the nation's largest bipartisan, voluntary membership association of state legislators, with 2,600 members throughout all 50 states, Puerto Rico, and Guam. It is officially "dedicated to advancing policies which expand free markets, promote economic growth, limit government, and preserve individual liberties."

At its press conference, ALEC spokesmen, including former U.S. Attorney General William Barr, argued that "increasing prison capacity is the single most effective strategy for controlling crime," as Barr wrote in the study's foreword.

One of the highest items on the agenda of the "Conservative Revolution" is to ram through a criminal justice program across the nation similar to what they just achieved in Virginia (see *EIR*'s Oct. 21, 1994 *Feature*), where Barr headed up the Governor's Commission to Abolish Parole and Reform Sentencing. Called Proposal X in Virginia, the policy which was rammed through the legislature in late September combines an end to parole with lengthier sentences for violent and repeat offenders, "three strikes and you're out" legislation, and an aggressive prison-building program based on privatization of construction and services.

Incarceration has no effect on crime

However, the drafters of this policy have repeatedly run up against the well-documented fact that the threat of incarceration has no tangible effect on crime; that increasing prison capacity is *not* a deterrent to crime, as study after study has demonstrated. So, rather than continue to deny reality, they decided to create their own study, to accomplish through hoked-up statistics what they couldn't achieve through rational argument.

The study reports FBI data from 1960 to 1992 on crime

rates, incarceration rates, and similar data. From these data the study draws, as the core of its argument, the stunningly fallacious conclusion that where states have toughened their incarceration policies, crime rates have dropped. Therefore, *ipso facto*, the study says, we need to toughen incarceration policies.

Dr. Christopher Baird, spokesman for the National Council on Crime and Delinquency, responded to the study in a press statement: "This is one more version of the same overly simplistic type of analysis that has been periodically rehashed since the Reagan administration. It is not research; no serious study of crime would analyze its relationship to punishment without considering other measures of social change."

The political purpose of the "Report Card" is akin to the rest of the agenda of the "Conservative Revolution": to shift the focus of blame away from social policy, in which the government is supposed to play a role, onto the segment of the population that is least able to defend itself, be it welfare mothers or the drug addicts who make up the bulk of the prison population today. Thus, the "Report Card" summary, written by Samuel A. Brunelli, president of the ALEC Foundation and executive director of ALEC, states:

"This Report Card shows what most people feel in their hearts: There is no place in society for violent criminals, and the most effective strategy we can employ is to arrest, convict, and incarcerate criminals for long periods of time."

Economic development needed

Brunelli erroneously counterposes welfare spending and gun-control laws to his lock-them-up proposal, as if those were the only alternatives to stem the growth of crime. Nowhere in the study, or in any of the "Conservative Revolution" literature, is there consideration of the kind of economic development policies proposed by economist Lyndon LaRouche and *EIR*, which can in fact reverse the descent into the Dark Age of crime and drugs that has spawned the rising crime rates during recent years. To do so would be to abandon their prejudices, and face the hard task of education and rebuilding which the nation actually requires.

In fact, the only rise in violent crime in the past several decades is among black male youth, who are targeted by drug pushers in the nation's ghettos and beset by triple the unemployment rate of their white counterparts. From 1973 to 1992, aggravated assault and robbery dropped 11%; burglary, larceny, and auto theft dropped 30%; rape dropped 28%; and homicide (between 1980 and 1992) dropped 9%. But among young black males, crime skyrocketed during this period, with a murder rate of 290 per 100,000 population (compared to 20 for white males). This is the population that is targeted for lifelong incarceration, and for the slave-labor programs that private prisons are being built to run. This is the population for which ALEC says we have "no room" in our society.

Oregon embraces assisted suicide

by Linda Everett

On Nov. 8, the people of the state of Oregon voted 51% to 49% in favor of the Oregon Death with Dignity Act. That vote, for the first time in western history, makes it legal for physicians to write prescriptions for lethal drugs that will be used to kill sick patients. The act, also known as Ballot Measure 16, will allow sick patients to request drugs to commit suicide. It thereby violates the oldest ethic safeguarding the inviolability of human life, the Hippocratic Oath, in which physicians swear "to give no deadly medicine if asked."

Within days of its passage, it became chillingly clear that the new law turns the very foundation of western medical science on its head. Doctors, nursing homes, hospices, hospitals, and pharmacists in the state are trying to "adapt" to the law, and the result is schizophrenia. Medications to save human life are now to be tested to ensure death. Physicians trained to bring back patients from the grasp of death, will now be trained in the very mechanism of their termination.

Such a vote could not have occurred in the United States were it not for three decades of virtual enslavement to "post-industrial," anti-science brainwashing and the rock-drug-sex counterculture spawned by the British oligarchy. The concept of man made in the image of God is so threatening to them, that they've sought to eradicate any manifestation of that concept, such as scientific progress, especially in medical science, that might elevate man above a bestialized peasant state. The resulting "cultural paradigm shift" severely weakened those philosophical axioms which led the United States alone in 1946, among the joint American, British, French, and Russian Tribunal, to insist on prosecuting the Nazi doctors for their euthanasia crimes against humanity.

Today, we have a generation of doctors, ethicists, and nurses who are largely ignorant of the Nuremberg Tribunal and are schooled in a ruthless cost-based medical ethics. The thin veneer of "compassionate" death with dignity simply hides the fact that today's medical "ethics" of denying "futile" medical treatment to save scarce resources are the same as Nazi euthanasia crimes. Already, the self-elected ethics blabbermouth Arthur Caplan, president of the American Association of Bioethics and director of the Center for Bioethics at the University of Pennsylvania, has given Oregon's suicide law the "thumbs up." Health care economist

Uwe Reinhard hails both the Oregon health care rationing plan and its suicide law as "light years ahead of the rest of the country."

One enormous loophole

Oregon's Death with Dignity Act is nothing but one enormous loophole which will allow patients to be put to death, with or without their consent. Once the principle of the sanctity of all human life is removed, the practice of medicine is defined by the philosophical perspective of whoever is involved—not by any law. Oregon Right to Die director Peter Goodwin, who led the pro-suicide campaign and teaches his brand of family medicine at Oregon's Health Sciences Center in Portland, evidently practiced "aid-in dying" so often in South Africa, where he received his medical degree, that he was asked if he liked being an executioner. Derek Humphry, a British citizen who founded the Hemlock Society in the United States, crusades to make euthanasia and physician-assisted suicide a legal "medical option" for anyone, for any reason, at any time, anywhere.

Humphry presented his ideas to doctors at Kaiser Permanente health maintenance organization (HMO) in January. John Pridonoff, Hemlock's executive director, wants active euthanasia and physician-assisted suicide made legal so that physically incapacitated people can have their lives ended—it's likely that the new law will be challenged for discriminating against the disabled. Euthanasia is not "legal" in the Netherlands, but as long as doctors follow a few ground rules, they get away with killing just about anyone for any reason. Recently, for example, a call was made for Dutch citizens to be trained as "suicide assistants."

There's no way to "tighten up" this law's loopholes. Once in effect on Dec. 8, no patient is safe when a doctor says his or her quality of life is too poor for treatment. Clinically depressed nursing home patients will be talked into "suicide" just as quickly as they are now coerced out of lifesaving treatment through so-called "advanced directives." Hospital staff in *all* facilities, religious or otherwise, inflict murder on hospital patients and our institutionalized sick or mentally disabled citizens on a daily basis by starvation and dehydration or with morphine overdoses. Now, this vulnerable population is being "offered" the option of suicide.

Oregon hospitals, hospices, and nursing homes are developing guidelines based on whether their staffs are willing to run their facility as a killing center. But, questions abound. What happens to patients who arrive at the emergency room in a coma from a failed suicide attempt? Where does the liability lie when the suicide kit is used by a depressed family member, or to murder someone, or is swallowed by a child?

Now it is hinted that Oregon may need special killing facilities, doctors trained in a new specialty, and lists may be compiled of doctors willing to assist patients' suicide needs. Are these the issues a sovereign nation must take up in order to deliver advanced medical science to its citizens?

National News

Clinton anti-drug agenda: no room for legalization

White House National Drug Control Policy Office Director Lee Brown said that President Clinton has put controlling illegal drugs at the "top of his domestic policy agenda," in a commentary in the *Washington Times* on Nov. 13. "Americans can rest assured that legalization will not be tolerated by this administration. The small segment of our population that advocates legalization and maintains that drug users are the only victims need only go as far as their local hospital . . . neonatal department," he said.

The 1994 National Drug Control Strategy is the most comprehensive and balanced anti-drug strategy ever, Brown wrote, adding that "it is a major shift in the way the nation responds to the drug problems."

'Get LaRouche' judge up for reappointment

When Virginia Circuit Court Judge Clifford R. Weckstein comes up for reappointment in early January, the Virginia General Assembly will have a chance to remove one of the most corrupt judges sitting in the Old Dominion, according to an Oct. 28 press release issued by EIRNS. At the end of December, the Senate and Assembly Courts of Justice Committees will consider judicial appointments for 1995, which will then be voted on by the full legislature when it convenes in January.

The release stated: "As the court record shows, Weckstein, who presided over 15 trials of associates of Lyndon LaRouche in Virginia, is a shameless toady of the Anti-Defamation League [ADL] of B'nai B'rith who has displayed total disregard for the principles of justice.

"Evidence on file with the [U.S.] Fourth Circuit Court of Appeals shows that LaRouche and his associates are innocent and that the government knew at all times during the prosecution that they were innocent. . . .

"The exposure of Weckstein's corruption came only after he had demonstrated his actual bias and corruption" in the 1989 trial of LaRouche associate Michael Billington, where "Weckstein condoned efforts by Billington's attorney, Brian Gettings, to have Billington declared mentally incompetent for insisting on a jury trial! Weckstein would not allow Billington to fire Gettings for his treachery, but forced him to stand trial with a lawyer who had betrayed him. Weckstein also showed bias by upholding an outrageous 77-year jury sentence against Billington.

"At this point, the Virginia courts have ignored the standards of judicial conduct and have countenanced this outrageous behavior on the part of a sitting judge. Now, the General Assembly has the chance to partially right this wrong by removing Weckstein from the bench."

Constitution would have barred North from Senate

An article in the Nov. 21 issue of the weekly newspaper *New Federalist* showed how Oliver North could have been disqualified from being seated in the Senate, had he won the Virginia election. Citizens' groups, including the Defeat that SOB Committee, headed by *New Federalist* editor-in-chief Nancy Spannaus, were preparing such a challenge. The procedure under which North would have been challenged, involves a provision of the Fourteenth Amendment, ratified in 1868, which disqualifies an individual as "a Senator or Representative in Congress . . . who, having previously taken an oath . . . as an officer of the United States . . . to support the Constitution of the United States, shall have engaged in rebellion or insurrection against the same, or given aid and comfort to the enemies thereof."

This provision applies not only to the Civil War. Victor Berger, the Milwaukee Socialist, was excluded from the Senate early this century after being convicted of espionage; when his conviction was overturned, he was allowed to take his seat.

In North's case, the grounds for charging him with having "given aid and comfort

to the enemies" of the United States would include: collaborating with terrorists and enemies of the United States in his arms-for-hostages dealings (the strongest case is that of Monzur Al-Kassar, an identified terrorist, drug trafficker, and Soviet agent); purchasing weapons from communist-bloc countries for the Contras and other purposes; working with and protecting drug smugglers in Central America, at a time when the U.S. President had declared a War on Drugs.

U.S. bishops take stand against welfare cutoffs

The National Conference of Catholic Bishops on Nov. 14 criticized Newt Gingrich's (R-Ga.) proposal to cut off welfare payments after 60 days and turn the poor over to charities and orphanages, according to the *Washington Post*. The bishops were holding their annual meeting in Washington, D.C.

"The state has an obligation to take care of those who cannot take care of themselves," the Rev. John H. Ricard, auxiliary bishop of Baltimore, told reporters. He also denounced what he called a "bumper-sticker approach" to criminal justice policy, saying that slogans such as "three strikes you're out, lock them up for good—those are not going to work."

The *Post* noted that the church "is signaling it will continue its advocacy for the poor," in an era when the American public says it is less tolerant than ever of supporting government welfare programs.

Commission report: Va. jails in wretched state

The wretched state of jails in Virginia was the subject of a report by the Joint Legislative Audit and Review Commission (JLARC) in late October. JLARC, the General Assembly's investigative arm, told the General Assembly to clean up the Commonwealth's jails now, to stop a combined AIDS and tuberculosis epidemic that is spreading in conditions of overcrowding that were

called "offensive to elementary concepts of human decency" in a U.S. Justice Department report in August.

However, local officials are pointing to the difficulty in implementing JLARC's proposals, warning that Gov. George Allen's "Proposal X," which abolished parole and imposed longer sentences for violent and repeat offenders, may result in reduced financial aid to counties to deal with the growing number of inmates which will result from this legislation.

Sheriffs statewide have complained of record overcrowding, with inmates sleeping on floors in the halls of filthy jail cellblocks. Sheriff Michelle Mitchell in Richmond has threatened to sue to force the state to take its inmates out of her jail, which in early November had 1,496 people in a bed capacity of 908.

GOP think-tank plans 'Republican Future'

The Project for the Republican Future, founded by William Kristol, held a forum on Nov. 10 at the National Press Club in Washington, D.C., to report on what they expect from the new Congress that convenes next January. The forum featured neo-conservative spokesman William Bennett, George Bush's former education secretary. The theme of the forum was how to force through "limited government" and how the new Republican majority in Congress would achieve it, mostly through broad-based tax cuts, spending cuts, and a balanced budget amendment to the U.S. Constitution (see p. 54 for an evaluation of this approach).

Bennett best summarized this idea, interpreting the mid-term elections as the voters saying, "Give us back our money, and with it we will take our sense of responsibility." He said that Congress should respond: "We are going to take less from you, but we are also going to do less for you." He called this the "end of the 'nanny state.'"

David Frum, author of the book *Dead Right*, attacked the last 30 years of civil rights legislation as "too much regulation." What the GOP has to pay most attention to,

in the two years leading up to the general elections, he said, is "the overwhelming Republican vote among the group 'white males,'" which he said gave 60-62% of their vote to Republicans.

"What we call 'civil rights,' was experienced on the receiving end as perhaps the most intrusive form of regulation most Americans encountered in their daily life. For millions of people of a socio-economic status, that is a form of regulation that has cost them, very directly and painfully, personal opportunities, and it has not just shaved fractions of a percent the growth in GNP as have the growth in environmental regulations, it has personally deprived them, they feel, of individual jobs and individual opportunities. That is part of what the Republican Party must do something about."

British empire firms preying on U.S. dailies

The Hollinger Inc. publishing empire of Canadian Conrad Black told Reuters on Nov. 8 that it is on the prowl for more newspaper acquisitions in the United States. Hollinger's U.S. flagship is the *Chicago Sun-Times*, which it acquired along with a group of 61 suburban papers last March. Hollinger and its units have about \$148 million in cash on hand to fund acquisitions, Hollinger President David Radler estimated.

Hollinger raised \$112.5 million last May with the sale of a block of its shares in the London *Daily Telegraph*, whose Sunday edition U.S. reporter Ambrose Evans-Pritchard has led the international media smear campaign against President and First Lady Clinton. "The sale was made to build up a war chest . . . for other acquisitions. It put millions of dollars into Hollinger accounts," said Radler.

About 900 U.S. daily newspapers remain in the hands of independent owners or small chains, making them potential takeover targets for Hollinger's American Publishing Co. American Publishing has become the second biggest newspaper publisher in the United States after Thomson Corp., which is British owned.

Briefly

● **GALEN KELLY**, the kidnaper-for-hire in the "Get LaRouche" task force, has been scheduled for a Jan. 17, 1995 re-trial in the kidnapping of Debra Dobkowski. Kelly's conviction in the May 1992 kidnapping was overturned. Kelly has told federal Judge Timothy Ellis that he is indigent and has fired his attorneys Brian Gettings and Frank Dunham.

● **GAMBLING** initiatives failed to pass voter approval in many states during the mid-term elections. An initiative that would have opened 47 casinos in Florida was defeated. Casino measures also failed in Rhode Island, Massachusetts, and Colorado, and on the Navajo reservation. Only Missouri is reported to have passed a measure allowing slot machines on riverboats.

● **GEORGETOWN** University students greeted President Clinton by the hundreds outside after he delivered the first "Carroll Quigley Lecture" on Nov. 9 at his alma mater. Many of the signboards expressed opposition to the California anti-immigrant Proposition 187.

● **VENGEFUL** "get tough" crime laws were voted up in Georgia, California, and Ohio on Nov. 8. Georgia enacted mandatory life sentences for second-time violent felons; California enacted a similar, "three strikes" law of 25 years to life. Ohio removed one step of the appeals process in capital cases, sending death sentence appeals directly to the state Supreme Court. In New York, Governor-elect George Pataki has promised to impose the death penalty to which lame-duck Gov. Mario Cuomo was vehemently opposed.

● **A DEMOCRATIC** legislator in Pennsylvania announced after his reelection that he was switching to the Republican Party, thereby handing control of the legislature over to the Republicans, for both the lame-duck session and the new legislature next year.

Editorial

The legacy of Carroll Quigley

Two days after the Republican election-day sweep of Congress, President Clinton gave the inaugural lecture of a new lecture series at Georgetown University in honor of Carroll Quigley, under whose guidance Clinton studied while attending the university.

Quigley is best known for his exposure of how Cecil Rhodes and Alfred Milner trained a British cadre whose purpose it was to bring the United States back under control of the British crown; he was also a passionate polemicist on behalf of what he termed "future preference." By this he meant what might otherwise be called the American System, as opposed to British oligarchism.

President Clinton has repeatedly recognized his debt to Quigley. We can suppose that his experience studying at Oxford, as—ironically enough—a Rhodes scholar, must have been an on-the-ground laboratory experience of how the heirs of the Round Table grouping are to this day being trained in the tradition of Rhodes and Milner.

In 1949, in his book *The Anglo-American Establishment*, Quigley had this to say about how British politics were run:

"No country that values its safety should allow what the Milner group accomplished—that is, that a small number of men would be able to wield such power in administration and politics, should be given almost complete control over the publication of documents relating to their actions, should be able to exercise such influence over the avenues of information that create public opinion, and should be able to monopolize so completely the writing and teaching of the history of their own period."

Quigley was trained as a historian at Harvard University, which he attended in the 1930s. He first came to Washington, D.C. and Georgetown University in 1941. If one reads the memoir *As He Saw It* by Elliott Roosevelt, one sees that Franklin Roosevelt shared Quigley's disgust with British imperialism. Elliott Roosevelt has stated that had his father lived longer, he would have acted to dismember the British colonial empire. Not so surprisingly then, we learn that Quigley

was a welcome guest at the White House.

During the war, Quigley trained the men and women who would have leading positions in government and the military in the postwar period. He lectured at the Industrial College of the Armed Forces and the State Department's Foreign Service Institute, and it was in this period, from these lectures that his most famous book, *Tragedy and Hope*, took shape. The men and women whom he trained then, would shape the postwar occupation in Italy, Germany, and Japan . . . and William Clinton as well.

Clinton has drawn attention especially to Quigley's affirmation of the crucial difference between Britain and the United States—the constitutional commitment of the President of the United States to foster progress which Quigley called future preference.

Quigley has been dead for almost 20 years, but he helped to shape the thinking of a generation of Americans, like Clinton, who in 1964, along with 200 other freshmen in the School of Foreign Service, enrolled in Quigley's course on western civilization. "He left a lasting impression, I think, on every one of us who ever entered his class," Clinton told the Georgetown audience. "And as you have already heard Father O'Donovan say, he drummed into us that western civilization was the greatest of all and America was the best expression of western civilization because of its commitment to future preference, the belief that the future could be better than the present, and that we have an obligation to make it so."

There can be no compromise between the culturally optimistic America envisioned by Carroll Quigley, the America which President Clinton has committed himself to defend, and the barbaric alternative program of those such as Newt Gingrich, who subscribe to the fascist program of the Conservative Revolution. Even Milner and Rhodes were not as outspokenly brutal as Gingrich, who essentially calls for reenacting Jeremy Bentham's Poor Laws. From there, it is but a short step to reintroducing slave labor for prisoners, and for young children unfortunate enough to be born of indigent parents.

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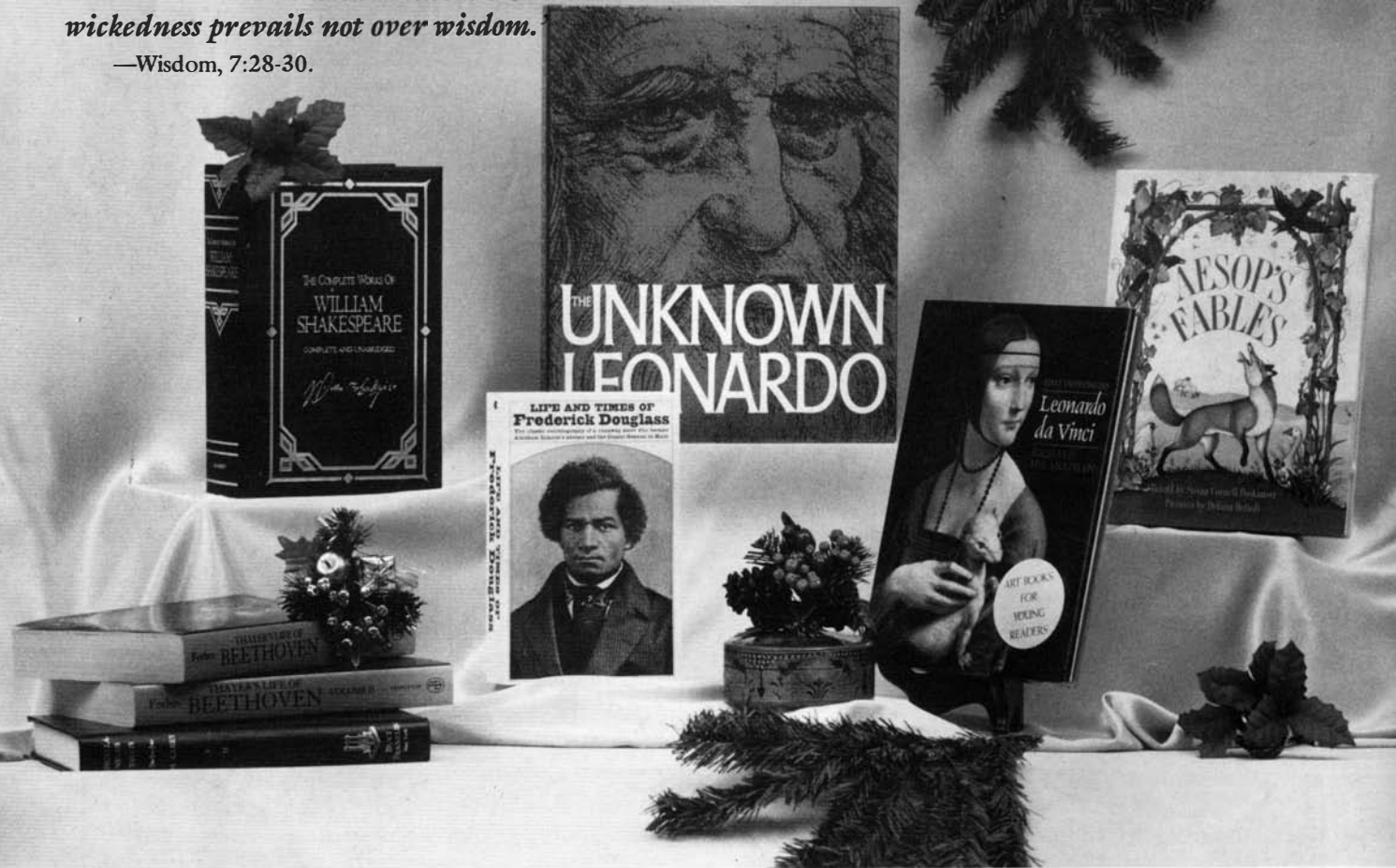
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