

EIR

Executive Intelligence Review

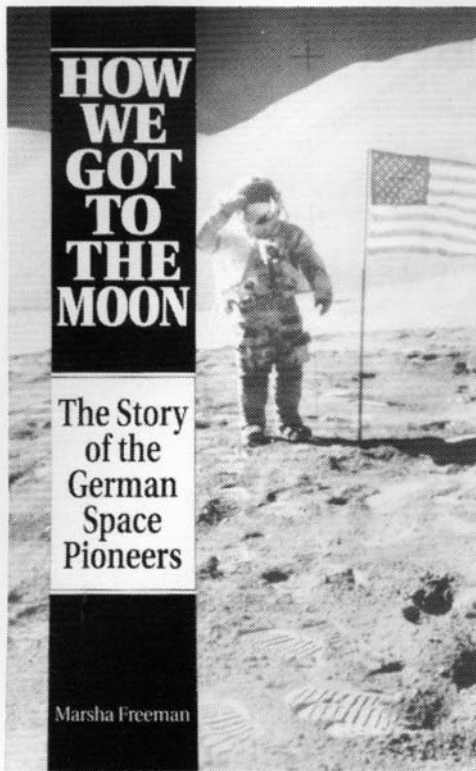
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Netanyahu cabinet set to wreck Mideast peace

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From the Associate Editor

The fact is, that NATO was a rotten organization from its very inception. As Lyndon LaRouche shows in our *Feature*, NATO was created as a by-product of the successful effort by the circle of Winston Churchill and Averell Harriman, to use their stooge Harry Truman to reverse the anti-colonial policies of President Franklin D. Roosevelt.

NATO ostensibly had a valid purpose during those postwar years: trans-Atlantic defense, and the economic recovery of continental Europe as a logistical bastion for that defense. But, the axiomatic strategic assumptions underlying the Alliance were fatally flawed. They were shaped by the British oligarchy's determination to use the threat of nuclear war, in order to replace sovereign nation-states with a Malthusian "one world" government.

LaRouche and *EIR* zeroed in on some of the essential problems more than 20 years ago. In 1975, we realized that the NATO exercise called Hilex '75 was actually a rehearsal for a NATO first strike against the Warsaw Pact. That did not mean that NATO was actually preparing to launch such a war; but it did show that a new, and very dangerous, nuclear doctrine had come into being. This doctrine became officially known as MC14/4—the "limited nuclear war" doctrine of James "Rodney the Robot" Schlesinger. LaRouche's work to win the United States away from this insanity, led directly to his formulation of what became the Strategic Defense Initiative.

Yet, until now, LaRouche has not called for NATO to be disbanded.

In his new paper, he shows why this must be done now. Most important, LaRouche writes, is the fact that objections to disbanding NATO "all melt away when subjected to the hot light of the onrushing, global monetary-financial and related strategic crises." The collapse of the Soviet Union, the submission of Russia to the IMF's shock therapy, the unravelling of the world financial system, the British assault on the U.S. Presidency—all these factors have shifted the world situation dramatically. A new institutional arrangement can come into being, without jeopardizing the security of nations. But that requires a new way of thinking, a break with the false axioms of 50 years of post-war politics.

Susan Welsh

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Correction: Our last issue contained an error in the transcript of the press conference of Australian Deputy Prime Minister Tim Fischer (p. 43). Referring to government monitoring of Australia's border entry points to check on people coming from abroad, he said, "I don't specifically make that comment with respect to LaRouche."

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Feature



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12 Now, rid NATO of the Entente Cordiale!

A strategic policy paper by Lyndon H. LaRouche, Jr. "The recent Berlin meeting, on the subject of NATO," he writes, "demonstrated, that that organization had become an aggressively pathological tumor, now working, corrosively, to undermine, and, perhaps, to destroy the sovereignty of those nations which had been its hosts.

"In net effect: NATO has ceased to serve any vital strategic interest of the United States, and, its degenerated nature has made it, in fact, an instrument employed by forces working against our vital interests."

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The Sumitomo crisis: more than meets the eye

by William Engdahl

In Tokyo on June 14, the president of one of the world's largest industrial, trading, and banking groups, Sumitomo Corp., told the press that the company had uncovered staggering losses of \$1.8 billion, which he claimed had been accumulated since 1986, by a person he described as a lone, "rogue" Sumitomo head of commodity trading, Yasuo Hamanaka. The company then rushed to reassure all, that Sumitomo, which last year had a gross sales turnover of \$152 billion, would stand behind the losses, which it said had all been made in secret trading on the London Metal Exchange in copper and copper derivatives.

At this juncture, there are so many parts to the story which do not add up, that the most plausible conclusion is that the "Sumitomo affair" is being used by international banking and financial authorities to cover up a crisis far more devastating, and systemically threatening.

A very bad trader?

"Consider the facts of this case," a strategist for one of Europe's largest commodity trading banks told *EIR*. "Hamanaka has been active trading commodities since 1970. He is no Nick Leeson, no young yuppie who is wet behind the ears. He was widely respected as one of the shrewdest traders in the business. Second, copper is a tiny, closed club of traders. It simply isn't possible to run up losses of \$1.8 billion, and go undetected, and that, over more than 10 years. Third, Japanese culture does not produce 'rogue' traders. That's culturally foreign to their hierarchical ways. There is a far, far larger scandal here which has yet to emerge."

What that might be, was suggested by Lyndon LaRouche in comments on the breaking situation on June 18. "The sum of indications is that this is not a Sumitomo derivatives scandal as such, but a more widespread disorder whose extensive

nature is being concealed by a tactic of 'over-revealing' the Sumitomo aspect," LaRouche said. "This is a reflection of a systemic cash crunch throughout the system."

Several developments point to the conclusion that the Sumitomo affair is the mere tip of a financial iceberg of global, system-threatening dimension.

Over the weekend of June 15-16, a coordinated emergency effort was put in place involving the Bank of England, the Bank of Japan, the U.S. Federal Reserve, and market regulatory authorities in at least those three major financial nations. Ostensibly, the purpose was to prevent a copper market collapse when trading on the London Metal Exchange (LME), the world's largest metals derivatives and cash exchange, opened on Monday, June 17. Commenting on the emergency "hot line" talks of the leading central bankers, the June 17 *London Financial Times*, in its page-one lead article, stated that the purpose of the emergency coordination over the weekend was to "prevent a potentially disastrous drop in the metal's price that would have financial repercussions around the world."

But a loss of \$1.8 billion by a trading company with net assets of well over \$50 billion, and annual sales over \$152 billion, hardly seems systemic on the face of it.

"At this point the Bank of England has stepped in to exercise day-by-day control of the LME and trading," a senior City of London financial source stressed, in comments to *EIR*. "The copper price collapse has halted for the moment, but only because the Bank has rung up the world's major buyers of copper and pleaded with them to help restore 'order' in the market by not selling." Indeed, June 17 was the final trading day for the current copper derivatives options contracts, and the price that day did fall another \$100 per ton before recovering by day's end to \$1,990 a ton, down from a high of near \$3,000 six months ago.

Investigations launched

On June 18, it was revealed that the U.S. Attorney's Office in New York had convened a grand jury to examine the Sumitomo losses, as well as to look into the possible role of a number of banks and companies. Among them are Bankers Trust and J.P. Morgan and Co., as well as the large U.S. brokerage firm, Merrill Lynch. All three firms have been involved in major derivatives-related scandals and losses in recent months. Merrill Lynch was a major party in the Orange County, California collapse, and Bankers Trust recently was fined for misrepresenting the risk in its derivatives products. J.P. Morgan was implicated in a major financial scandal in 1994 involving Spain's collapsed Banesto Bank.

These three banks have lost an estimated \$230 million in the copper options market so far in June because of the huge price volatility triggered around Sumitomo's dumping of copper stocks, according to market reports.

In addition, at least two commodity trading firms are being subpoenaed in the Sumitomo case—Winchester Commodities of the U.K., which had been a major client of Sumitomo, and Global Minerals and Metals Co. of New York. And, apart from the U.S. Attorney's investigation, the U.S. Commodity Futures Trading Commission has attached "highest priority" to an investigation of the entire Sumitomo affair, and the British Serious Fraud Office has initiated a full investigation.

The BIS re-assurances

Ironically, or perhaps not so, one week before the eruption of the Sumitomo scandal, the Basel-based Bank for International Settlements (BIS), the leading international body of major central bankers, issued its annual report, in which it documented a staggering growth of over-the-counter trade in financial derivatives globally, but insisted that the risks of such obligations was not alarming. "It is now widely recognized that derivatives are making an important contribution to overall economic efficiency," the BIS stated in its report, a dramatic reversal from the very critical stand which that same institution took toward derivatives risk to the financial system only 12 months ago.

Then, in the next breath, the BIS revealingly stated, "The fact that the system continued to function well in the face of a number of shocks (Barings, Mexico crisis, Daiwa Bank, and Japanese financial crises) should provide no grounds for complacency. Banking systems are, or will be, under pressure almost everywhere, in spite of recent improvements in profitability. Financial markets continue to be subject to large unpredictable price swings."

The volumes of outstanding derivatives contracts in the world financial system have exploded. The BIS estimates today a total of \$47 trillion in nominal derivatives contracts, some \$40 trillion of which is off-balance-sheet, or so-called over-the-counter trades between two private parties, mostly between banks. Such trades are largely outside of any regulatory control at present. In the first quarter of this year, the

derivatives business of American banks alone reached a record high of \$18 trillion. One week after the BIS report, the \$1.8 billion trading fraud involving derivatives speculation on the London Metal Exchange by Sumitomo Corp. was made public.

Other signs of systemic stress

In a little-noticed development, only two days before the Sumitomo revelations were made public in Tokyo, the Japanese Ministry of Finance changed the technical means by which it buys Japanese government bonds on behalf of the state's giant Postal Savings Bank, which the ministry oversees. As of June 12, the ministry announced it will buy all Japanese government bonds directly on the secondary market from private banks and bond brokers, this, for the first time since the practice was suspended in 1993.

This step marks a major acceleration of Japanese official monetary reflation, or "printing money" to liquefy the financial system. Reflation had been under way, in fits and starts, since last August, by the Bank of Japan. The addition of the huge reserves of the state Postal Savings Bank, are clearly designed to allow Japanese banks and financial institutions to lessen the danger of collapse of Japan's huge banking system while they work out of their staggering bad debts of an estimated \$1.2 trillion from real estate and other speculation during the 1980s.

The timing of the decision by the Ministry of Finance to join forces with the Bank of Japan in reflation, coming just hours before the Sumitomo affair was revealed, seems to be no coincidence. It also underscores the fragility of the present financial structure, despite recent pronouncements of improvement. The recent failure of the Shin Kyoto Shinpan credit institution, with debts of almost \$4 billion, signals that the massive bad debt problems at smaller regional banks are only now emerging.

These banking difficulties are compounded by the problems of paying off the \$234 billion in debts of the Japanese National Railways (JNR). The persistence of depressed real estate prices across Japan to date has prevented the government from selling huge prime real estate holdings of JNR. By statute, land sales, whose proceeds are to offset the debt of JNR, must be completed by end March 1998. At that point, remaining debt will automatically pass to the debt burden of taxpayers, in the form of state debt. But significant sales of the state railway lands would itself trigger a new round of collapse in Japanese real estate prices, which would derail the fragile efforts of the Bank of Japan to recapitalize banks through its ultra-low 0.5% interest rate.

Buying time

Against this background, it is more than plausible that the Sumitomo scandal is deliberately being used to take attention away from one or several system-threatening financial crises, while the Japanese and other Group of Seven governments

urgently try to patch together some time-buying arrangement behind the scenes.

Indeed, bond traders document that since approximately early March, the Bank of Japan and private Japanese buyers of U.S. Treasury securities have not been seen in the New York bond markets. In 1995, the Bank of Japan was the largest single buyer of U.S. Treasury securities as they tried aggressively to push the inflated yen down from its postwar high of 79 yen to the dollar. By the March 31 end of Japan's fiscal year, those U.S. Treasury purchases had brought the yen to its present range of 107-109 yen to the dollar, a decline of 38% to a level where Japan's industrial exports again were competitive on the world market, at which point the Japanese ceased buying.

According to reliable bond market sources, this absence of major Japanese support for the U.S. bond market is a crucial reason for the alarming collapse of the U.S. bond market since February. Interest rates on U.S. 30-year bonds have risen well over 7%, a huge rise of 1.3% since January. Rising bond interest rates reflect the lack of Japanese as well as other buyers in recent months.

In this precarious situation, reportedly, the Federal Reserve has been forced to step in covertly numerous times in recent weeks, to act, in the words of one bond broker, "as buyer of last resort," to prevent a further debacle in bond prices.

The aim has been, according to these accounts, to cap the rise in interest rates below the danger level. "If U.S. interest on 30-year bonds were to go above 7.5%," noted S.J. Lewis of London Bond Brokers Ltd. in a recent discussion with *EIR*, "that would be the trigger, all else being equal, for a substantial crash in the overvalued U.S. stock market. The Fed is concerned to prevent this at all costs."

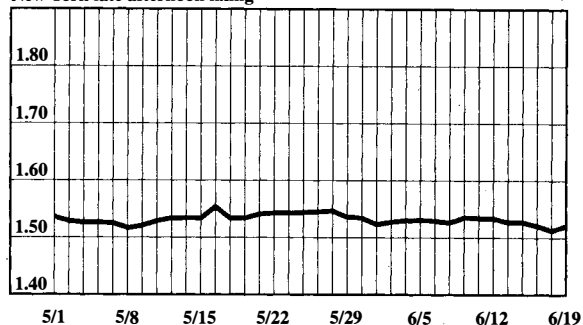
At the same time, the financial structures in the European Union, especially in France, are more fragile than ever before in the postwar period. France's largest bank, the state-owned *Crédit Lyonnais*, which only a year ago got a FF 135 billion (roughly \$27 billion) state bailout to avoid collapse, recently announced it was having problems servicing its debt, and is reportedly frantically trying to devise a new bailout scheme to keep afloat. France's huge, partly state-owned real estate mortgage bank, *Crédit Foncier*, just announced record losses, and France's large bank, *Paribas*, is in serious trouble, with a huge amount of defaulted real estate from the 1980s Paris real estate speculative boom which since collapsed.

"Taking the latest Japanese decision to accelerate deflation, the recent Federal Reserve deflation moves, even if so far disguised so as not to trigger panic, and given the fragility of the economic and banking problems in western Europe," Lewis concluded, "it is clearly the case that a main focus of discussion at the June 10 BIS central bankers closed-door meeting, was coordinated global deflation." This is a more appropriate context to consider the otherwise inexplicable *Sumitomo* affair.

Currency Rates

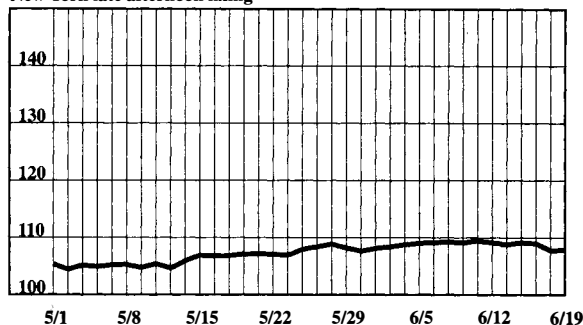
The dollar in deutschemarks

New York late afternoon fixing



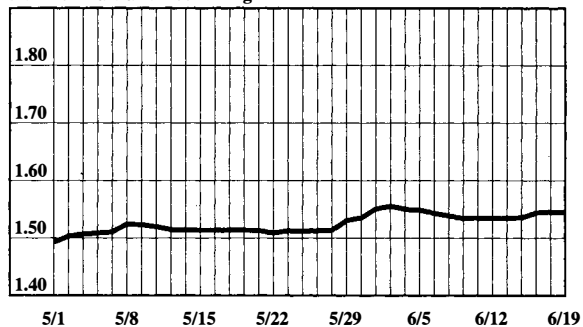
The dollar in yen

New York late afternoon fixing



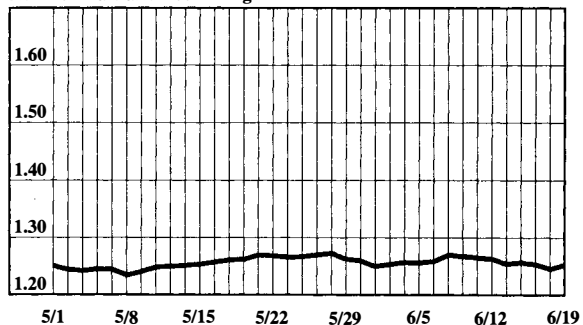
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



IMF's Camdessus peddles the social doctrine of Satan in Ibero-America

by Robyn Quijano

Michel Camdessus, the managing director of the International Monetary Fund, toured four Ibero-American countries during the last week of May, flaunting the power he exercises for the one-world empire he represents, over the once-sovereign economies of the continent. Trying to appear as a holy and benevolent proconsul, he reviewed the details of the economic strangulation the IMF has dictated to these nations, whose populations are suffering massive unemployment and hunger, while agriculture and industry have been dismantled under the cover of restructuring for the "market economy."

Camdessus arrived in Buenos Aires on May 27 to bolster the Argentine economic model designed by the IMF. In Argentina, one of the most naturally rich agricultural areas in the world, famous for its abundant beef, slum dwellers have been reduced to eating cats and turtles to survive. After the "cat scandal" broke a few weeks ago, the Catholic Church issued harsh attacks on President Carlos Menem's austerity policies. Camdessus met with Menem, leaders of the Catholic Church, trade union leaders, and businessmen, praising to all the great "success story" of the Argentine model.

The IMF chief told the head of the CGT trade union confederation that Argentina must become more competitive to solve the problem of unemployment, demanding "more labor flexibility." CGT Secretary General Gerardo Martínez insisted after the meeting that "the ones who need to show more flexibility are the businessmen and the financial sector, not the workers."

During his press conference in Buenos Aires, Camdessus arrogantly stressed how pleased he was with President Menem's announced "second reform of the state" (which will virtually eliminate the Argentine Armed Forces as an institution), and demanded strict compliance with the reform. When asked by one reporter whether he had discussed privatizing the state-owned Banco de la Nación, in his talks with President Menem, Camdessus said they hadn't talked about it, but added that "there are no sacred cows" in the privatization plan. (Banco de la Nación was founded in 1891 by nationalist President Carlos Pellegrini, to counter British control of Argentine finances.) Another reporter, taken aback by the IMF director's arrogance, asked him with what right he spoke so cavalierly about internal matters affecting Argentine sover-

eignty. Camdessus replied haughtily, "We've lent this country \$9 billion . . . we have a right to express our opinion."

An 'exploiting villain'

Camdessus praised the great "reactivation of the Argentine economy, and savored his total power over the current government, remembering that when he first came to impose supranational dictates on Argentina in 1982, he was treated like an "exploiting villain."

His demeanor was clearly upset by the implication that there might be something morally wrong with the genocidal conditions the IMF has imposed, or that there might be any alternative to the current austerity. Asked during the press conference whether there were "solutions to all economic problems," Camdessus replied, "Thank God, no one has found a solution to all problems. Those who say they have, are lying. What we have discovered is that there is an enormous consensus in the world on how to manage economies." This response was an attack on U.S. Presidential candidate and economist Lyndon LaRouche's program for replacing the IMF and the current usury and speculation-based economic system, with one based on the growth of the physical economy and the well-being of the labor force.

Camdessus seems unhappy with the LaRouche movement's years-long campaign to demonstrate that the IMF is causing the deaths of millions—and that those responsible are as guilty as the Nazis hung in Nuremberg. Camdessus, who professes to be a most holy Roman Catholic, pretends that the policies demanded by the IMF do not conflict with the social doctrine of the church.

But only a month before Camdessus's tour, on April 19, Mexico's Cardinal Juan Sandoval cited Pope John Paul II's Apostolic letter, "Toward the Second Jubilee": "It would be good," the cardinal said, "if the powerful nations and international financial institutions were to relent, and stop strangling the poor countries. Taking as an example what happened in the Old Testament, in this year 2000, which is the Great Jubilee, there should be forgiveness of debts." The same week, the head of the Brazilian Bishops Council, Cardinal Lucas Moreira Neves, reiterated the Holy Father's call for pardon of the poor nations' debts. "Part of these debts are immoral,"

he said, “and should not be paid.”

On April 16, Mexico’s Catholic Bishops presented Mexican President Ernesto Zedillo with a copy of the Catholic Church’s Pastoral Plan 1996-2000. The document describes the impoverishment that has been caused by the neo-liberal, i.e., free trade, economic program—designed by the IMF. “Alternative economic models are needed,” the Pastoral Plan states, “which take into account the inalienable dignity of each person, the ethical values of society.” On May 7, Archbishop Oscar Rodríguez Maradiaga, president of the Latin American Bishops Council (CELAM), reiterated that “it is a scientific error, a hoax, to present the market economy or savage capitalism, as the only development alternative for Latin America.”

Mont Pelerin fascists

The strength of the Catholic Church’s calls to end the genocidal policies of the IMF are being diluted inside the church, particularly by the Mont Pelerin Society.

Gary Becker, the 1992 Nobel Prize winner in Economics and a longtime member of the fascist Mont Pelerin Society, managed to wrangle an invitation as a speaker at the Third International Forum on “The Dignity of Life and the Family in the Politics and Legislation of America.” Held in Mexico City on June 6-9, the conference was sponsored by the Vatican’s Pontifical Commission on the Family.

Becker’s infiltration into the Catholic Church is dangerous. Like other pseudo-Catholics, such as Michael Novak or Camdessus, Becker uses his “Roman Catholicism” as a cover to promote the policies of free-market usury, more appropriately known as the social doctrine of Satan. Camdessus, for example, frequently boasts of his close friendship with Cardinal Roger Etchegaray, president of the Vatican’s Justice and Peace Commission.

Becker has spent almost his entire career at the University of Chicago, alma mater of many of the other fascists of the Mont Pelerin Society. Like another economic quack, Milton Friedman, Becker also proposes drug legalization, and opposes the minimum wage.

Becker: Mexico needs more usury

Speaking at a Mexico City press conference on June 9, Becker took pains to explain that economic liberalism “has not caused poverty in Mexico.” Rather, he said, increased poverty is the result of “misguided policies,” such as a strong state role in economic policy. In an interview with *El Financiero* on June 10, Becker argued that for Mexico to get out of its current crisis, it must “maintain a free float [of the peso] without interference from the Central Bank, or peg the peso to a strong currency, such as the dollar, as Argentina has done successfully in establishing a currency board.” Mexico’s state oil firm, Pemex, and other state-owned companies should be privatized as part of a broader liberalization plan, Becker said.

Becker also said that he found no “basic conflict between the teachings of the church and economic liberalism.” Such statements are similar to ones made by Camdessus and Novak. They serve a double purpose: first, to impose a genocidal economic policy; and, second, to try to make people believe that there is no difference between the British colonial doctrine of free trade, based on the bestial philosophy of Anglo-Dutch oligarch Bernard de Mandeville, and the social doctrine of the Catholic Church, whose fundamental premise is that man is created in the image of God.

Camdessus on the defensive

Camdessus refused to take a question from *EIR* correspondent Gerardo Terán in Buenos Aires, but in Lima, Peru, he was not so lucky.

During a May 31 news conference there to announce the terms of the IMF letter of intent negotiated with Peruvian President Alberto Fujimori, *EIR* correspondent Sara Madaueño asked the first question about the devastation Russia is facing as a result of the IMF’s reforms. “Does this not call into question all the prescriptions made by the IMF?” she asked.

“The beginning of any reform phenomena starts with disorder,” Camdessus claimed. He insisted that questions focus on Peru, but the next journalist asked: “You sent a letter to President Fujimori demanding that Peru pay its debt to Russia. What gives you the right to engage in that sort of pressuring?”

“You have friends, and you can write letters to your friends, is that not true?” Camdessus retorted.

Questions followed on why the IMF is insisting that Peru pay to Russia, in dollars, the debts it incurred in rubles with the former Soviet Union. Distracted and flustered, Camdessus forgot where he was. “Well, here in Mexico. . . . Excuse me, in Peru.” The colonies all look alike?

Venezuela bows

To great fanfare, and with national radio and television coverage, Camdessus descended on Caracas to receive a “memo of understanding” from Venezuelan President Rafael Caldera, who had unsuccessfully battled IMF dictates for two years. Although the memo is just an agreement with the IMF that Venezuela will sign a “letter of intent” with the Fund by month’s end, the ceremony was conducted with great pomp in a room of the Presidential Palace usually reserved for visiting heads of state. Camdessus’s trip to Caracas to receive the memo from Finance Minister Matos Azócar was highly unusual, and left Caldera standing at the ceremony as a witness to the act of submission.

Camdessus told reporters, “There will be no backpeddling” in applying the IMF program. “That is something that the international community is going to support.”

Answering a question on the legacy of poverty left by “orthodox adjustments,” Camdessus insisted that the IMF’s program was not neo-liberal in any way. “I don’t see inhumanity in the IMF model,” he concluded.

Moving into a 21st 'maglev' century

Germany's Transrapid maglev technology is becoming an attractive option for other countries, too.

On June 14, the Transrapid pilot project for a maglev rail line that will connect the nation's two biggest cities, Berlin and Hamburg, by the year 2005, cleared the Bundesrat, the chamber of the 16 states, the last parliamentary hurdle for its realization. This means that the engineering and funding process needed to start construction, in spring 1998, can go ahead on schedule.

Transportation Minister Matthias Wissmann, in a statement at the conclusion of the Bundesrat session, welcomed the vote, for sending out a long-overdue signal for "Germany's capability for innovation," and for "making the Transrapid the symbol of a new departure" into the future. Wissmann said that with this project finally underway, maglev rail had a good chance to become attractive for the new projects in the Europe of the coming century. In this context, he welcomed the fact that the Berlin-Hamburg Transrapid rail line has recently been put on the official European Union map of the designs for the 21st century continental infrastructure grid. The Berlin-Hamburg project is not funded by the EU, but other such projects may be, and many here expect they will get funding.

Will there be such projects? Shortly after the vote, the debate about extension of the maglev rail grid beyond Berlin-Hamburg acquired new momentum. A good dose of long-missed technological optimism is suddenly becoming visible.

Christoph Atzpodien, the chairman of the maglev rail planning association in Schwerin, under whose auspices the Berlin-Hamburg project will be carried out, said on June 15 that he is

convinced that the maglev technology for high-speed rail, which today is still living the life of a seemingly "exotic" prototype, will come to play a key role in the transportation of the future. Looking ahead at the Germany of 30 or 50 years from now, one would find the maglev technology a widely accepted, important means of travel.

Atzpodien outlined a convincing vision for maglev grids in the three most populated regions of Germany, Berlin-Hamburg, the area around Dresden and Leipzig, and the Rhineland urban regions, which would see the Transrapid connecting the largest cities of those regions. Sometime in the first half of the coming century, these regional grids would also be interconnected, and would cross the borders to other European countries, as well.

Is this a realistic perspective for a Europe whose individual governments today seem to be firmly committed to use conventional wheels on rail, on their planned high-speed railway grids? The EU's official planning maps do not project any maglev trains yet—beside the one that is going to be built with national funding in Germany.

Ironically, the EU program for high-speed rail, the designs of which date from the early 1980s, did not get passed before December 1994, and the projects that *were* authorized, were only one-third of the total number originally proposed. Thus, ironically, the EU bureaucratic delay of today will work to the benefit of maglev tomorrow, as a researcher at the Berlin Institute of Railway Technology once elaborated to this author.

In 2005-10, all European govern-

ments will be faced with whether to modernize their high-speed rail tracks. And because of the immense investments that will be required for a thorough overhaul of the infrastructure grid, the question will be, whether the money would not be better used for the construction of maglev rail, instead of sinking tens of billions of dollars into outmoded, conventional wheel-based technology. This will be the hour of the Transrapid.

Indeed, a number of governments are already looking to maglev. Thyssen Industrie, the main producer of the Transrapid, reported interest in the technology in the United States, where, after decades of automotive concepts, there is now a renewed debate about the return of public transportation for urban, densely populated areas. For example, a maglev grid connecting San Francisco, Bakersfield, Los Angeles, and San Diego is being discussed, although no decision has yet been taken.

Similarly, a Brazilian project for a maglev rail line connecting Rio de Janeiro, São Paulo, and Campinas is being discussed. Brazil's Transportation Minister Odacir Klein met with Wissmann in Frankfurt-on-Main on June 12, concerning such projects. A joint group of experts has been formed, to design future high-speed rail projects in Brazil, and the maglev technology is one of the options mentioned in a June 13 newsletter of the German Ministry of Transportation.

Furthermore, the possibility is being looked at for a Transrapid line between Thailand's capital, Bangkok, and its southern industrial region of Rayong. In Australia, Thyssen has its sights on a similar project between Sydney and Canberra. Germany's Minister of Economics Guenter Rexrodt, who will visit Australia in August, reportedly will offer maglev rail technology to his hosts.

Business Briefs

Investment

Britain expands its influence in Taiwan

By the end of 1995, British investors had put \$1 billion into Taiwan, which some of them still prefer to call the Formosa Island, the Taiwan daily *Commercial Times* reported on June 13. For the past three years, Britain's exports to Taiwan have increased by the year-on-year rate of 70%, according to British official statistics.

On June 16, the queen's birthday will be celebrated in a three-day extravaganza, followed by a three-month campaign to promote British education, fashion, food, arts, and technology. A. Collins, the director of the British Office of Trade and Culture in Taiwan, said, "Generally speaking, this is a display of British national image."

Collins said that relations between Great Britain and Taiwan have advanced at a dazzling speed. For instance, British universities hosted only 38 Taiwanese students in 1988, but now there are over 10,000 Taiwanese working on their degrees in places such as Oxford, Cambridge, and London University.

Collins denied that exchanges between Britain and Taiwan are growing because Hongkong is to be handed over to China next year. Britain is attracted to Taiwan because Taiwan is a significant place, not because Taiwan can replace Hongkong, he told a reporter. Britain backs Taipei's plan to develop Taiwan into a hub of Asia-Pacific communications, he added.

Health

Infrastructure collapse fuels waterborne disease

Both developing and developed countries are facing a crisis in waterborne diseases, according to a May report, "A Global Decline in the Microbiological Safety of Water: A Call for Action," by the American Academy of Microbiology. It warns, "Deficiencies in water treatment and delivery, especially those due to an aging and deteriorating infrastructure, pose serious threats to health."

One of the most sober conclusions of the report, is that "the list of potentially pathogenic microorganisms transmitted by water is increasing significantly each year."

The report says that in developing countries, the treatment of water and wastes is nonexistent or grossly inadequate. And developed nations are facing severe waterborne disease problems, as demonstrated by major outbreaks of cryptosporidiosis in Great Britain, Canada, and the United States. According to the report, an estimated 80% of infectious diseases worldwide may be related to contaminated water supplies. Diarrheal diseases traceable to contaminated water kill an estimated 2 million children and cause about 900 million episodes of illness annually.

Unfortunately, the report calls for "low-cost, low-technology treatment systems" to deal with the problem. The writing of the report was supervised by Rita Colwell, former head of the American Association for the Advancement of Science, who advocates the elimination of water chlorination and its replacement by "low-tech" methods, such as straining contaminated water with sari cloths.

Indonesia

Timber industry defended against World Bank

Indonesia has begun to defend the protection it affords its timber industry, which the World Bank has attacked as a "cartel," the May 21 *Asia Times* reported. The bank claims that "the lack of transparency discourages the sustainable management" of Indonesian forests. Indonesia employs 4 million people in the industry, and 15 million people, counting the families of the employees, depend on these jobs. The reserves of forest products are estimated to be worth more than Indonesia's enormous oil reserves.

Industrialist Mohammad Bob Hassan told the founding conference of the Center for International Forestry Research: "Twenty years ago, when we were still exporting logs, nobody called us a cartel. The label came after we began to produce value-added timber products." The World Bank

denounced the protective nature of the "prohibitively high export taxes on logs," which assures the supply of cheap domestic logs to the plywood processors. Hassan added that 20 years ago, when timber mills were controlled by Singapore, Taiwan, Hongkong, and Japan, there were no allegations about cartels.

Indonesia is increasing the amount of timber in plantations by 200,000 hectares every year.

Germany

Austerity leading to hospital bed shortage

Seriously ill patients in Germany are running into increasing difficulty finding a hospital bed because of cuts in health budgets, the *Sächsische Zeitung* reported June 11. Rudolf Henke, a spokesman for hospital personnel, warned at a conference in Dresden of the German association of practicing medical doctors that the cuts have made the situation so explosive that large-scale strikes by health-care personnel can no longer be ruled out.

The budget cuts planned by the federal government, which are to be enforced by imposing fixed ceilings for hospital budgets, may lead to the elimination of 100,000 jobs in the medium term, hospital representatives said.

According to a report by Dr. Thomas Roth of the Dresden University Clinic, budget cuts prior to the latest round had already reduced the number of beds in Saxony to only 70 per 1,000 people.

Infrastructure

Laos vows to continue with hydroelectric dams

Defying the international environmental gestapo and the World Bank, Laos has vowed to continue building a network of hydroelectric dams that will provide power for Laos, Thailand, Cambodia, and Vietnam.

Leuane Sambounkhan, vice chairman of the Committee for Planning and Coopera-

Briefly

tion, told Reuters on June 9, "The NGOs [non-governmental organizations] say the projects will affect the environment, but, for us, in the long term it will give us wealth and power to reforest, to be able to protect the environment better, and raise the standard [of living] of the people. . . . If we don't develop hydropower to sell and earn revenue, we will continue to be stuck in poverty. Very few people live in those areas and there will be no real social impact from the projects."

Laos has invited international investors to build dams and ship most of the 20,000 megawatts of electricity to neighboring countries, particularly Thailand. Foreign investors plan to invest \$4.2 billion to build these dams.

Environmentalists claim that the dams will destroy the "fragile" ecology of the country. The World Bank has sided with the greens and pulled out funding and approval for the projects. Their major target is the \$1.1 billion, 681 MW Nam Theun 2 project, in central Laos.

South Africa

Gov't economic policy plan is 'Thatcherite'

The South African government released "Growth Employment and Redistribution—a Macroeconomic Strategy," its economic policy blueprint, on June 14, wire services reported. Although an earlier report had been blocked by leading members of the African National Congress (ANC) as having been too "Thatcherite," it is difficult to envision how a document could be more "Thatcherite" than the one released.

One of the government's supposed partners, the Congress of South African Trade Unions (Cosatu), said it had "serious reservations over conservative fiscal policies that the document intends to implement." ANC Finance Minister Trevor Manuel said that the new economic strategy was drafted with advice from a range of economic experts, but without the approval of Cosatu.

The British-spawned South Africa Foundation has been leaning on the government to adopt such a program, and President Nelson Mandela has been meeting regularly with the Brenthurst group, the top six busi-

nessmen in South Africa, according to South African sources.

The document calls for: acceleration of fiscal reform, including a tighter fiscal stance; reduction of the budget deficit from 5.1% of GDP this year, to 4% next year, and 3% by 2000; a resumption of the phased elimination of exchange controls; a renewed commitment to the privatization of some state assets, including telecommunications giant Telkom; a plan to cut back civil service jobs and, ultimately, reduce the state's overall wage bill; emphasis on the development of labor-intensive industries; acceleration of tariff reductions; and tax reforms "aimed at international competitiveness."

Demographics

British birth rates to reduce population

The British population will begin to fall in absolute numbers by the year 2020 for the first time since the Black Death of 1348, according to a report by *Population Trends*, a publication of the Office of National Statistics, the *London Times* reported on June 14. "Many European countries are now managing by choice what the Chinese have to impose on their citizens: the one-child family," the *Times* commented.

"British women are following an European trend, led by Italy and Spain, which . . . have the world's smallest families," the paper said. Childlessness will double in Britain in the next 15 years, up from 13% now. One in five women now in their late 20s and early 30s will never have children; twice the rate of the postwar "baby boom" generation.

To replace current population, a fertility rate of 2.1 is necessary. The rate in Britain is 1.8, (although only 1.2 for married women); Germany, 1.3; Russia, 1.4; France, 1.7; and Ireland, 2.

Drastic cuts in child-support measures are one of the primary causes of this disaster, the *Daily Telegraph* stated in a June 15 editorial entitled "The Population Implosion." Also, it said, "Western people in general, and perhaps the British in particular, are suffering from a severe lack of cultural confidence. Historically, a falling population has been a symptom of a society in decline."

THE FORMOSA Plastics Group, whose plans for a \$6 billion petrochemical plant in China in 1992 was scrapped under Taiwan government pressure to prevent large, heavy industrial investments in the mainland, has signed a deal to build a \$3.8 billion thermal power plant in Fujian, the *Asia Times* reported May 30.

RUSSIAN Deputy Foreign Trade Minister Vladimir Karastin announced on June 12 that Russia will supply Iraq with food and medicine under the terms of a recent UN resolution allowing Iraq to sell a limited amount of oil in exchange for humanitarian goods, Agence France Presse reported June 13.

BRITAIN is taking antique rail coaches from museums for its public passenger lines this summer. There is a severe rail car shortage, because the privatized rail rolling stock manufacturers can't meet railway needs. Some coaches are more than 30 years old.

THE CONGO'S President Pascal Lisouba started the Sounda hydroelectric dam on June 8, despite opposition from environmentalists. The dam, in the Kouilou River, is being built by South African engineers with financing from that country. It will generate 1,000 megawatts at full capacity.

MALAYSIA'S Finance Minister Anwar Ibrahim opened the second Futures Exchange, taking his country deeper into the pit of speculative finance, the May 29 *Asia Times* reported. The exchange will create products such as swaps, forward rate agreements, and options, he said.

EGYPT'S talks with the International Monetary Fund have failed, the Cairo daily *Al-Wafd* reported May 30. The IMF said that the government's privatization effort is insufficient. The IMF's reaction is an about-face from the kudos that Egypt had been garnering earlier this year, when it was lending itself to the British onslaught against Sudan.

Now, rid NATO of the Entente Cordiale!

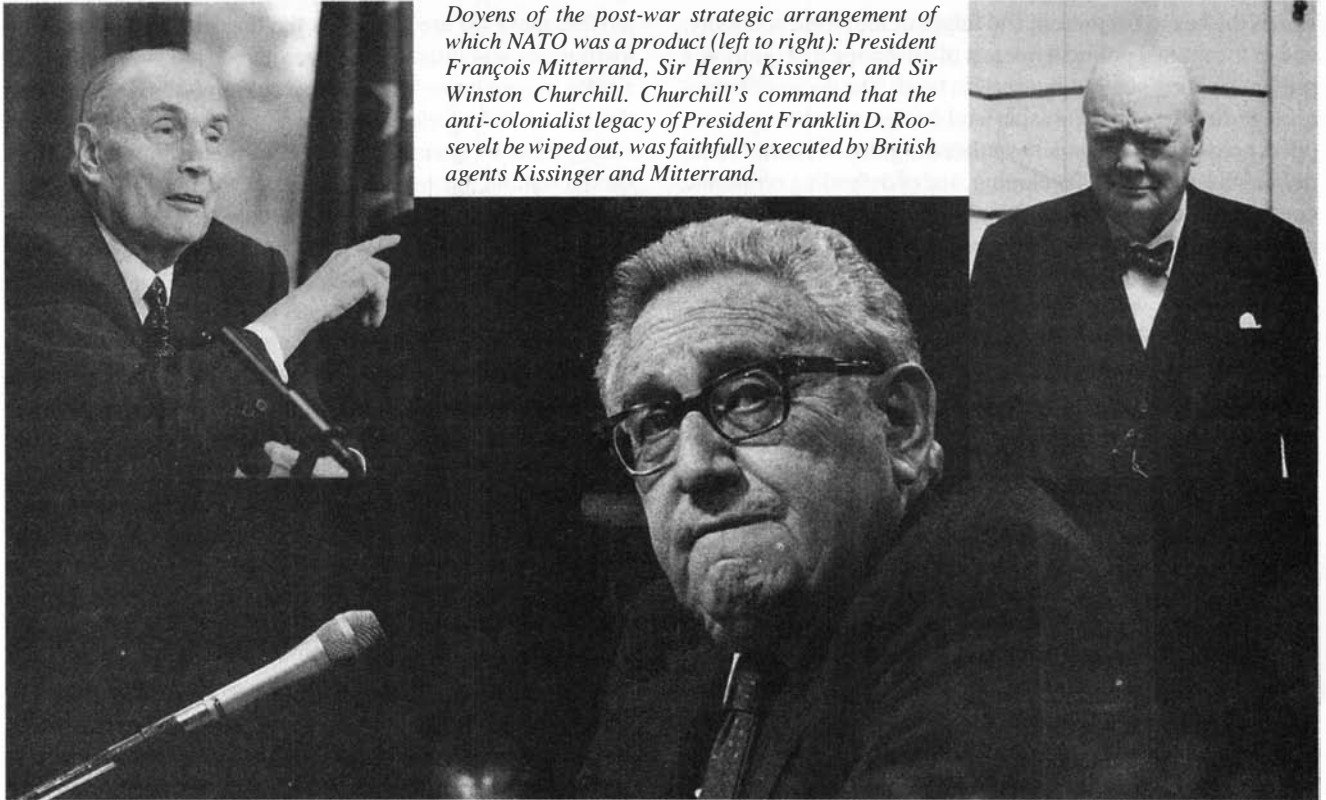
by Lyndon H. LaRouche, Jr.

This document was released by the Committee to Reverse the Accelerating Global Economic and Strategic Crisis: A LaRouche Exploratory Committee.

Many citizens would be astonished, by the number and rank of thoughtful military professionals, in the U.S.A. and elsewhere, who will privately agree, that the United States of America must now consider replacing that anachronism called "The North Atlantic Treaty Organization (NATO)." However, as in all important matters, so, in this instance, it is truth which must set the pace, not mere opinion, popular, official, or other.¹ It is shown here, that the truth of the matter is: The present, anti-U.S., British-French alliance within NATO must be uprooted, and the land it occupied cleansed, as if from the poisonous taint of such decadence. The offensive implications of NATO must be demolished, root and branch, in both of NATO's multi-national capacities, both as a military and, especially, as a political organization.

The recent Berlin meeting on NATO policy, creates an intolerable situation, in which the avowed adversaries of the United States, the British and French

1. For example, Antonin Scalia, an influential Associate Justice of the U.S. Supreme Court, has denied, with shameless candor, the principles of truth, morality, and constitutionality in law! Scalia has argued, that law must be determined by what he identifies as a democratic principle, that the causes of morality, or truthfulness might seek to influence popular opinion, but not supersede it. Scalia echoes those, including himself, who have, by means of analogous presumptions, argued that this same principle (of his view) of law, might demand the execution of a condemned prisoner, even if there is strong evidence supporting the prisoner's claim of innocence: Truth departs the scene, and judicial murder becomes the canon. Hence, Scalia rejects the principle of government, as of justice, under law, out of his preference for government by caprices among men. Incidentally, Scalia's referenced argument constitutes, in fact, a violation of his oath to uphold the truth-loving U.S. Federal Constitution (e.g., the famous Preamble of that Constitution, wherein is stated the principle of law, under which the Constitution as a whole is subsumed). On this, see more, at the appropriate, later point in this memorandum.



Doyens of the post-war strategic arrangement of which NATO was a product (left to right): President François Mitterrand, Sir Henry Kissinger, and Sir Winston Churchill. Churchill's command that the anti-colonialist legacy of President Franklin D. Roosevelt be wiped out, was faithfully executed by British agents Kissinger and Mitterrand.

representatives of the revived *Entente Cordiale*,² have created a strategic threat not only within Europe, but respecting wider areas of potential NATO "out-of-area deployments." That Entente must be neutralized, by whatever means are necessary.

There are reasonable objections to the proposal to disband NATO. Some warn, rightly, against the dangers of creating a

vacuum, and warn also that a simple U.S. pull-out from NATO would merely strengthen the power of the U.S.'s current principal, avowed strategic adversary, the London-Paris *Entente Cordiale*. Some critics pose an additional objection, the well-founded view, that the style of the post-war "baby boomer" generation's performance in the U.S. and other government functions, as in major business undertakings, does not stir confidence in institutional changes which might be undertaken by persons typical of that generation. Yet, however reasonable these, and other objections, all melt away when subjected to the hot light of the onrushing, global monetary-financial and related strategic crises. We are forced to take a kind of action, the which can be no longer postponed.

Admittedly, it would be dangerous, simply to disband NATO, without establishing efficient alternatives. Obviously, U.S.A. commitment to the security of our friends in Europe, and our efficient presence there, must be, not merely continued, but strengthened, even if only to compensate for the disgusting role which the London-Paris Entente continues to play, in the Balkans, and elsewhere. Yet, something more fundamental than such a mere reaffirmation of present commitments to our friends, is required. That "something more," is the burden of this policy memorandum, issued by my Democratic Party campaign-organization.

As replacement for NATO and for related, obsolete dogmas, the United States must adopt a comprehensive, radically new strategic outlook, pivotted upon comprehension of the crucial realities of the Eurasian land-mass. This comprehen-

2. Officially, the original *Entente Cordiale* was established by Britain's King Edward VII, at the beginning of this century. It constituted the integration of France as a virtual satrapy of the British Empire. Allowing for the period of France's Nazi occupation, 1940-1944, this arrangement was a cornerstone of France's policy for more than fifty years, during the remaining decades of the Third Republic, and the duration of the post-war Fourth Republic: until the establishment of the Fifth Republic, under President Charles de Gaulle. The same Entente was revived, in fact, under President François Mitterrand, and has been recently revived, by name, under President Jacques Chirac. Actually, the policy of the *Entente Cordiale* was a by-product of the assimilation of the brothers of Napoleon Buonaparte into the British foreign-intelligence service, from 1814, until the present day; what Edward VII established as an *Entente Cordiale*, by name, was a revival of the arrangement which had previously existed under Napoleon III's Second Empire of 1852-1870. For a short time, following his election as France's President, Jacques Chirac had been a collaborator of U.S. President Bill Clinton; however, under pressure of death-threats from terrorists directed out of London, Chirac virtually crawled on his knees to London, and has functioned as a virtual body-slave of the British monarchy's whims since. Recently, Chirac adopted the use of "*Entente Cordiale*" to describe his submission to British direction. The continued key influence of the extended Buonaparte family networks pervading France's freemasonry and submission to London, is a featured element of *EIR's* forthcoming Special Report: "Entente Bestiale!"

sion is the key to the present and future of the world economy, and of the mutual political interest of all among that outlook's present and prospective partners. In brief: The decisive strategic significance of the Eurasian land-bridge, now being developed, across the vast, underpopulated regions of central Asia, defines the urgency of developing, and of defending economic cooperation among U.S.A., Russia, and China, all in collaboration with India, as the key to the world of the Twenty-First Century.

As noted above: Were earlier warnings not sufficient, the recent Berlin meeting, on the subject of NATO, demonstrated, that that organization had become an aggressively pathological tumor, now working, corrosively, to undermine, and, perhaps, to destroy the sovereignty of those nations which had been its hosts.

In net effect: NATO has ceased to serve any vital strategic interest of the United States, and, its degenerated nature has made it, in fact, an instrument employed by forces working against our vital interests. Exemplary is the already referenced case of those Balkan wars, which were organized as a geopolitical action, by the joint initiative of the governments of Prime Minister Margaret Thatcher and France's President François Mitterrand.³ Since no later than 1992, the leading explicit adversary of the most vital U.S. strategic interest, has been the the resurrection of King Edward VII's *Entente Cordiale*, by Thatcherite London and François Mitterrand's Paris. Under the influence of that revived London-Paris alliance, NATO has degenerated into an instrument of sabotage of U.S. efforts; it has proven itself, increasingly, the adversary of the U.S. search for a just peace in the Balkans, and, of our vital interest in defining, and defending durable premises for improved understanding and cooperation with our important new partners throughout eastern Europe as a whole, Russia and Ukraine typically.

The tradition of European military science, since St. Augustine's articulation of the principles of "justified warfare," does not tolerate postponing the dissolution of NATO in its present form. The United States, in its self-interest, and in its responsibilities as the leading world power, must scrap the tainted strategic relics of the 1946-1989 interval, and devise a new strategic doctrine, one attuned to the global realities of post-1989 developments.

Our world, and our nation, could not have fallen into the

3. Typical of the British preparation of the Serbian assault on Slovenia, Croatia, and Bosnia-Herzegovina, is the role of Kissinger Associates, Inc., in preparing for the rise to power of Slobodan Milosevic, in Serbia, by such means as the "Yugo" automobile promotion. Kissinger, a professed agent of influence of the British foreign service (e.g., "Chatham House"), acquired his Kissinger Associates, Inc. operation in 1982, with the assistance of the Peter Lord Carrington who had then just recently resigned from the post of Foreign Minister, after successfully luring a deceived Argentina into the target-range of the Spring 1982 Malvinas War. That firm is, effectively, an agent of the British foreign intelligence service. More on the Anglo-French role in the Balkan wars, in the text below.

terrible mess we are in, unless the majorities of our leading institutions and citizens had been lured into stubbornly persisting, wrong opinions, on numerous important matters. This thought ought to present itself, perhaps most painfully, during each period of general elections, at which time the citizen should remind himself, that it is often the hero he selected in the preceding election, who is the bum against whom he, or she will vote, this time. (Was he right then, or now? Perhaps he is incapable of knowing which is true.) Unless some rather strongly held, mistaken opinions of the present majority of citizens and leading institutions, are exposed, and corrected, the mess will only grow worse, much worse. Therefore, much in the present memorandum is necessarily devoted to identifying those mistakes in both current official policy and popular opinion, which must be expelled, if our nation is to come out of the present mess. The offense to certain popular and other sensibilities, is therefore, not only justified, but necessary. However, at the same time, we offer to those with the intellectual courage, and desire to become un-fooled, President Abraham Lincoln's encouragement: "... ; but, you can not fool all of the people, all of the time."

The argument to this effect, proceeds, in four parts, as follows.

1. U.S. strategy since World War II

NATO was created during the late 1940s, as an outgrowth of Britain's successful, post-April 1945, wrecking of the earlier U.S.A. commitment to eradicating from this planet, those obscene relics of imperialism of which the British Empire was the leading expression. From the outset, Britain's role in NATO was governed by the British imperialist faction's intent to undermine, and ultimately to destroy, the sovereignties of all among the world's nation-states, the United States included. As France's patriotic President Charles de Gaulle came to recognize, London's subsuming intent was, from the outset, that of Bertrand Russell's repeatedly stated nuclear-weapons policy: to exploit the East-West nuclear-powers conflict, as a means to subvert the institution of the modern nation-state.

As Bertrand Russell and other British designers of this policy made clear, repeatedly, NATO and related institutions of the so-called "Cold War" period, were intended, by them, to bring about, if only gradually: *not only the establishment of the United Nations Organization (UNO) as the arbiter of such strategic conflicts, but, by that means, to develop the UNO to become a world government.*

The emerging, utopian strategic doctrine of 1946-1989, under which the United States, thus, became party to an unfolding process of its own subversion and degradation, has the following, included features. The features selected for attention, are those most relevant to the present proposal for superseding NATO. At the center of London's change in U.S.

strategic doctrine, is the way in which the United States was induced to abandon the traditional principles of military science, respecting strategic perspectives bearing upon the avoidance and conduct of war.

The great teachers of those principles of strategy which have guided the best statesmen of modern times, include: Augustine on the subject of “justified warfare”; Niccolò Machiavelli on warfare; the record of the revolution in warfare which France’s “Author of Victory,” Lazare Carnot, effected, during 1793-1794; Clausewitz’s *On War*; and, Alfred von Schlieffen’s great work of military historiography, *Cannae: The Theory of the Flank*. Those expositions typify the same principles which guided the United States under the leadership of Benjamin Franklin, and under Presidents such as George Washington, James Monroe, John Quincy Adams, and Abraham Lincoln. The best U.S. military commanders of World War II, typified by General of the Armies Douglas MacArthur, represented that tradition.

Many individuals, in and out of military service, have continued to share that American patriotic tradition, personally. Nonetheless, the historical reality is, that the lies then told by the U.S. government, in support of fraudulent claims to justification for the dropping of nuclear bombs on Hiroshima and Nagasaki, in August 1945,⁴ ended the United States government’s observance of those traditions. Those betrayed principles have yet to be restored to their rightful place, as axioms of policy-making. The atrocities of the protracted warfare in Indo-China, 1964-1975, and that abomination, “Desert Storm,” concocted by Prime Minister Margaret Thatcher’s Britain, demonstrate, that, among the highest circles of government, and elsewhere, the conduct of U.S. strategic policy-making, has lost even bare comprehension of the principles of “justified warfare.” That illustrates the disgraceful state of affairs to which U.S. strategic thinking has been degraded, since the death of President Franklin Roosevelt.

During the course of World War II, U.S. President Franklin Roosevelt made clear, to British Prime Minister Winston Churchill, and relevant other persons and institutions, the intent of his government for the post-war world. He intended, that, at the close of the war in Europe and the Pacific region, the United States would proceed to bring about the immediate dissolution of the former colonial empires of the United Kingdom, the Netherlands, France, and others, throughout the world. The President also made clear, that the United States would insist on ending London’s domination of international economic life, by the “British Eighteenth-Century methods”

4. First, the successful blockade of Japan, had made its early surrender inevitable, without need of invasion to bring that about. Second, Roosevelt had already received the terms of surrender, relayed from the Emperor, through the Vatican Secretariat’s office for Extraordinary Affairs. The Truman Administration’s lie, that the nuclear bombing “saved one millions American lives,” was fostered through a hoax: the deployment of this writer’s later adversary, James Jesus Angleton, from London, to Rome, to discredit the Vatican back-channel.

of Adam Smith, et al., and would insist on the replacement of British methods by traditional “American methods.”⁵

“American methods,” then and now, signify the anti-Adam Smith, anti-von Mises, anti-von Hayek, anti-Thatcherite, “American System of political-economy,” as the principles of that “American System” are associated with such leading figures as Benjamin Franklin, Alexander Hamilton, the Careys, Speaker of the House Henry Clay, the German-American Friedrich List, and such Presidents, before Franklin Roosevelt and John F. Kennedy, as George Washington, John Quincy Adams, Abraham Lincoln, and William McKinley.

The Truman administration’s scrapping of Roosevelt’s strategic doctrine for the post-war period, has been the world’s great strategic misfortune, these past fifty-one years. Following his untimely death, on April 12, 1945, his opponent, Prime Minister Winston Churchill, together with imperialist fellow-travellers within the United States government, caused the U.S. government to scrap, then, every crucial feature of the U.S.A.’s anti-colonialist policy, and, to sabotage the American System of economy. In allowing the post-war U.S.A. to be plunged into a deeply demoralizing, and unnecessary, 1946-1948 economic depression, the Truman admin-

5. E.g., Elliot Roosevelt, *As He Saw It* (New York: Duell, Sloan and Pearce, 1946), passim.



LaRouche Campaign Is On the Internet!

Lyndon LaRouche’s Democratic presidential primary campaign has established a World Wide Web site on the Internet. The “home page” brings you recent policy statements by the candidate as well as a brief biographical resumé.

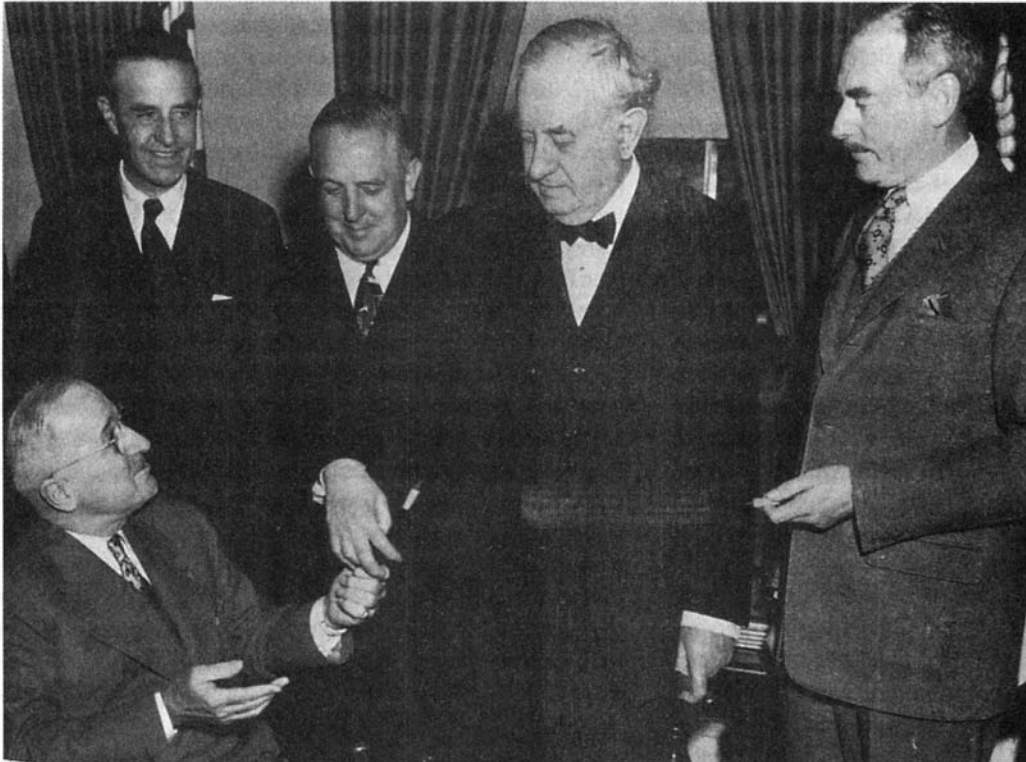
TO REACH the LaRouche page on the Internet:

<http://www.clark.net/larouche/welcome.html>

TO REACH the campaign by electronic mail:

larouche@clark.net

Paid for by Committee to Reverse the Accelerating Global Economic and Strategic Crisis: A LaRouche Exploratory Committee.



President Harry Truman (seated) signs legislation authorizing funds for the Marshall Plan. Standing, from left: Averell Hariman; Paul G. Hoffman; Sen. Tom Connally; Secretary of State Dean Acheson. The Truman administration, under the Svengali-like influence of Harriman, acted to foster a world economy which would function under the domination of those "British Eighteenth-Century methods" which Roosevelt abhorred.

istration, under the Svengali-like influence of such Churchill allies as the circles of former Adolf Hitler-backer, and private banker, Averell Harriman, acted to foster a species of post-war world economy which would function under the domination of those "British Eighteenth-Century methods" which Roosevelt justly abhorred.

Those, and other Truman reversals of Roosevelt's policy, set the world on that ultimately disastrous course in economic and strategic policies, the which has dominated world-wide trends since the spring and summer of 1945.

For Britain's Winston Churchill, and other opponents of the U.S. patriotic tradition, the most important of the exploitable vulnerabilities in President Roosevelt's design for the post-war world, was Roosevelt's reliance upon those pledges of post-war cooperation, which his policies received from two leading, war-time allies, the Soviet Union and China. The Churchill faction exploited those key flanks of the Roosevelt policy, in sundry ways. Critical to the Churchillian's success, was Truman's decision, to drop the only two nuclear bombs then in the U.S. arsenal, upon the populations of Hiroshima and Nagasaki.

Once the age of nuclear conflict had been inaugurated in that disgusting manner, the Churchillian imperialists, together with the father of Pugwash, Bertrand Russell, and their Harriman and other establishment accomplices inside the U.S., acted, in concert, as global puppet-masters cast from the gnostic mold of Venice's diplomacy. These financier-oligarchical manipulators, manipulated both the United

States and Stalin's Soviet Union, into a managed, escalating conflict with one another. During 1946-1953, at the outset of the post-war period, President Truman and General Secretary Stalin were caused, thus, to dance like puppets, on British puppet-masters' psychological-warfare strings; this engendered that monstrously real, strategic, nuclear conflict, which, thereafter, dominated all world policy-shaping, beginning 1946, through the events of late 1989. It was during that initial period of that orchestrated conflict, and as an expression of those early circumstances, that NATO was established.

President Truman's Churchillian folly, in ordering the nuclear bombing of Japan civilians, was consolidated by his later, celebrated firing of General Douglas MacArthur, the latter at the urging of British influences centered, still, within the Truman administration cabal of Averell Harriman. Contrary to the popularized mythologies which were spread, then and later, President Truman's firing of MacArthur represented a direct assault upon the implications of the U.S. Constitution, and a virtual wrecking of the policy-making structures upon which we continue to depend, then, as now, for a competent articulation of U.S. foreign-policy and strategic doctrine.

The connection, between the post-MacArthur conduct of U.S. military operations in Korea, as a bloody, UNO-supervised, "nuclear age," relapse into a typically British, Eighteenth-Century "cabinet warfare" charade, and the later continuation of the same cabinet-warfare experiment, as McNamara's and Bundy's "meat-grinder," in the 1960s Indo-

China region, exemplifies the continuing importance of these two monstrous strategic follies by President Truman's, Harriman-steered administration.

The key to understanding the British imperial thinking behind President Truman's role in unleashing those two terrible follies, was set forth by Bertrand Russell in the September 1946 edition of *The Bulletin of the Atomic Scientists*.⁶ This was not only what became known as the "Pugwash Doctrine" of Russell, Leo Szilard, and self-professed British agent, Henry A. Kissinger.⁷ The goals of this use of the weapons of "unthinkable war," as strategic cattle-prods for steering the United States and other nations into the pig-pen of UNO-centered "global economy" and "world government," were the policies of Prime Minister Winston Churchill's British Empire.⁸

All of this, including Russell's proposed use of nuclear terror to bring about world government, was to the intended, great, and continuing strategic advantage of the interests of Roosevelt's political adversaries, the united bloc of international financier oligarchies, which is the controlling social force within the ranks of the British, Dutch, French, and other imperialists.⁹ Despite that somewhat farcical "de-colonizing," which the United Kingdom's Prime Minister Harold Macmillan had dubbed "the winds of change," and despite President Charles de Gaulle's turn-about, away from his World War II commitment to maintaining the imperial tradition of Napoleon III, et al., the British, Dutch, and French empires, although somewhat tattered, and reduced, have persisted in guises such as the British Privy Council's Commonwealth, down to the present day.

For any power, such as the United Nations Organization, or its International Monetary Fund (IMF), to deny any nation-state the right to exert perfect sovereignty within its own domain, is an act of war. The question posed to the government of the nation so victimized, in such a case, is whether or not to go to war against its wicked oppressor. Were remedies other than war available, by which the oppressor might be dissuaded from accomplishing an irreversible damage to the victim's sovereignty, war would not be justified. Even if the cause were just, if the war itself were folly, going to war is not justified. And, so on. The purpose of war is a just peace; war is a resort to which no nation should turn unless, first, war

afforded a remedy, unless, also, the avoidance of war were morally intolerable, and, unless the undertaking of war were not useless folly.

Furthermore, as is demonstrated by the obscene sequelae inhering in the post-World War I, Versailles agreements, a war, even were it otherwise justified, becomes an immoral act, unless its goals contain nothing contrary to the principle of a just peace. Thus, the immorality of the Versailles Treaty underscored the immorality of Britain, France, and the U.S.A., in employing World War I to create the preconditions of future war.¹⁰ The conditions of virtual genocide against civilian populations, imposed upon defeated Iraq, at the conclusion of General Sir Colin Powell's war against brown-skinned people, "Desert Storm,"¹¹ define an immoral act within the domain of capital offenses, according to the precedents established for the Nuremberg code.¹²

The notions of justified warfare, express principles entirely alien to today's UNO, as to the past, and present British Empire, to the past, and recently revived *Entente Cordiale*, and to the present NATO organization. Any alliance, or similar institution, which is constituted for the purpose of creating an unjustified *casus belli*, or for conduct of unjust warfare, or which fosters crimes against humanity, is an enemy of the just peace, and is to be terminated as quickly as possible, in the interest of peace, and of the general good. With such considerations in view, NATO must be superseded, by some relevant institution free of control by the *Entente Cordiale*.

2. The geopolitical roots of this crisis

During the course of the past five decades, those "British Eighteenth-Century methods," which Franklin Roosevelt justly despised, and would have uprooted, have shown them-

10. Of course, that war itself must be considered, also, by Nuremberg standards, as a "war crime" perpetrated by "Jack the Ripper"-like King Edward VII's Anglo-French *Entente Cordiale*. See the relevant summary on this point, below.

11. For his role in Britain's war against Iraq, General Colin Powell was rewarded personally by Queen Elizabeth II, with the "honorary" title of Sir Colin Powell, Knight Commander of the Order of the Bath, ranking Powell even above the ugliest *Giftzweg* in the Queen's American service, Sir Henry A. Kissinger. These honorary titles are given to Americans only for outstanding service to peculiar interests of the British Empire.

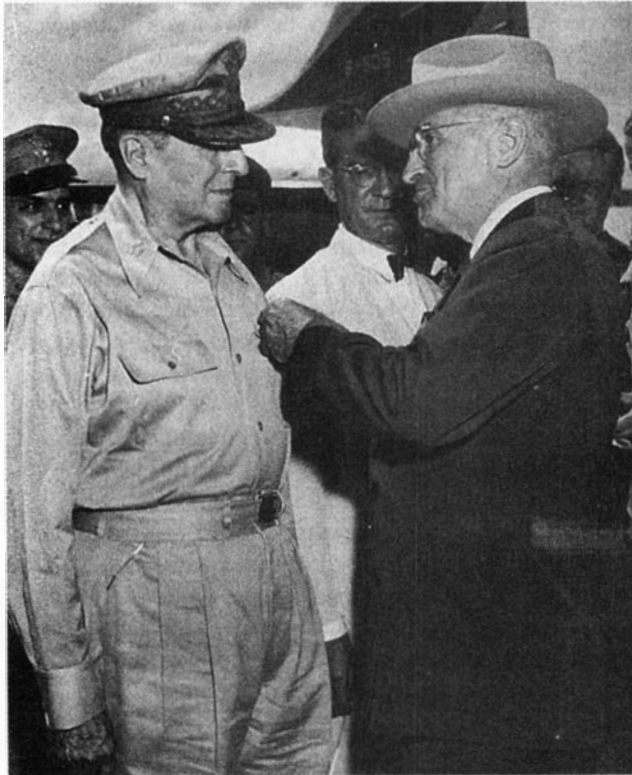
12. The Nuremberg standard is implied: persons, and institutions, who either knew, or should have known, that the policies they were supporting were causing increases in death-rate, or kindred suffering within populations targeted by that policy. In investigation of prospective such cases, it is the reasonable duty of the investigating agency, to show that there was a relevant element of choice in what appears to be the culpable policy-formulation. The terms of post-war occupation of Iraq, and the imposition of IMF "conditionalities," are relevant examples of cases deserving investigation pursuant to charges of "crimes against humanity" against the relevant persons and institutions. In both cases, the indicated perpetrators are clearly culpable.

6. Nos. 5, 6, Sept. 1, 1946. p. 19.

7. Kissinger address at Chatham House, London, May 10, 1982.

8. On the British Empire's extent today, see "The Sun Never Sets on the New British Empire," *EIR*, May 24, 1996.

9. "Other imperialists," includes the "Wall Street" Anglophile financier oligarchy rooted in the traditions of the British opium-trade and London's Confederacy puppet. Historically, Morgan, Kuhn-Loeb, and Harriman typify this U.S. branch of the London-centered, global financier oligarchy, as do the factions of such Confederacy "buffs" as Teddy Roosevelt and Ku Klux Klan fan Woodrow Wilson, and, from northerly precincts, Yankee Calvin Coolidge.



Truman awards a medal to Gen. Douglas MacArthur, Oct. 14, 1950. Truman's firing of MacArthur six months later, at British urging, represented a direct assault upon the implications of the U.S. Constitution.

selves to have become the axiomatic basis of a virtual monetary-financial-economic dictatorship, today's avowedly globalist, flatulently bloated, and self-doomed, IMF-dominated international monetary-financial system. The ongoing process of self-disintegration of the intertwined monetary and leading financial institutions of that IMF-centered system, is the central feature of the most menacing strategic crisis of the Twentieth Century, the worst crisis to threaten the continued existence of the United States since the 1789 opening of the French Revolution.

The present strategic crisis, like the preceding two general wars of this century, is a product of that same, British imperial, geopolitical dogma, launched under Queen Victoria and her son, King Edward VII, which was the direct cause of World War I. To understand the issues governing the required supersession of NATO today, the highlights of that geopolitical dogma must be summarily examined here.

This crisis has four principal features:

1) *It is a product of continuing the same British geopolitical dogma which created both of the two world wars of this century, and also the 1946-1989 bi-polar conflict among "super-powers";*

2) *It embodies the cumulatively erosive, social, economic, and political effects of the "cultural paradigm-shift" intro-*

duced to the United States and Western Europe during the 1964-1972 interval. This cultural shift has undermined the moral authority and intellectual competence of leading governmental and leading private institutions, throughout most of the planet;

3) *It features the presently disintegrating global monetary and financial system, the result of nearly thirty years of "cultural paradigm-shift," from a culturally optimistic commitment to benefits of scientific and technological progress, to today's culturally pessimistic cults of "rock-drug-sex youth-counter-culture," and "post-industrial" utopianism; and,*

4) *It expresses the intersection, of the three other features, with both the actual and potential, world-wide impact of the willfully destructive economic and related, 1990-1996 policies, which the IMF and other institutions have imposed upon the former Comecon sector of the world economy.*

For reasons to be supplied in the appropriate location, here below, the latter three of these four, interacting features of the present strategic crisis, must be understood, functionally, as offshoots of the first, the "geopolitical." With that fourfold aspect kept in view, we focus for the moment on the institutionalized role of the "geopolitical" factor.

This present, fourfold strategic crisis is the most recent among a series of four, global, geopolitical crises, the which have dominated the Twentieth Century, to the present date. The first of this series, which erupted during 1898-1901, grew out of Britain's fearful reaction to the U.S. defeat of Britain's Confederacy puppet.

From 1862-1863 onward, until the 1901 assassination of President William McKinley, the de facto allies and friends of the United States had included Germany and Russia, and also, a special friendship with a Meiji Restoration Japan which was oriented to the Hamilton-Carey-List model of the American System of political-economy. The acknowledged principal enemies of the United States, from the onset of the Civil War, through the 1901 assassination of McKinley, had continued to be the British monarchy and those elements in France associated with the "Second Empire," of Napoleon III. This configuration in U.S. policy-making, began to be reversed, with the assassination of President William McKinley.

The sweeping reversal in the axioms of U.S. foreign policy, at the beginning of the Twentieth Century, was associated with the accession to the U.S. Presidency, of two fanatical Anglophiles, both of whom were unreconstructed admirers of the defeated Confederacy: Theodore Roosevelt¹³ and

13. The principal mentor of Theodore Roosevelt's political development had been his maternal uncle, the traitor James D(unwody) Bulloch, the London-based, war-time director of the European division of the Confederate secret intelligence service. See Anton Chaitkin, *Treason in America*, 2nd ed. (New York: New Benjamin Franklin House, 1985), passim. Notably, the leading families of the Confederacy were integrated with the extended family of former French dictator Napoleon Buonaparte. While Napoleon reposed at his host's St. Helena, the other notables of Napoleon's family (which is drawn

Woodrow Wilson.¹⁴ Their administrations effected a virtual break with the U.S. patriotic tradition. This is typified, by a U.S. break with Germany (and, in fact, Japan, too), under Theodore Roosevelt, and by an alliance of the U.S.A. with Edward VII's Anglo-French *Entente Cordiale*, an alliance established, in effect, by Teddy Roosevelt's commitment to support that Entente in Britain's planned war for the destruction of Germany.

Although the administration of President Warren Harding, showed symptoms of a pro-patriotic shift, away from the track of the pro-Confederacy Teddy Roosevelt and Woodrow Wilson, Calvin Coolidge was a Yankee variant of the Theodore Roosevelt heritage. The leading "politically correct" current in both Republican and Democratic party politics, from Wilson until Franklin Roosevelt's Presidency, was a form of political conservatism echoing the same post-Versailles Conservative Revolution which produced the Mussolini, Hitler, and kindred fascist movements of 1920s and 1930s Europe, a form of fascist-tending conservatism which pre-figured the "neo-conservatism" of today's "Contract with America."¹⁵ That is key to understanding the shift back to a patriotic outlook, in the Washington, Monroe, Quincy Adams, Garfield, and McKinley tradition, a shift back to patriotism, which occurred under the leadership of President Franklin Roosevelt.

Men and women are prone to warts of sundry physical and metaphysical qualities; even among the relative best, heroes are seldom perfect representatives of the cause for which they are otherwise justly acclaimed. Thus, for example, FDR resembled his cousin, Teddy, in a notable wart: He showed himself as a World War I-vintage German-hater; but, he was thoroughly rational in recognizing, that once World War II were ended, the role of Britain as the traditional chief enemy

from the "Sardinian" branch of the Italian aristocracy), were agents of the British intelligence service, from no later than 1814, onward. Bulloch was specifically an intimate of the extended Buonaparte family's U.S. residents. Thus, there was more than coincidence in the strategic alliance between the Confederacy and the Second Empire of Napoleon Buonaparte's nephew (and head of France's Grand Orient freemasonic lodges).

14. President Woodrow Wilson's inner character, as a devotee of the Ku Klux Klan, came to the fore in his public sponsorship, from the White House, of the Goldwyn and Mayer film, *The Klansman*, later renamed *The Birth of a Nation*. This Hollywood propaganda film was used to mobilize millions of Americans into a revived KKK, not only in the vicinity of Stone Mountain, Georgia, but with massive recruiting in such states as Minnesota, Illinois, Indiana, Michigan, and so on. Wilson's controller was Col. Edward House, the son of the Thomas House closely associated with the Confederate spy service of James D. Bulloch. Teddy Roosevelt and Woodrow Wilson were not the only representatives of the Confederacy networks to occupy the Washington Executive Mansion; Grover Cleveland was a member of the same treasonous network.

15. See Armin Mohler, *Die konservative Revolution in Deutschland 1919-1932*, 2nd edition (Darmstadt: 1972). See also, Helga Zepp-LaRouche, ed., *The Hitler Book*, Chambless, et al. trans. (New York: New Benjamin Franklin House, 1984): English translation of *Das Hitlerbuch*, Helga Zepp-LaRouche, ed. (Wiesbaden, F.R.G.: 1984).

of the United States would emerge, as, presently, once again, it has come so violently to the surface during the Presidency of, warts and all, President William Clinton. Warts and all, it was under FDR, that the Democratic Party was virtually re-born, assuming the patriotic tradition which the pre-Teddy Roosevelt, Republican Party had once enjoyed, under the leadership of Abraham Lincoln.

The continuing strategic interest of the United States, since 1776, and earlier, has been the need to defeat the form of imperialism represented by the British monarchy, and by that monarchy's Dutch, and Nineteenth-Century French and kindred accomplices in colonialism and monetarism. The work of Benjamin Franklin, and his protégé, Secretary of State, President, and Senator John Quincy Adams, are exemplary of the way in which the strategic outlook of the U.S. patriots developed during the course of the late Eighteenth and Nineteenth Centuries. The highlights of that side of our history should be considered, to expose as fraudulent, the popular mythologies pervading the corrupt textbooks and mass media of the post-McKinley U.S.A.

To understand the historically determined, strategic interests of the United States, then and now, it must be recognized, that the establishment of the United States' republic was made possible, by a network of Benjamin Franklin's collaborators, and other co-thinkers and allies, in Europe. This network had been established under the influence and leadership of Gottfried Leibniz. The U.S.A. allies in France, Leibniz's tradition in Germany, in Poland, and in the Leibnizian St. Petersburg Academy of Russia, were exemplary of that network.¹⁶ However, it must also be understood, that the destruction of the U.S.A.'s French ally, by the succession of the Jacobins and Bonapartists, beginning 1789, temporarily deprived our republic of any strategically significant, reliable allies, in Europe, outside the then but marginally influential networks of Schiller.¹⁷

16. The influence of Leibniz's networks had been planted in the North American English-speaking (and German-speaking) colonies, notably the Commonwealths of Massachusetts and Pennsylvania, during the reign of England's Queen Anne. The 1712-1714 victory of what was known then as the British "Venetian Party" of the Duke of Marlborough's future Liberals, forced the defeated patriots of England, Scotland, and Ireland, to shift their efforts to building up the semi-autonomous colonies in North America, as a counterforce to the evil which took over the United Kingdom with the accession of Mr. Georg Ludwig Welf, a.k.a. "George Louis," a.k.a. "King George I." Two among young Franklin's patrons, Massachusetts' Cotton Mather, and Pennsylvania's Jonathan Logan, typify the anti-Locke influence of the Leibniz networks, in forming the patriotic faction of the future United States during the earliest decades of the Eighteenth Century. For an introduction to this area in American history, see historian H. Graham Lowry's *How the Nation Was Won: America's Untold Story*, Vol. I (Washington, D.C.: Executive Intelligence Review, 1987).

17. Outgoing President George Washington's remarks, on the subject of avoiding "entangling" alliances in Europe, must be understood in that historically specific context. Our friend, Lafayette, had been incarcerated in the Habsburg prison at Olmuetz. According to Ludwig van Beethoven's opera, *Fidelio*, Lafayette's incarceration was demanded by Britain's Prime Minister

A crucial change, from the U.S.A.'s imperilled isolation of 1814-1849, was begun in the aftermath of the Crimean War. Alexander II overturned the quasi-Nietzschean, "Metternichean" conservatism of Czars Alexander I and Nicholas I; he established an economically progressive Russia, as the U.S.A.'s most powerful and important ally, until, and beyond Alexander II's death, in 1881. Notable is Alexander II's 1862-1863 threat to make war against Britain and France (should they proceed with their planned, direct, naval intervention against the United States), combined with the effect of the Gettysburg defeat of the Confederacy, to save the U.S.A. from "Balkanization" and British re-conquest. The 1870 defeat of Napoleon III, and the establishment of the Thiers government in France, opened a new, brighter period in U.S. foreign policy options, which continued until a circle of admirers of Vice-President Teddy Roosevelt, centered around terrorist controller Emma Goldman, of New York City's Henry Street Settlement House, accomplished the 1901 assassination of President McKinley.

Thus, it came to be, that, under the circumstances of the 1862-1901 interval, the axis of U.S. foreign-policy strategic options, was our good relations with Germany, Russia, and Japan, and the special, positive role contributed by the anti-Napoleonic forces in the leadership of 1871-1898 France. We, like these forces, were also committed to freeing China from the sodomic grip of the British monarchy. We were implicitly the ally of the effort to develop corridors of continental-Eurasian economic development, from Brest, on the Atlantic Coast of France, eastward, by rail, to Japan and China, and to the Indian Ocean.

With the 1870 defeat of Lord Palmerston's puppet, France's Napoleon III, had come the new-born Third Republic of France, as typified by President Adolphe Thiers, President Sadi Carnot, and the diplomat Gabriel Hanotaux. From 1871 through 1898, France functioned, with echoes of Lafayette and Lazare Carnot, both as a predominantly positive force in its own time, and as a premonition of 1958-1969 France, under President Charles de Gaulle. During the 1871-

William Pitt the Younger ("Pizzaro"), probably through the channels of Wolfgang Mozart's deadly enemy, Chancellor von Kaunitz. In such a case, *Fidelio's* allusion to "Pitt" might be symbolic of Jeremy Bentham, a Shelburne protégé and head of the British foreign-intelligence service since 1782. Bentham personally trained and controlled leading figures of the Jacobin "Reign of Terror," such as outrightly Bentham-directed agents Danton and Marat, and Bentham was a devoted enemy of Lafayette. By the time President Washington was leaving office, Napoleon Buonaparte's patron, Paul Barras, was in control of France; the U.S.A. no longer had any reliable allies in power in Europe. From 1789 through 1849, the enemies of the United States prevailed in Europe, and world-wide: the British Monarchy, and the Holy Alliance spawned at Chancellor Metternich's (sexual) Congress of Vienna. Earlier, during 1776-1783, it was "foreign entanglements" which U.S. leaders such as Franklin and Washington had found indispensable to U.S. victory and national security: So much for nit-pickers who quote everything, from the Bible on, out of context, that done with the smug, narcissistic passion, and matching leer, of the self-deluded.

1898 interval, France emerged as a de facto partner of such crucial circles as those of Emil Rathenau and Wilhelm Siemens in Germany, and, overtly, with the circles of Dmitri Mendeleev and Count Sergei Witte in Russia.¹⁸

All of these U.S. friendships of the 1871-1898 interval, were products of the Leibniz tradition in Europe. For example: The U.S.A.'s closest friends in France, typified the Leibniz heritage of both "Author of Victory" Lazare Carnot and the pre-1815, Gaspard Monge Ecole Polytechnique. Similarly, in Germany and in Russia, the relevant influences were both, the heritage of Leibniz's influence in those nations, and, also, the influence of the anti-British, "American System of political-economy," as represented by Benjamin Franklin, Alexander Hamilton, the Careys, and Friedrich List. Respecting pre-1901 Japan, the principal basis was the Meiji Restoration's adoption of the Lincoln administration's economic model, that of Franklin, Hamilton, the Careys, and List. Until the relevant changes within France and the U.S.A., the which developed between the 1898 Fashoda incident and the 1901 assassination of McKinley, the U.S.A., France, Germany, Russia, and Japan, together with the patriotic forces of China, converged in common interest, as foes of the British Empire, as foes of the imperialist economic dogma of Adam Smith, and as proponents of economic cooperation for the development of the Eurasian continent.

The Hobbesian dogma of "geopolitics" was established by the virtual "acting King of England," reclusive Queen Victoria's son, the Prince of Wales, also known as "Lord of the Isles" Albert Edward, and, later, as King Edward VII. This was done out of his determination to destroy convergences among the U.S.A., France, Germany, Russia, Japan, and the patriots of China. World War I was the direct result of Britain's war-criminal actions, of 1898-1910, all taken under the pretext of the "geopolitics" dogma of geographer Halford Mackinder and Lord Alfred Milner's "Kindergarten" (the monthly eating-club, the "Coefficients").

Over the interval, from 1898-1907, approximately, Britain convoked the heirs of the Napoleonic imperial tradition back to power in Paris, establishing, thus, the *Entente Cordiale*. This Entente was used to create those ensuing Balkan wars, which lured the pan-Slavist mystics of Russia into turn-

18. The same Professor Dmitri Mendeleev famous for the Periodic Table of physical chemistry, was also a leading figure in the industrialization of late-Nineteenth-Century Russia. He was key to the building of Russia's railway networks, and to utilizing those railway corridors as zones of general economic development in mining and manufacturing. His closest collaborator in such nation-building work was Russian Minister Count Sergei Witte. Witte was a leading exponent and practitioner of the U.S.-Germany "American System of political-economy," of Franklin, Hamilton, the Careys, and Friedrich List. Witte was one of the world's leading exponents of List's work on national economy. Both of these great figures of Russia's history were linked to such circles as Benjamin Franklin's grandson, Alexander Dallas Bache, et al., in the U.S., and the Bache-linked circles of C.F. Gauss, Rathenau, and von Siemens, in Germany.



Smash the Entente Cordiale! A demonstration at the French Consulate in Philadelphia, May 24, 1996.

ing the Triple Entente of Britain-France-Russia into a commitment to force war upon Germany.¹⁹ It was the Czarist regime's launching the mobilization for Russia's intended assault upon Germany, which forced Germany to begin its

19. The Balkan and related joint operations of the two key, overlapping networks of Napoleon III's Grand Orient freemasonry and Giuseppe Mazzini's Young Europe, are included features of a soon-to-be published Special Report of *Executive Intelligence Review* newsweekly: "Entente Bestiale." This joint British-French intelligence services' control over the internal life of the Balkans, dates from early during the Nineteenth Century. The Serbian and Russian networks of Mazzini's "Young Europe" networks, represent the continuing British-French control over their traditional Serbia assets, down to the present day. This has been the means by which British intelligence services, and their Paris-ite accomplices, have used Balkan conflicts, to manipulate credulous pan-Slavists in Russia, from deep into the Nineteenth Century, down to the present days. In the interconnections among the extended Buonaparte family and both British intelligence, and intermarriages with the royal and aristocratic families of Europe, one finds one has stumbled upon most of the important connections of European history since the Eighteenth Century. If one wishes to know what modern monsters lurk in Pandora's box, the connection to British intelligence by the lowly extended families of the Corsican aristocracy, provides the key.

For those not familiar with the principal facts concerning the pre-organization of Britain's World War I, the following summary is relevant to the case presented in the present policy-memorandum. The famous Schlieffen Plan of 1905 was constructed in anticipation of Britain's already plain intent to launch a two-front war against Germany during the near term: Russia attacking from the east, while Britain, France, and Belgium attacked from the west. Chief of

own general mobilization: Thus, Britain organized World War I. Thus, the Czar unleashed his "dogs of war," a folly which the foolish Romanov dynasty would not survive.

The "Bull Moose" spoiler campaign of ex-President The-

Germany's General Staff von Schlieffen addressed this threat with the same quality of mind he employed for the composition of his *Cannae*. Had the German commander of 1914, (young) Helmuth v. Moltke, carried out Schlieffen's design, rather than losing his nerve in the situation, France and Britain would have been defeated during the initial German assault toward Paris. The keys to the Plan were as follows. First, the terrible logistics of the Russian Empire would summon a great host against Germany's northeast flank, but no effective Russian force could be brought to bear in that region during the time required for Germany to complete its mobilization, defeat the combined forces of France, Belgium, and Britain, and, turn the German military forces to crush the Russian invaders on the eastern front. The crushing of the allied forces of the *Entente Cordiale* relied upon the peculiarities of the railway system of western and central Europe, where Germany had great superiority, and the superior depth and quality of Germany's military reserves. With relatively minimal allocation of forces to the easily defended Alsace-Lorraine front, minimal forces deployed to fend early, limited Russian probes in the northeast, the weight of Germany's assault would sweep through Belgium prior to the point Belgian forces were adequately mobilized. This sweeping attack on the Paris region from the northern flank, would cut the vulnerable French railway system of that region, and create a situation in which Britain was isolated from continental Europe. Only Moltke's refusal to allot to the northern flank the amount of force specified by v. Schlieffen, enabled Foch and the B.E.F. to survive the initial assault. The responsibility for Germany's loss of World War I lies entirely on the nation's failure to

odore Roosevelt, split the national Presidential vote, bringing Kuhn-Loeb protégé, and Ku Klux Klan booster, Woodrow Wilson into the office of President. This ensured the passage of the Federal Reserve Act, the Income Tax amendment's passage through the Congress, and a U.S. pre-commitment to mobilize support for the *Entente Cordiale* in Britain's intended war against Germany.

After the Versailles Treaty, during the 1920s, the same geopolitical poison was already at work once again, this time as the issue for Britain's orchestrating a second World War. Notably, the initial success of Soviet diplomat, G.V. Chicherin, in negotiating the Rapallo Treaty of 1922, showed the British monarchy that, once again, the nations of continental Europe were exhibiting a natural disposition to develop large-scale economic-development cooperation across the expanse of continental Eurasia. Britain's imperial, geopolitical displeasure, was seen expressed in a wave of political assassinations, including that of the head of Germany's General Electric Company (AEG), Walter Rathenau.²⁰ Rathenau's murder may be seen today, as precedent for the 1989 assassination of Deutsche Bank's head, Alfred Herrhausen, which latter, in 1989, foretold the geopolitical crisis dominating strategic relations today.

The assassination of Rathenau, to British geopolitical advantage, was done by cat's-paws from the same movement which supplied Adolf Hitler's Nazis.²¹ That 1922 act presaged London's putting Hitler into power in Germany. London, in 1933, with collaboration of its Kuhn-Loeb, Harriman assets in New York City, overthrew the German government of General Kurt von Schleicher, in order to bring Hitler into power.²²

purge itself of the intellectually corrupted, oligarchical anachronism at the top. The German military, the German industry, the German people performed brilliantly. As for young Moltke's blunders, he was the Kaiser's man: In essence, the Kaiser lost the war, and the German people suffered the loss. Otherwise: the foolishly stubborn Habsburg monarchy of Austro-Hungary, brought destruction upon itself, by rejecting the advice of Germany on Balkan policy: that it cease to provoke the weak-minded Czar Nicholas II into the camp of Russia's plan-Slav fanatics. The German Kaiser was not as foolish as his Habsburg ally, but, since the Hohenzollerns' betrayal of the German nation, at the Congress of Vienna, the relics of the feudal aristocracy had become a disastrous political anachronism, for both Germany and Austria.

20. Although the 1922 Rapallo Treaty is loosely described as a "Germany-Russia" agreement (which it was, formally speaking), the treaty was fostered by some who were neither Soviet nor German, including Britain's Lloyd George. The latter was among the rare instances of a prominent sponsor of Rapallo who survived the subsequent wave of assassinations. AEG=Allgemeine Elektrizitäts-Gesellschaft. Walter Rathenau was the son of that Emil Rathenau who was closely associated with the American Thomas Edison, and who was a close collaborator of Wilhelm von Siemens referenced above. The Rathenau family, and its collaborators, were tied not only to the U.S. patriotic circles of Alexander Dallas Bache; they represented a vital patriotic leadership within Germany, akin to the adversaries of the anti-science, Morgan-controlled *New York Times* in Bache's and Edison's United States.

21. Armin Mohler, op. cit., passim.

22. On Harriman, Bush, and Hitler, see Anton Chaitkin and Webster G. Tarpley, *George Bush: The Unauthorized Biography* (Washington, D.C.: Executive Intelligence Review, 1992), passim.

Behind the 1922 assassinations, and also London's 1932-1933 boosting of Nazi Hitler into power, lay British fear of Weimar Germany's military and other, not-so-secret, economic cooperation with the Soviet Union. The "spirit of Rapallo" lived on, to be revived, if only briefly, by Helga Zepp LaRouche and Alfred Herrhausen, in 1989-1990. To ensure a war between Germany and Russia, which London intended to obliterate all future possibility for economic cooperation across continental Eurasia, Hitler was brought to power in Germany. London accomplished this with aid of a transfer of funds to the Nazis, organized by the chief executive officer of the Harriman firm, later Senator, Prescott Bush, the father of the future President George Bush.²³

Although the Harriman family of 1932-1933 was not only an accomplice of Hitler's British backers, but was itself a publicly declared enthusiast for "Hitler's racial purification" policies,²⁴ these Anglo-American oligarchs were making no long-time commitment to the Nazis, even back at the time they forced Hitler's rule upon the German people. These Anglo-American circles who backed Mussolini and the Nazis, including members of the British royal family, continued to discourage Hitler's critics until about the time of the Berlin *Kristallnacht* rampage of 1938. The 1938 events, including the *Anschluss* with Austria, the Sudeten crisis, and the flaunting of Nazi anti-Semitic, "bully boy" terrorism in the face of the international press and diplomatic corps, in Berlin itself, put Hitler beyond the point of no return toward general war in Europe. Once Hitler was, thus, fully secured in place, and devastating war in Europe now inevitable, Hitler's Anglo-American backers pulled back from continued public sympathy for their former Mussolini and Hitler protégés. When an oligarch hires an arsonist, he does not necessarily intend to marry that arsonist to his daughter; he intends only to make use of the effect which arson has been selected to produce.

Then, with Germany's defeat virtually completed, came the next turn of the British geopolitical wheel of war. The April 1945 death of President Franklin Roosevelt enabled Britain's geopoliticians to avert a U.S.-sponsored Eurasian economic cooperation. Had Roosevelt lived to inaugurate his intended post-war policy, western continental Europe would have become a partner in the economic development of Russia and China: not only from the "Atlantic to the Urals," as President de Gaulle proposed later, but from the Atlantic to the Pacific and Indian oceans. The Churchillian nuclear bombing of Japan, and Churchill's "Iron Curtain," set off the geopolitical dynamic of a bipolar, nuclear division of the world.

The next turn of the same geopolitical wheel presented itself as the policy of Britain's Prime Minister Margaret Thatcher, in late 1989. That autumn, Churchill's nuclear bipolar age had collapsed. What did Margaret Thatcher, her Fran-

23. *ibid.*

24. *ibid.*

çois Mitterrand, her Conor Cruise O'Brien, and her Nicholas Ridley—among others—now fear from a *collapsing* Soviet super-power?

This writer had proposed, earlier, in conducting exploratory back-channel talks with Moscow, during 1982-1983, a shift to U.S.-sponsored, continental-Eurasian economic-development cooperation. This writer's explicit proposal to that effect, was the kernel of President Ronald Reagan's initial, March 1983 proposal of his Strategic Defense Initiative (SDI): technological cooperation in developing global ballistic-missile defense based upon new physical principles.²⁵ The opening of similar approaches to east-west economic-development cooperation, to accompany the expected, 1989 collapse of the Comecon sector of eastern Europe, was the subject of this writer's October 12, 1988 Berlin press conference: U.S. Vice-President George Bush's circles were, once again, not pleased. This same approach was the kernel of the 1989-1990 "Productive Triangle" proposal, issued by Helga Zepp LaRouche and her associates. This "Productive Triangle" policy paralleled the prepared address which Deutsche Bank's Alfred Herrhausen would have delivered in New York City, had he not been prevented by his assassination. Mrs. Thatcher's and George Bush's governments, clearly, were not pleased.

During 1989-1990, Prime Minister Thatcher and President François Mitterrand, supported by Mrs. Thatcher's American assets, such as those subsequently misbekenighted creations of Britain's leading horse-breeder, Sir Henry A. Kissinger and President Sir George Bush, struck out hysterically, successful in forcing the Federal Republic of Germany to destroy most of what remained of the 1990 East German economy. The same policy of destruction was imposed, similarly, under the false-labelling of "free market reforms," through eastern Europe and the area of the Soviet Union. The economy of the whole region of the Comecon sector is today, at the level of about 30% the level of economy of 1989! All this was done out of the same geopolitical motives which impelled King Edward VII to organize World War I.

Presently, Russia is gripped by an existential crisis. Either Russia casts off the mass-murderous IMF conditionalities,

25. For those not familiar with the published record on this matter: during December 1981, a channel of the U.S. government proposed that this writer open up a new exploratory back-channel, in U.S. interest, with the Soviet government. This writer proposed, in August 1979, as a policy proposal of his own 1980 Democratic Presidential-nomination campaign: that strategic ballistic-missile defense, based upon use of what diplomacy terms "new physical principles," be employed as the exploratory topic for those back-channel chats. As a by-product of this writer's presentation of this policy, at a mid-February 1982 Washington, D.C. conference addressing prominent figures of more than a score of nations, on this topic, and the ensuing back-channel discussions of the February 1982-February 1983 interval, President Reagan came to be persuaded to adopt the same potential proposal which the present writer had outlined to the Soviet channel. Henry A. Kissinger was not happy about this development; nor, apparently, was George Bush's James Baker III.

or Russia will explode, in one fashion or another. China is committed to a process of internal economic development cohering with the development of several "Silk Road" railway corridors, to the Indian Ocean, into the Black Sea region, and directly into western Europe. The economies of western continental Europe, such as Germany, are collapsing into the ruin of threatened, imminent national bankruptcies, under the impact of "global economy" policies similar to those decimat-

This writer had proposed, earlier, in conducting exploratory back-channel talks with Moscow, during 1982-1983, a shift to U.S.-sponsored, continental-Eurasian economic-development cooperation. This was the kernel of President Ronald Reagan's initial, March 1983 proposal of his Strategic Defense Initiative.

ing the ruined economies of the former Comecon sector. The links of the United States, and western continental Europe, together with Russia and Ukraine, to the areas of the world's greatest growth-potential, along the Asian littoral of the Indian and Pacific oceans, are crucial for the survival of the presently imperilled world-economy.

Presently, the leading forces of Britain are committed to the partition of China into a form akin to the old "war lord" times. Sinkiang and Tibet are besieged by British operations. In Southeast Asia, British intelligence agencies, including Chatham House and the International Institute for Strategic Studies (IISS) work, out of London, Australia, and other bases, to build up a Singapore-Bangkok-Hongkong alliance of "hot money" forces, for strategic assault on China, to dismember it. Here, as in Russia, the London-Paris *Entente Cordiale*, operating at the highest levels of the British and French governments, spreads wild lies against the U.S.A. and its policies: into Moscow, Beijing, and elsewhere. Leading dupes and other U.S.A. accomplices of that Entente are deployed, including those associated with former Republican administrations, to deploy in a manner to assist the success of the Entente's perfervid campaigns of lies.²⁶

Presently, once more, the geopoliticians are beating the drums of Apocalypse. The world will not be freed of recurring such horrors, until, at last, we destroy "geopolitics."

26. Notable, according to Russia sources, is the Republican Party's special intelligence unit operating in Moscow.

3. Economy and strategy

The simple, measurable, empirical proof, of the absolute distinction of the human species, from his beast beneath, is the fact, that mankind has risen far above the potential population-density of any conceivable species of higher ape, several millions individuals, at most, to hundreds of millions, and then billions of persons. This growth in the scale of the population, has been accompanied by an implicitly limitless trend of improvement in life-expectancy, and in the available quality of family and individual life. The worthy distinction of the human race, that which places it, absolutely, apart from, and above the beasts, is that cognitive power inhering uniquely in the human individual, the power both to effect, and to comprehend, valid axiomatic-revolutionary discoveries of natural principles of our universe. It is by that means, that the power of man over the universe, per capita, is successively increased. Such, according to the implications of *Genesis* 1:26-30, is the individual human soul.

Human nature, so defined, is the subject of a branch of physical science, *physical economy*, which was first established, and further developed by Gottfried Leibniz, during the course of 1671-1716. In this branch of science, we measure the demographic performance of society in respect to rates of improvement per capita, per family household, and per square kilometer of relevant area of the Earth's surface. The measurement of these rates, involves notions of efficient function based upon that *potential* increase of the productive powers of labor, the which is derived solely from the cumulative level of valid axiomatic-revolutionary discoveries of principle, in physical science and Classical art-forms.

In this branch of physical science, the conversion of this improvement of productive potential, into actual increases in the productive powers of labor, and correlated improvements in the society's demographic characteristics, is treated in respect to satisfying the upward-shifting constraints, upon the allocation function, the which are typified by such considerations as improvements of basic economic infrastructure, and increased ratios of relative capital-intensity and power-density of the society, per capita of labor force, per family household, and per square kilometer of the Earth's surface.

The referenced quality of cognition, unique to the human individual, is the only admissible, axiomatic basis from which to derive the strategy of a United States committed to the constitutional principles upon which our republic was founded. The means for measuring the performance of the United States, and the planet as a whole, according to this axiomatic basis, is provided uniquely by the science of physical economy.

If we examine exemplary strategic studies from past history, notably by France's King Louis XI (1461-1483); Jean-Baptiste Colbert; Benjamin Franklin; Alexander Hamilton;

Lazare Carnot and the Ecole Polytechnique under Gaspard Monge; Matthew and Henry Carey; the leading strategists of modern Germany, including Friedrich List, since 1789; and the United States prior to the 1964-1972 "cultural paradigm-shift": We recognize that an approximation of our approach has always been present in these cases. The conceptions of national economic security adopted by the U.S.A. at the close of World War I, and the application of this same notion to the post-"Sputnik" period, including the National Science Foundation grants to education, through and slightly beyond the administration of President John F. Kennedy, are relevant examples of this persisting approximation.

Although the dogma of "geopolitics" also claims to make reference to man's relationship to geography, there is an unbridgeable gulf between the relatively bestial simplicity of the conceptions upon which "geopolitical thinking" is based, and those opposing principles of strategy upon which the United States was founded. Geopolitics assumes, that the relationship between man and geography is derived from those misanthropic notions of "human nature," the which are axiomatic for the empiricist ideology of Thomas Hobbes, John Locke, Bernard de Mandeville, Adam Smith, Jeremy Bentham, and, also, for the scientific and other forms of ideologies of the Nineteenth- and Twentieth-Century positivists, existentialists, utilitarians, and the pragmatists.²⁷ In opposition to such, latter, pro-bestial ideologies, the proper principles of strategy, are centrally premised upon those developable cognitive powers of the human individual, which set mankind apart from, and above the beasts.

27. The list, thus, includes such modern offshoots of Bernard de Mandeville as the sundry devotees of Ludwig von Mises, of the Mont Pelerin Society's Friedrich von Hayek and Milton Friedman, and of the outright Nuremberg criminals of today's "Contract with America." On the subject of the latter: Any official who chooses to support a policy, which he, or she knew, or should have known, would result in increased death-rates, or comparable suffering, among a significant percentile of members of some designated class of persons, is guilty of Nuremberg-code crimes against humanity. Today, as during the 1920s and 1930s, there are classes of influential persons, and public officials, who are promoting, as the Nazi regime did during the 1930s, and later, the reduction, or even elimination of costs for support of what the Nazis classed as "useless eaters," whether in the form of policies of governments, or of relevant private institutions (such as private medical institutions), or both. The willful attempts, whether by officials treading the pathway of former Governor Richard Lamm, or by relevant proponents of "Contract with America," to bring about significant increases in rates of death or other grievous suffering among classes of persons, renders every relevant elected official, or professional, properly indictable for Nuremberg-code "crimes against humanity." The hallmark of the kinds of pro-malthusian conservatism which proposed or excused such criminality during the 1930s, whether by the Nazis, or by the Harriman family in the United States, or by supporters of the Mont Pelerin Society ideology today, is a symptom of the degree to which the "conservative" ideology of the times corrupted public opinion, then and now. Today's "Contract with America" is, thus, shown, exactly, to typify the problem of mass criminality by large segments of a population, which the Nuremberg trials were intended to treat as a criminal mentality, then, and for all future times.

In brief: The empiricist ideologues reject the demonstrated nature of the human individual. In the place in the social process where the individual's distinctly human, cognitive potential is located functionally, the empiricists put a disgusting substitute, a "genetically" fixed, bestial, linear (therefore, Malthusian) quality of alleged "human nature." Contrary to empiricism's doctrine of "human nature," history shows the distinction of the member of the human species, to be the power to improve willfully his own nature, in ways which increase the productive powers of labor, increase life-expectancy, and also advance the quality of family and individual life. The "geopolitician" views mankind's relationship to geography, in terms of the Hobbesian lusts of a barroom brawler; in opposition to that patriotic American strategist, who views the matter in terms of the influence of those valid discoveries of natural principle, by means of sharing which, mankind as a whole benefits in the manner peculiar to mankind's special nature and needs.²⁸

Thus, we, the adherents of the modern form of perfectly sovereign, nation-state republic, defend that form of republic, as indispensable to the fostering of universal education for the development of the cognitive potentials of each and all individual persons. The institution of the modern form of nation-state republic, has been shown to be indispensable for the fostering of universalized improvements in the productive powers of labor, and for those improvements in the life-expectancy and quality of family and individual life, the which depend absolutely upon such improvements in the productive powers of labor.

For us, the strategic objective sought, is to ensure the domestic and external, economic, and other security, of not only our own, but all other sovereign nation-state republics committed to those same principles; our general strategic objective, is the establishment of a condition in which all humanity is organized among a global community of such sovereign nation-state republics, committed to such essential principles. Our strategy, is the fostering of that process of upward development in the general condition of mankind in this universe.²⁹

28. Man's need is the need to exist in that mode, and for that purpose which distinguishes man from the beasts. This mode is the development of those kinds of creative powers of the intellect, by means of which valid, axiomatic discoveries of principles of nature are either reenacted, or original such discoveries added. This is not limited to the domain of physical science, but pertains to all valid forms of metaphor, in Classical forms of plastic and non-plastic art, which fall strictly in the category of *Platonic ideas*, together with all valid principles of physical science, the category of mentation which Aristotle implicitly denies to exist. Thus, in Rembrandt's famous painting, the bust of Homer may be seen, as sitting in pitying contemplation of Pietro Pomponazzi's soulless Aristotle.

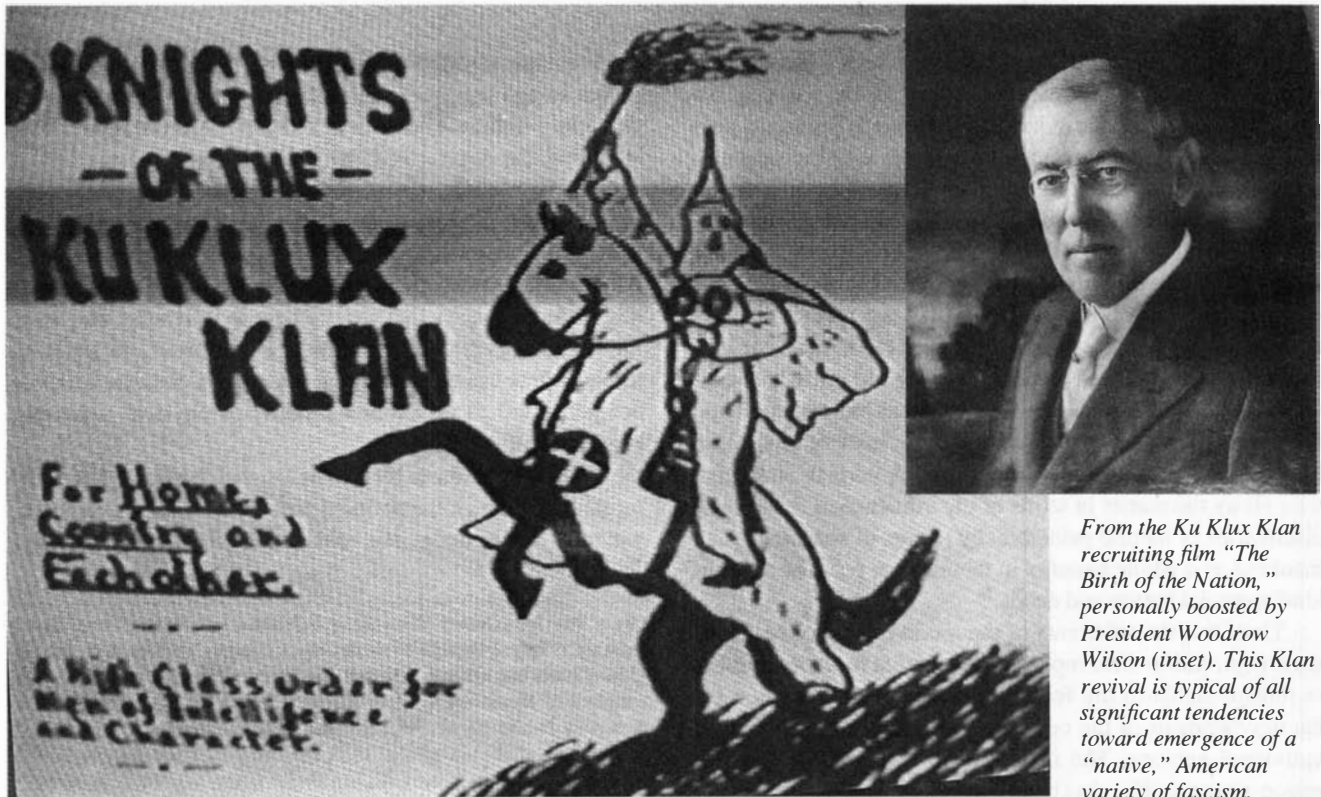
29. The principle thus referenced may be read correctly as affirmation of the rule over society by the principles which Nicolaus of Cusa identified as the crux of the interdependency between the society and the individual: (in Cusa's Latin, as) *imago viva dei* and *capax dei*. Otherwise, the general line of argument we have made, in summary, above, was invoked by U.S. Secre-

From that standpoint, there are no "non-economic" issues proper to any aspect of national life, nor any department of university studies. The essence of every aspect of human life, including the nuptial bed, is that which sets the individual person, by nature, apart from, and absolutely above the beasts.³⁰ In that sense, and in no other sense, all competent strategy is subsumed under the science of physical economy. All admirable strategic thinking known from earlier history has tended to satisfy that requirement in its results; but, now, for reasons specific to the critical situation of our place in history, there can be no competent strategic doctrine which is not generated as an explicit product of physical-economic professionalism.

To define, in these terms, the central feature of the foremost among the global political problems we must overcome, we must focus upon: *the reciprocal relationship between*

tary of State John Quincy Adams, in setting forth the reasons the United States must reject British Foreign Minister George Canning's efforts to seduce the United States into a treaty, the which would have, purportedly, excluded the members of Metternich's "Holy Alliance" from acquiring colonies in the Americas. In his letter of advice to President James Monroe, Adams seemed to thunder a rebuke to Canning: The United States will not degrade itself to become a "cock-boat in the wake of a British man o' war"! Key to the 1823 "Monroe Doctrine," was Adams's emphasis on the constitutional argument, that the United States shared no "community of principle" with the then-existing European powers, Britain included. At such time as the United States enjoyed the means of war to enforce its policy in this matter of the Americas, the U.S. would take appropriate action to exclude all European powers from colonial or kindred forms of possession of, or warfare against, any territory in the Americas. In 1823, the combination of the U.S. 1776 Declaration of Independence, our two wars in defense of our sovereignty, against the British monarchy, and the fundamental law of our nation, the Preamble to our Federal Constitution, already defined implicitly the interest which our foreign policy, our treaties, and our strategy must serve, now, as then.

30. There is no similarity of moral principle, between "making babies" and "making kittens." A child is neither what some doting mothers mis-fancy, a prospective pet, nor, as some persons view other people's children, cattle. A child is a human mind, the most beautiful, most wonderful being in all creation. This beauty lies essentially in the power of that mind to be developed into an instrument for creating truth: Truth being a valid, axiomatic-revolutionary discovery of principle, by means of which all that that society generally accepted as "knowledge," or mere learning, is shown to have been relatively false. The human identity is developed by the child, in reliving such acts of discovery made by others, earlier; that repeated re-experiencing of the valid such discoveries of others before, fosters in the developing child the power to mobilize that same creative capacity in fresh ways, in science, and in Classical forms of art. Each child needs a society, in which the opportunity to enjoy that self-realization is afforded. No child can be allowed to live as a kid does, as house-pet or cattle: The latter, bestial destinies are the trait of a society which has degenerated into congruence with the degeneracy of a Hobbes, Locke, Mandeville, von Hayek, Gramm, or Gingrich. It is that same creative essence of the human individual, which defines the meaning of Leibniz's science of physical economy; it is through the realization of the creative potential of the individual person, and in no other way, that true "macro-economic" profit is generated, that the human existence is preserved. There is no profession in science or art, which is worth knowing, or practicing, which is not derived, axiomatically from study of nothing but the expression of this same creative principle which is the only true "human nature."



From the Ku Klux Klan recruiting film "The Birth of the Nation," personally boosted by President Woodrow Wilson (inset). This Klan revival is typical of all significant tendencies toward emergence of a "native," American variety of fascism.

trends in moods and forms of institutionalized economic practice, and the induced values which majorities among populations bring to bear upon the continued shaping of such institutionalized economic practice. In that setting, we should readily recognize, that the worst affliction of mankind, worldwide, is the ideological similarity of today's political situation in Europe and the U.S.A., to the waves of post-Versailles cultural pessimism, expressed in the form of a "conservative revolution," which dominated western and central Europe throughout the 1920s and 1930s, and the United States, from throughout the 1920s into the early 1930s. Typical is the affinity between the characteristics of the rise of Nazism in 1920s and 1930s Germany,³¹ and the rise of the influence of the Mont Pelerin Society, in Britain, France, the United States, and elsewhere, during the recent quarter-century.

This parallel, between the 1918-1941 period, and that of 1946-1996, can not be understood as the strategic problem it was, and is, except by adducing the underlying, axiomatic forms of belief which allow people, such as the majority of the U.S. population of the "Roaring Twenties," or post-Versailles Weimar Germany, to degenerate into the genetically-kindred forms of conservatism which afflicted both nations, commonly, during the 1918-1932 interval.

Consider the change in underlying axiomatics, from the

31. E.g., Armin Mohler, op. cit.

cultural optimism characteristic of pre-World War I Germany and the pre-Teddy Roosevelt U.S.A., to the type of existentialist cultural pessimism which characterized the European Conservative Revolution of 1918-1932.³² Like the parallel case, also in both the U.S.A. and Germany, of the 1964-1972 "cultural-paradigm shift" to "post-industrial" utopianism, such changes can not be understood competently, except from the standpoint of physical economy. The axiomatic issue, as we shall indicate here, is the prevailing attitude toward the notion of the cognitive creative potential as the distinctively human nature of all new-born individual persons. That latter, axiomatic consideration, is the centerpiece of all strategy addressed to the setting of the world-wide impact of modern European civilization. That is the central problem of strategy to be addressed today.

To uncover the genetic connection between two typical

32. *ibid.* For "existentialist," read "Nietzschean, Wagnerian, Spenglerian, Brechtian," and also the variety of fascist ideology, conventionally styled as "leftist," for which the Frankfurt School orbit, of Theodor Adorno, and of Martin Heidegger's beloved Hannah Arendt, are exemplary. It is more than fair to say, that Adorno may have been shocked to discover that Nazi Germany was not a suitable career opportunity for even a fascist of Jewish ancestry; during the 1930s and 1940s, the fascism of a Hollywood which had produced the famous Ku Klux Klan recruiting film, *The Birth of A Nation*, and its sequel, *Gone With the Wind*, became a more suitable climate for an Adorno. Similarly, Hollywood served that *Beggars' Opera* variety of ideologue, flying Communist colors, Bertolt "Jenny" Brecht.

expressions of the post-Versailles-Treaty rise of the fascistic “conservative revolution,” in Weimar Germany and inside the United States, we have the advantage of a single bellwether in common to the two cases: the very relevant public figure, U.S. President Woodrow Wilson.

As we have referenced this point earlier, Wilson was morally unfit to be President. He was an unreconstructed fan of the Ku Klux Klan, and, therefore, also a paradigmatic candidate for apotheosis by *Southern Partisan*. It was Wilson, personally, from the Washington Executive Mansion,³³ who had launched the nationwide revival of the Ku Klux Klan, with his personal endorsement of the KKK recruiting film, *The Birth of a Nation*. The Klan revival of the Wilson and Coolidge years, which was first deployed to harass those Americans who were not sympathetic to the British monarchy, recruited several millions citizens, including heavy recruiting in states such as Minnesota, Illinois, Indiana, Michigan, and so on. This Klan revival, which was launched with the support for a Hollywood film by President Wilson, is typical of all significant tendencies toward emergence of a “native,” American variety of fascism.³⁴ The spread of recruiting into Democratic President Woodrow Wilson’s KKK in the U.S. Midwestern states, has the character of a litmus test for any historian who had not actually lived, first hand, in the United States of the 1920s and 1930s.

During the Flapper era, into the 1930s, the Klan at the bottom of the social heap, was echoed by the Harrimans and other self-styled Anglophile “patricians” spewing finance-oligarchical ideology, at the top. During the 1920s, into the 1930s, there was no significant difference in axioms of belief, respecting race, between Nazi race ideologists such as Dr. Ernst Rudin, and racist fanatics such as the Harriman family and its accomplices in the pseudo-science of “eugenics,” such as Margaret Sanger. Indeed, until Hitler consolidated power in Germany, the racist doctrine and practices common to British aristocrats and U.S. “patricians,” were more radical than anything yet seen in Germany’s practice. The Commonwealth of Virginia, for example, was a notable hotbed of those practices which the post-war Nuremberg Trials were to identify, later, as typically Nazi; but, the headquarters of this filth, was New York City’s American Museum of Natural History,³⁵

33. Which Teddy Roosevelt, with his characteristic flair for the uncouth, had designated as “The White House.”

34. That film, produced and distributed with participation by the well-known names of Goldwyn and Mayer, served as the model for Hollywood’s skein of cinematographic frauds in the name of popularizing history. The popular mass-entertainment media, with complicit support from mass “news” media, has rather effectively brainwashed most U.S. university graduates into a mental state wherein most of them have lost the capacity to distinguish between historical reality and sheer fantasy. It is relevant to stress, that in the Twentieth-Century experience of the U.S., down to the present day, any relatively popular tendency toward fascism either flies the Confederate Flag, or perhaps wears that “Stars and Bars” more discreetly, as underpants.

35. Cf. Tarpley and Chaitkin, op. cit., passim.

with a rampant Teddy Roosevelt shamelessly exhibited, in stoned apotheosis, before.

Typical of fascist ideology in the 1920s U.S.A., was the case of so-called “philosopher” John Dewey and his circles of Mussolini admirers.³⁶ During the 1920s, these widespread affinities for conservatism yielded the widespread, almost pervasive phenomenon, which was typified by utterances of the form, “I am not a Mussolini follower, but, he made the trains run on time,” or, “I am not a Hitler fan, but. . . .” Throughout the Twentieth Century, to the present day, all significant, racist and other fascist-tending, conservative movements in ideology, orbit around the same Confederacy-Wall Street alliance which was the enemy force confronting President Abraham Lincoln during the Civil War. Dewey, whose career in U.S. education began at that Chicago Fabian School, which the Rockefellers picked up as a kernel for their University of Chicago, is typical of those lackeys of the U.S. Anglophile oligarchy, whose political tastes are often pathetically worn hand-me-downs from their wealthy masters’ set of current fads.³⁷

36. The practice of presenting pragmatists as “philosophers,” might properly recall the utterance of Shakespeare’s “Doll Tearsheet,” the prostitute featured in *Henry IV, Part II*. In response to hearing the picaresque character “Ancient Pistol” addressed by the title of “Captain,” Doll burst into a tirade, which included the following, memorable observation: “. . . A captain! God’s light, these villains will make the word as odious as the word occupy; which was an excellent good word before it was ill-sorted” (“ill-sorted”: fell into bad company). The paradigm for the use of the term “philosopher,” is Plato. The subject-matter of philosophy, so defined, is the examination of the axiomatic qualities of assumptions which must necessarily underlie, efficiently, the generation of one kind of proposition, as distinct from a different kind, in reference to a certain experience in common. Philosophy is not concerned, immediately, with what one person, for example, believes, but rather, why consistently different propositions, when presented in response to common experience, might be the result of a difference in the efficient effect of implicitly underlying sets of axiomatic assumptions. In Plato, such sets of axiomatic assumptions are identified by the term “hypothesis.” Although, as Plato emphasizes, the object of philosophy is the discernment of truth, it is the means of reaching that truth, which is the immediate concern of the practice of philosophy; the central topic of philosophy is, therefore, the method of hypothesis, otherwise loosely identified as “the Socratic method.” The so-called “philosophers” of Paolo Sarpi’s “Enlightenment,” and its offshoots, such as Hobbes, Descartes, Locke, Kant, et al., have in common the rejection of the notion of hypothesis, as the example of Kant’s *Critiques* illustrates the point; they are, therefore, not usefully identified as philosophers, but, rather, ideologues.

37. For example, some among Dewey’s close associates, went directly to becoming professed Communists, such as Professor Sidney Hook. Dewey himself, like Averell Harriman, was seeking to make political connections with the Soviet Union, while otherwise pursuing connections of a distinctively contrary nature. The strongest convictions among “intellectuals” of Dewey’s breed, are those centered around their desire to cultivate powerful patrons from among “the patrician class.” It is relevant to our larger working point here, that John Dewey’s role in education was to eradicate the fostering of the creative powers of the pupils. The corrosive effect built into the design of his rabidly anti-Socratic pragmatism, was already destroying the inner quality of education in the U.S.A., during the 1920s and 1930s. All the types of political and related conservatism addressed here, have the common feature of substituting a textbook or pragmatic mode of mere “learning”



Statue of the rabidly Anglophile “patrician” President Teddy Roosevelt, at the Museum of Natural History in New York City.

From the beginning of our Federal republic, there have been three leading centers of treasonous impulses. Looking, north to south, the first is the Boston “blue-blood” tradition of Judge Lowell and the drug-running Perkins Syndicate, together with such offshoots as the Russell & Company of Averell Harriman’s Skull and Bones. The second, is the Wall Street tradition of treasonous Aaron Burr’s Bank of Manhattan; of Andrew Jackson’s Rasputin, the Martin van Buren who created the 1837 Panic; of the treasonous banker and Democratic Party kingmaker, August Belmont; and, of the Morgans, Kuhn-Loebs, and Harrimans. These northerly interests, together with the old oligarchical, feudal-landowner and financier families of the Confederacy, such as August Belmont, have represented, like Presidents Grover Cleveland, Teddy Roosevelt, and Woodrow Wilson, that continuity of rabidly Anglophile alliance, among slave-owner conspiracy, opium-trader State Street, and Wall Street, which has been the racist, fascist-leaning (e.g., “neo-conservative”), internal enemy of our Federal constitutional republic, from the beginning.³⁸

(usually of the “mindless,” dogmatic variety) for the fostering of the creative powers of the individual person.

38. See, in the relevant historical sequence of subject-matter: H. Graham Lowry, *How the Nation Was Won*, Vol. I; Anton Chaitkin, *Treason in*

There are deep-going sociological, psychological reasons for the persistence of this nagging political phenomenon.

In our U.S. tradition, in English-speaking North America, this conflict between citizen and oligarch has centered, since 1689, in the struggle between those rabidly Anglophile factions, such as the Confederate traitors, which supported what came to be known as “free trade,” against those, our patriotic faction, who supported a protectionist policy for the technological advancement of entrepreneurial agriculture and industry, and public works in the development of basic economic infrastructure.

The differences between the two factions went much deeper. During the Eighteenth Century, under Gottfried Leibniz’s influence in shaping the thinking of our patriots, a distinction was made between the oligarch’s use of the term “labor,” and what Treasury Secretary Alexander Hamilton, among others, identified as “artificial labor.” The latter term was to distinguish between what might be termed “raw labor,” and labor whose productive powers were augmented by scientific and technological knowledge, and by capital-intensity, use of motive power, and improvements in basic economic infrastructure.³⁹ Leibniz’s principle of physical economy, the “improvement of the productive powers of labor,” was the centerpiece of the strategic doctrine for national and foreign security of the administration of President George Washington, as it was for Presidents John Quincy Adams, Abraham Lincoln, et al.

To appreciate the practical implications of this for U.S. strategy today, a summary of the most relevant features of the place of the United States in world history must be interpolated now.

The U.S.A.’s place in world history

In matters of human history, as in modern mathematical physics, there are two principal, opposing views respecting the manner in which the implications of any relatively localized set of events must be judged. This is emphatically the problem to be addressed, in the effort to assess the reciprocal relationship between the U.S.A. and the world-at-large today. What is the functional relationship of the United States to the world at large, such that the fate of the world at large might depend crucially on the current policies and related actions of the Federal government of the U.S.A.? In turn, what is the effect of changes in the conditions of the world at large, outside the U.S.A., on the possibility of maintaining tolerable conditions of life inside the United States itself? What are the considerations which must be brought into comprehension, to reach a sound judgment respecting the policy we must adopt, respecting this reciprocal relationship of the present

America, 2nd ed.; and, Tarpley and Chaitkin, *George Bush: The Unauthorized Biography*. All op. cit.

39. Cf. U.S. Secretary of the Treasury Alexander Hamilton, *Report to the U.S. Congress on the Subject of Manufactures*, December 1791.

historic moment? What is the historical setting which defines the relevant, characteristically determining features of this period of world history?

The United States has a crucial place in all of modern history. At this moment, our role as the world's leading power, is crucial for humanity as a whole, just as the condition of humanity as a whole will determine whether or not our nation, and our posterity, continue even to exist into the century immediately ahead.⁴⁰ There is no way in which we could escape the implications of that. However, to attack this problem competently, we must first settle the issue of method to be employed for this purpose. To this end, we set forth the form, which this type of problem presents within the domain of mathematical physics, and then view the problem of historiographical method from that vantage-point.

At the close of the Sixteenth Century, the powerful boss of Venice, Paolo Sarpi, sought to undermine that scientific movement which the Renaissance had unleashed, by introducing a contrary notion of scientific method, delivered chiefly through the assigned work of his personal lackey, Galileo Galilei, and by such controlled assets of his international organization as Francis Bacon and Galileo's mathematics student, Thomas Hobbes. This anti-Renaissance counter-method, introduced at the direction of Sarpi, became known as the "Enlightenment." For the Seventeenth Century, Rosicrucian Robert Fludd, Galileo, Francis Bacon, Descartes, and John Locke, are paradigmatic figures of the Enlightenment; Isaac Newton was a typical fruit of that bush. To this day, one very influential faction in teaching of physical science still defends the methods introduced by the Enlightenment; within the field of university teaching of the so-called "social sciences," the dictatorship of Enlightenment methods is, presently, virtually unchallenged.

From Sarpi's launching of the Enlightenment, down to the present time, modern European civilization has been divided between the two conflicting cultures: the Classical heritage of the "Golden" Renaissance, and the Enlightenment introduced by agents of Sarpi's Venice. The most crucial point of distinction between Renaissance and Enlightenment methodologies, is located primarily within the domain of ideas about geometry.⁴¹

40. The medium-term risk referenced here is not some sudden, physical destruction of the United States, as by nuclear war, but, rather, the corrosive process of effective dissolution of U.S. sovereignty and federal unity. The efforts of House Speaker Newt Gingrich, et al., to liquidate crucial functions of the Federal government, to the advantage of a supranational, "one world" government of the UNO, typify the array of risks implied.

41. Bernhard Riemann, *Über die Hypothesen, welche der Geometrie zu Grundeliegen* (the 1854 "habilitation dissertation"), *Riemanns gesammelte mathematische Werke*, H. Weber, ed. (reprint of Stuttgart: Teubner, 1902) (New York: Dover Publications, 1953), pp. 272-87. For relevant writings by the present author, see the following:

Lyndon H. LaRouche, Jr., "Non-Newtonian Mathematics for Economists," *EIR*, Aug. 11, 1995, pp. 16-31;

—, "Riemann Refutes Euler," *21st Century Science & Technology*, Vol.

Like schoolbook Euclidean geometry, the Enlightenment assumes, falsely, as Newton devotee Leonhard Euler did, that space and time are simply extended in four non-converging (respectively independent) senses of direction, with perfect continuity, and without limit.⁴² Among the schools within the bounds of this Enlightenment, one faction, the professedly radical "materialists," insist that these axiomatic ideas about the extension of space and time are given to us by our senses, and are, on that account, mirror-images of the reality outside our skins. Another faction, typified by the empiricists, does not claim that these images are necessarily such mirror-images, but insists, nonetheless, that we must adopt no contrary view to that supplied by convergence of unfolding popular opinion on such matters of the senses.⁴³

Both latter factions are wrong; the proof that this view of space-time was false to physical reality, began to be delivered during the latter half of the Seventeenth Century; the proof was implicitly completed, with respect to mathematics itself, by the work of Bernhard Riemann, over the period 1854-1866. The view of physical space-time which we are obliged to adopt, by authority of the physical-experimental evidence supporting the views of Riemann, provides us an obvious, and authoritative guide to the choice of method we must employ for dealing with such matters as the local place which a nation, or an individual may occupy efficiently, within history in the large. We proceed, now, accordingly.

The Enlightenment view presupposes that any perceived events occurring to our senses, occur within the bounds of an infinite, "sausage casing"-like, Euclidean model of space-time. These events thus appear like billiard-balls floating in empty space-time, whose motion is governed by percussive interaction among them.⁴⁴ To this kinematic array, the neo-Aristotelean, such as a Galileo or Hobbes, applies notions of specific, reactive properties of each type of "billiard ball"; these properties are adjudged to supply differential quality to the responsiveness of the struck ball. Hence, we are supplied Hobbes' image of a society based upon a presumed, fixed type of individual human nature, premised, in turn, upon "the Seven Deadly Sins"; his kinematic array of "each in war against all." Thus, we have the Enlightenment's derived notion of "causality"; the notion of a present and future as the linear, statistical outcome of a cumulatively percussive past.

In reality, with mankind, it is different. With mankind, it is ideas respecting the future, which shape man's actions upon the present. It is also different in real physics. The latter began to be made clear, empirically, with efforts to measure what is called, loosely speaking, "the speed of

8, No. 4 (Winter 1995-1996), pp. 36-47;

—, "How Hobbes' Mathematics Misshaped Modern History," *Fidelio*, Vol. V, No. 1 (Spring 1996), pp. 6-37.

42. *ibid.*

43. *ibid.*

44. "Action at a distance" is a subsumed variety of percussion.

light.”⁴⁵ The demonstration of a quality of isochronicity in the gravitational field, and the ensuing demonstration, following astronomer Ole Roemer’s measurement of the estimated speed of light within the Solar System, of the same principle in the refraction of light, implicitly established, by the mid-1690s, the notion later termed “Special Relativity.”⁴⁶ The work of Riemann, beginning with his 1854 habilitation dissertation, gave generality to the mathematical notion of such relativity.⁴⁷ Riemann’s representation of the problem, affords us the most direct means for representing the mathematical form in which creativity appears within the practice of physical science.⁴⁸

The optimal key to the required pedagogy, here, is the notion of what is termed a formal *theorem-lattice*. Excluding some exotic exceptions to this rule, any mutually consistent array of propositions, has the form of an open-ended set of all of the theorems which might be consistent with that given array. The set of theorems of a classroom Euclidean geometry, is an example of such a theorem-lattice. The Socratic method, applied to any such a theorem-lattice, shows the underlying, efficient role of a set of assumptions, such as the axioms, postulates, and definitions of a classroom Euclidean geometry. Every proposition which is consistent with the existing theorems of such a lattice, must be not-inconsistent with each and all of the axioms, postulates, and definitions of the corresponding theorem-lattice. Such an underlying set of axioms, postulates, and definitions, is termed an *hypothesis*. The notion of space-time as an unbounded, perfectly continuous extension of four mutually independent (mathematically) senses of direction in space and time, is Newton’s hypothesis.

Once discovery in experimental physics, for example, shows us that events in physical space-time have a different measurable value, than is consistent with a space-time premised upon simple, Euclidean space-time, we are implicitly obliged to construct a new hypothesis, to replace the Euclidean one. Thus, the discovery of the isochronic principle, and the brachystochrone problem, showed that a different hypothesis was required, replacing the so-called “algebraic” method of Galileo, Decartes, and Newton, by a new mathematical hypothesis, the latter termed by Leibniz et al. as “non-algebraic,” or “transcendental” mathematics. Riemann’s habilita-

45. Better: the rate of retarded potential for propagation of light, etc.

46. See Jean Bernoulli on “the brachystochrone problem,” *Acta Eruditorum* (Leipzig: May, 1697). Standard bookshelf references on this include the following: David Eugene Smith, *A Source Book in Mathematics* (New York: Dover Publications, 1959), and Dirk J. Struik, *A Source Book in Mathematics 1200-1800* (Princeton, N.J.: Princeton University Press, 1986).

47. B. Riemann, habilitation dissertation, op. cit.

48. Creativity (i.e., the cognitive process of either discovery of a valid, axiomatic-revolutionary principle, or the reenactment of the original discovery in the mind of, for example, a student) has the same form of appearance in Classical forms of art (e.g., poetry, drama, music), but the case for the mathematical form of physical science is that more readily grasped by the student.

tion dissertation supplied an approach to the generalization of the axiomatic-revolutionary changes in hypothesis, imposed upon us by valid advances in experimental-physical knowledge of principles of the universe.

Specifically, the notion of extension applicable to any discovered principle, advises us to treat each validated such principle as it were a “dimension” of physical space-time, as we might otherwise reference the fourfold “dimensionality” of an empty, simple Euclidean space-time. For that purpose, two relevant qualities are implicitly attributed to each such discovered principle: the notion that it is extensible, and that it enjoys, as an imputed “dimensionality,” the uniqueness of a sense of directedness independent of the other “dimensions.” The changes in measurement associated with the incorporation of the discovered principle as a new hypothesis, prompt us to think of the passage from a physical space-time of “*n* dimensions,” to “*n*+1 dimensions,” as a change in the Gaussian form of curvature of physical space-time.⁴⁹

Thus, the progress in human knowledge, which is effected through successive valid, axiomatic-revolutionary discoveries of principle, has the form of a *series of hypotheses*, as Plato’s dialogues define the “hierarchy” of such a system of human knowledge. There are two higher aspects to the scheme, above any hypothesis of the sort just identified. First, a series of valid, axiomatic-revolutionary discoveries, generated by the same method of cognitive synthesis, corresponds to what Plato identifies as an “higher hypothesis.” As the cognitive principle itself may be improved in its development, and resulting power, the higher hypothesis is itself subject to hypothesizing: “hypothesizing the higher hypothesis.”

The additional property, of direct relevance to the subject of economy and strategy, is this. Any modification of the set of axioms, postulates, and definitions associated with any one hypothesis, produces a new hypothesis, to such effect that no theorem of the second theorem-lattice is consistent with any theorem of the first theorem-lattice. Thus, between the two

49. Riemann, op. cit. The reader should be cautioned, that to save their fundamental opposition to the notions of geometry associated with Leibniz, Gauss, W. Weber, Riemann, et al., the Anglophile schools in Nineteenth- and Twentieth-Century mathematics and physics (e.g., Clausius, Grassmann, Helmholtz, Maxwell, Felix Klein, et al.) have made a hodge-podge of their efforts to represent the essential features of Riemann’s 1854 dissertation and later work along the same lines. The central issue for the Anglophiles, is twofold. They reject the method of hypothesis; pervading that rejection, is the empiricist presumption underlying Leonhard Euler’s absurd argument against Leibniz, in Euler’s attempted defense of “perfectly continuous extension” in Cartesian space-time. The core issue posed to them by the persistence of the authority of Riemann’s discovery, is that Riemann’s argument obliges them to divorce their “old spouse,” and adopt a new one, in her stead; as Anglophiles, it is the view presented by their practice, that if they must adopt the new, they will not relinquish the services of the old; thus, the sometimes perplexing intimation of a three-body problem in their relevant commentaries. Hence, their purported “explanations” of Riemann’s discoveries need to be explained, by returning directly to the plain words of Riemann on this matter.

lattices (e.g., the two forms of mathematical physics), there is a mathematically absolute discontinuity: One may never reach the second lattice mathematically, from the first; one can only connect the two by treating the first lattice as a relatively degenerate case of the second.

On this account, the progress of human knowledge assumes the forms of a succession of “leaps,” each corresponding to the appearance of a new, valid, superseding hypothesis. Not only is this progress measurable, in the sense that a measurable demonstration of principle (e.g., an experimental-physics measurement) is integral to the discovery of the principle; but, the test of the method of higher hypothesis subsuming a series of such discoveries of principle, itself has a measurable test of its validity: the increase of the *potential relative population-density* of the society employing this knowledge.⁵⁰

Study of the relationship between increase of potential relative population-density and scientific and technological progress, during the recent five hundred years’ experience of the extended form of the modern European sovereign nation-state republic, underscores the practical, and strategic significance of the point we have just outlined. This experience has two leading aspects. The first of these two, is listed under those forms of education, and of general transmission of culture in other modes, which address directly the cognitive processes of scientific, technological, and Classical-artistic progress.⁵¹ The second, is the “spillover” of scientific and related discovery, from physical-experimental demonstrations, to new, more powerful technologies in productive and related use.

On the side of educational and other cultural transmission of cognitive contributions of valid principle, the accumulation of the student’s (for example) experience of reenacting valid acts of discovery of principle, from discoverers in the past, produces in the pupil’s mind an accumulation of the disconti-

nities corresponding to each such discovery reenacted. The result of this process, is that the pupil’s mind is characterized by an increase in the density of such discontinuities brought to bear in formulating each proposition.⁵² It is the increase of that density of discontinuities, which corresponds to the increase of potential productive powers of labor of the society whose educational and related cultural policies are attuned to this.

In the microcosmic moment of the process of “spillover,” from a crucial experimental demonstration of a new principle, into increase of the productive powers of labor, the typical case is the image of the perfected experimental apparatus being used as a model of reference for giving currency to employment of a corresponding new technological principle. As we have indicated above, this realization of progress in the society’s stock of (Platonic) ideas, must be achieved by appropriate measures of development of capital-intensity, power-density, and basic economic infrastructure.

The first modern nation-state was the re-created France of 1461-1483, as the newly designed form of institution, the Commonwealth of citizens, under King Louis XI.⁵³ Attempted imitations of Louis XI’s “model,” by the Erasmians of England, forces associated with Queen Isabella in Spain, and so on, mark the general emergence of the extended development of the modern European sovereign nation-state. Since that time, the world has been a battleground between two opposing forces, the interests of the modern sovereign nation-state republic, versus the opposing forces which have represented the oligarchical traditions of earlier centuries.

Until approximately 1789, France, although both externally threatened, and internally embattled, by the forces representing the oligarchical interest, was the world’s leading nation-state, the most powerful single such state, and the most advanced in economy, and in scientific and technological progress. With the events of 1789-1814, that role of France

50. On the use of *potential relative population-density*, this references the measurements of demographic progress identified above. See Lyndon H. LaRouche, Jr., *So, You Wish to Learn All About Economics?* 2nd ed. (Washington, D.C.: Executive Intelligence Review, 1995). Since the first edition of this introductory textbook in applied physical economy was published, in 1984, translations have appeared in numerous European languages, and, currently, a new edition in Chinese.

51. The emphasis upon the qualifying term, “Classical,” is intended to signify such propositions, is that the Romantic mode in musical composition, such as that of Liszt, Berlioz, and Wagner, is a degenerate form relative to the Classical principles of thorough composition, rooted in the work of J.S. Bach, which are typified by all of the principal compositions, and songs, of Wolfgang Mozart, Beethoven, and Brahms. Romanticism, in plastic and non-plastic art-forms, was introduced as a reaction against the strict discipline of Classical modes; in this way, that quality of artistic composition which is analogous to creative cognition in valid scientific discovery, was excluded. The difference between Classical and Romantic composition, for example, is between the beauty of the living person, and the neo-Kantian cosmetician’s presentation of the corpse. The commonality of the cognitive processes’ development in science and Classical art forms, is the point being stressed in the emphasis upon “Classical,” here.

52. Following mathematician Georg Cantor, we should emphasize the equation of density of discontinuities to the higher cardinalities. In Riemann’s terms of reference, the increase of mathematical physics’s power, of the from of advance from a physical geometry of “n dimensions,” to “n+1 dimensions,” as prompted by a valid axiomatic-revolutionary discovery of principle, also represents elevation to a higher cardinality. This increase of cardinality in cognitive forms of science, typifies the impulse which generates the increase in mankind’s potential relative population-density.

53. The precursors of this development included, notably, Dante Alighieri (e.g., *De Monarchia*), the teaching order known as the Brotherhood of the Common Life, and such products of that teaching order’s work as Nicolaus of Cusa (e.g., *Concordantia Catholica* and *De Docta Ignorantia*). Indeed, the creation of France as the first sovereign nation-state republic—in all history—was accomplished directly through the intervention of the authors of Italy’s Golden Renaissance into the French monarchical succession, training and backing Louis as Dauphin and King, for this purpose. Under Louis, there occurred the first steps toward a Classical form of universal education for the children of all citizens, and, also, the state’s function of “dirigistic” fostering of increases of the per-capita productive powers of labor, and of commerce.

came to an end. From 1789 until the 1850s, only the United States, as a nation also externally besieged and internally embattled, carried the banner of freedom from the beginning through the close of that interval. During that dark interval in the history of Europe, 1789-1853, many other nations contained more or less powerful forces struggling for the same hope on which the establishment of our Federal constitutional republic had been premised; but, we were the only nation-state whose institutions of government were committed to that goal by "genetically determined" tradition.

There were no better forms of society existing at any time, in any part of the world, prior to the emergence of the modern European form of sovereign nation-state republic, under France's Louis XI. Prior to that time, the condition of life of 95% or more of the peoples of every part of the planet was that typified by slavery, serfdom, or as the Aztec regime attests, far worse.

With all the corruption which has overtaken us since that time, with all the rot of what we had prized as our best economic and other institutions, even as recently as a few decades ago, we are still the world's most powerful sovereign nation-state republic, and still embody that, now tattered, past commitment we undertook with the successive accomplishments of that process of our battle for freedom, the process leading through the 1789 adoption of the Preamble and subsumed features of our Federal Constitution.

The responsibilities, role, and corresponding strategic self-interest of our United States, become undeniable once we have addressed directly, those currently widespread calamities against the institution of the modern, sovereign form of nation-state republic, a republic whose historically determined design the U.S. Federal Constitution best typifies on this planet today. The relevant point can be made fairly by means of the following summary.

There were no better forms of society existing at any time, in any part of the world, prior to the emergence of the modern European form of sovereign nation-state republic, under France's Louis XI. Prior to that time, throughout all human existence, in every part of the world, the condition of life of ninety-five percent or more of the peoples of every part of the planet was that typified by slavery, serfdom, or as the Aztec regime attests, far worse.

All the good that comes to us from within any society earlier than Louis XI's France, is the fruit of a long, ongoing upward struggle of the human spirit, to bring about changes which might, hopefully, lead to a form of society suited to the nature of the human individual, as the noblest being in creation. The gift of Classical Greece, upon which the founding of our modern science, of Classical art, and political institutions has depended absolutely, is an example of our greatest debts to the embattled past; so, for the Christian, the image of the gift of Jesus Christ crucified, is the concentrated image of all human existence. We do not prize the good we have inherited less, because it came from wicked forms of society, but rather more, because it is a gift made precious by the perilous circumstances under which it was fashioned. Yet, we do not hide the evil of the institutions under which mankind has lived and suffered before modern times, most persons as "human cattle," or even worse. It is the fallen leaves of ancient autumns, which have supplied the fertile ground upon which the harvest of the modern nation-state was nurtured.

Until the Fifteenth-Century Renaissance, of which Louis XI's France was a fruit, the form of civilization which existed on this planet, was premised upon racialist forms of hatefulness; upon the foundation of brutish impulses of one people toward another, and, often, of a more privileged class toward one deemed lower. Those people were ruled by oligarchies, under whose rule the great majority of men and women lived as slaves or in something akin to the forms of feudal serfdom. The political form of the ruling powers of those civilizations, was the rule of imperial law; under Roman and feudal rule, the land and the people, alike, were the property of the emperor's whim. This continued to be the dominant form of civilization into modern times, even after the modern nation-state form had been introduced.

The dominant form of the imperial order, from ancient Babylon on, was the constitution of the imperial power, and its institutions of rule, by a concert of leading families, the which constituted an oligarchy.

Such a concert, of such families, is of the form apotheosized by that Olympian pantheon which was also imposed, syncretically, upon Rome, and the so-called "Scandinavian" barbarians, as the "Vikings" typify the latter. Each family, whose legal form is reflected in the juridical notion of the Roman patriarchal family, acts as if it were a semi-immortal being, of which the mortal member of that family were its mere property, its transient expression. The families as a group constitute an oligarchy. Relics of these oligarchical family institutions, are found in the feudal empires of Europe, through the close of World War I, with vestigial reflections among titled ranks still today.

The oligarchical families proper were of three relatively distinct types (with some cross-overs among them). First, there is the feudal-like land-owning aristocracy; second, there is the financier aristocracy, typified by the usurers of Tyre, the Phanariots of Byzantium, or the noble families of Venice;

third, a special category of imperial functionary, is awarded a special sort of aristocratic title, in reward for services to the empire, or one of its satrapies.⁵⁴ Accordingly, the forms of oligarchical society are chiefly two; the first, like old feudal Europe, in which the landed aristocracy predominates, the second, like Venice, or the Netherlands, or the British Empire, in which the financier oligarchy predominates. Excepting a few, murky niches of our planet, the landed aristocracy, as the basis for a form of society, became virtually extinct with the close of World War I.

Already, by the onset of the Sixteenth Century, the vast superiority of the modern nation-state, per capita, over empires based upon rule by a landed aristocracy, had been demonstrated on the field of battle, and otherwise. Furthermore, but for treason within the League of Cambrai, the power of the Venice-centered European financier oligarchy, would have been destroyed, by the close of the second decade of that century. The ability of our mortal enemy to survive, as long as he has, with the great power he possesses, still today, is the fruit of persisting foolishness by most citizens of republics, combined with the oligarch's reliance upon those subtle arts of diplomacy and kindred criminality, which were displayed so famously by Sixteenth-Century Venice's grand master of gnostic duplicity, Gasparo Contarini.

The arts of Venice's gnostic grand masters, of the type of Contarini, Sarpi, and, later, Paris-based master-spy Abbe Antonio Conti, demonstrate the manner in which the well-meaning dupes among the leaders and other citizens of nation-states have been misled, corrupted, and generally undone, repeatedly, these past, nearly five centuries of modern European and world history. It began, in the immediate aftermath of the break-up of the League of Cambrai; Gasparo Contarini, and associated Venice agents, set German against German, Spaniard against French, and so on, in an orgy of religious wars unleashed among schisms which were, chiefly, the creations of Venice and Padua. Thus, Venice set each of the members of the former League of Cambrai at one another's bloodied throat. The unleashing of religious and peasant wars within the Holy Roman Empire, and elsewhere, was begun by the Venetians of Gasparo Contarini's generation; the culmination of that Venetian method of "cultural and religious warfare," to divide the united forces of one's intended victims, was the work of Paolo Sarpi, that atheistic Servite monk who made empiricism a religion. Sarpi's concoction, the 1618-1648 "Thirty Years War" in central Europe, was the war whose horrid toll of gore remained the "jewel of the Enlightenment," until it, in turn, was superseded by the Britain's "geopolitical wars" of the Twentieth Century.

Since the 1714-1789 emergence of the modern British

54. In her pranks, Britain's Queen Elizabeth has awarded bureaucrat's titles of the British Empire to ex-President Sir George Bush, General Sir Colin Powell, Sir Henry A. Kissinger, General Sir Norman Schwarzkopf, General Sir Brent Scowcroft, et al.: a fine brace of (British) patriots!

empire,⁵⁵ the mantle of Venice has passed to the world-wide financial oligarchy centered in London. Now, only a modern version of the "League of Cambrai," an alliance of great and smaller powers determined to break the power of this London-centered financier oligarchy, could prevent London-centered, finance-oligarchical political power and influence, from plunging the entire planet into a prolonged cultural disaster: a veritable "New Dark Age," mimicking, but far exceeding even the horrors of Europe's mid-Fourteenth Century. It is this London, and that which stands behind it, against which our strategy must be focussed.

Thus, the underlying basis for our strategic outlook, must be, that our war is not "against flesh and blood," but, rather, "principalities and powers." Our war is within the domain of culture, within the domain of education, within the domain of scientific method, within the domain of economic policy, within the domain of philosophy. Those who are not fools, or not simply ignorant bunglers, will proceed from the recognition, that the mortal fray which may attend that conflict, were to be seen as philosophy in arms, as cultural warfare "continued by other means."

More than a century's experience of fascism's nostalgic tenderness toward the mythos of the Confederacy's "Lost Cause," reflects the essence of that strategic conflict, reaching far beyond the state of Tennessee,⁵⁶ or our U.S.A. as a whole, to a global scale. The issue is axiomatic: the apocalyptic opposition between two irreconcilable views of man and nature.

There are no human races, but only one human race: Every person is endowed, by birth, with that gift of potential for creative reason, which sets each and all members of the human race absolutely apart from, and above all lower beasts, including the beast within the lower self of each. By means of this power to re-create, each within our self, that treasure which is the valid axiomatic-revolutionary discoveries of principle, of science and art, of all mankind before us, and to transmit what we have thus received to others, including those who come long after us: Each of us may embody all humanity, for all time, within our self, in that way.

Whoever may slightly enrich that gift of knowledge which has been entrusted briefly to him, or her, in that way, may

55. On the evidence that the British Commonwealth is a guise for the continued British Empire of today, compare the following sources. In Lyndon H. LaRouche, Jr., *The Blunder in U.S. National Security Policy* (Leesburg, Va.: LaRouche Exploratory Committee, November 1995), pp. 29-33, especially note 56, on p. 31. Lyndon H. LaRouche, Jr., et al., "The Coming Fall of the House of Windsor," *EIR*, Oct. 28, 1994, pp. 12-71; and Jeffrey Steinberg, et al., "The Sun Never Sets On the New British Empire," *EIR*, May 24, 1996.

56. It is appropriate and necessary to make reference to the *Southern Partisan*, and things that go bump in the night at Vanderbilt. This typifies the ugly metamorphosis of many political critters from the region, who, like quackademic economist Phil Gramm, have made the rabid run, directly from Democrat to the fascism of "Contract with America," without enjoying a decent interval of reflection at "moderate Republican," along the way.

smile at death: "I have cheated death; my life has been necessary." Implicitly, that is the state of affairs toward which all humanity yearns, the state of affairs which the modern nation-state was created to foster, the state of affairs to which the founding of our Federal constitutional republic was directed. That goal is a right of every person; our underlying strategic goal, implicit in the creation of this nation, is to establish and to defend that right for ourselves, and for the future of all humanity. To defend that strategic interest, it is indispensable to promote, and to defend the means indispensable for fulfilling it.

On this account, the creative power expressed by valid axiomatic-revolutionary discoveries in science and art, is conceived to be a good in its own right. So, the science, and the art which cohere with that good, are the practice of good in their own right. So, the increase in mankind's power over the universe, by this means, is a good in its own right. Any practice which departs from that pathway, leads downward, toward moral degeneracy, even to as low a Hell as the Orphic nights of Venice. The means to foster the universal development and employment of the creative power unique to the human species, is the strategic interest we must defend, for ourselves, and for humanity in its entirety.

It is the presently continuing, historically determined mission of our United States, to rally cooperating nations into a republican community of principle, to oppose and defeat the Devil's own Venetian surrogates, currently resident in such places as London and Singapore.

Overcoming cultural pessimism

The case of Nazism provides today's world the most celebrated modern example of the fact, that a nation which falls into the grip of existentialist forms of cultural pessimism, such as that of Arthur Schopenhauer, Friedrich Nietzsche, Richard Wagner, and Martin Heidegger, knows no bottom to its immorality. There is no crime so monstrous, that such a cultural pessimist would not ultimately perpetrate it. It is not necessary to be a Nazi, to achieve such a state of evil; such putative adversaries of the Nazis as cultural pessimists Bertolt Brecht, Theodor Adorno, and Hannah Arendt, exhibited a Wagnerian variety of existentialism, kindred to that of Nazi Martin Heidegger, with as great a potential for evil, in its own way, as the gnostic Nazi ideology of a Friedrich Nietzsche, gnostic geopolitical mystic Rudolf Hess, or Josef Goebbels. We have focussed upon the role of the wicked U.S. President Woodrow Wilson, in fostering, while in office, the cultural pessimist movements of the 1920s and 1930s, in the U.S.A. and Germany, and elsewhere, too. The results of the 1994 elections showed the same existentialist quality of cultural pessimism on the march again, as Nazi-like "political correctness"⁵⁷ of the loony left and Newt Gingrich's rabid right, in

57. In today's U.S.A., the "political correctness" of "rainbow coalition" lefties and radical-right "ditto-heads," is aptly understood only when it is



Cultural pessimism in a modern-day expression: an anti-nuclear demonstration in Wiesbaden, Germany, April 1996.

the United States, as in Mrs. Thatcher's Europe.

The practical question which thus confronts us, is: How is such cultural pessimism induced, and by what means may it best be uprooted? That question requires attention upon a securely documented, and widely reported principle of economics, but a principle on which insight is rarely focussed. The key to this conundrum is located in the use of the Greek *agapē* as a metaphor,⁵⁸ first by Plato, and, in the same sense

viewed as a parody of the form of wild-eyed conformity termed *Gleichschaltung* under the Nazis, or, otherwise, a utopian pathological behavior parodying Aldous Huxley's *Brave New World* and George Orwell's *1984*.

58. The King James Version of the *New Testament* translates *agapē* as "charity," from the Latin *caritas*. Unfortunately, today's customary gloss on the Testament's use of "charity" bears almost no resemblance to the original significance of *agapē*, either in Plato, or, for example, *I Corinthians* 13. The alternative, using "love" in place of "charity," incurs its own misleading connotations. The German *Nächstenliebe* (e.g., "love of neighbor") is better, but does not reach to the actual meaning. A collaborator's reference to the use of the term in Xenophon suggests that Plato's significance for the term may not be original to Plato, but perhaps Socrates is the actual source of Plato's employment of the term. The meaning supplied by our textual gloss,

as Plato, in the *New Testament*. Here, we situate the efficient implications of that term in the domain of physical economy. Cultural pessimism is most efficiently, most succinctly defined, functionally, as a loss of *agapē*.

In Plato, *agapē* arises as an explicit reference to “love of justice.” More broadly, it indicates the emotional quality associated with discovery of *Platonic ideas*, and in that connection has the general connotation of “love of truth.” The referent for this emotional quality in Classical art and in science, is the sense of “the light turning on” during the first blush of a valid discovery of principle, an axiomatic-revolutionary quality of such discovery, most emphatically. The latter is by no means limited to experience of one’s own original discoveries; it is commonly experienced in the student’s reexperiencing a valid axiomatic-revolutionary discovery in one’s own mental processes.

Experience supplies an abundance of crucial examples, of the coincidence of *agapē* with that kind of cultural optimism which has been expelled from social life among the devotees of the rock-drug-sex youth-counterculture and other forms of “post-industrial” utopianism. The scientist experiences the inspirational quality of a “light turning on” in his mental processes, in the act of making a cognitive breakthrough. The same experience supplies the accomplished artist, or student, alike, the motive for the best quality of performance of Classical musical compositions. The audiences for such performances, or for any expression of great Classical art, are inspired with the same special, agapic quality of uplifting emotion.

The happy young child is typified by *agapē*. Like the student in a school with a Classical form of cognitive curriculum and matching pedagogy, the experience of infancy and early childhood, is a time of great creative excitement for the recently born, a time in which many of humanity’s valid original discoveries of principle are being relived by the mind of the new future citizen. It is a happy moment to be a parent, when the child is passing through another such agapic moment of discovery. The quality of love shared among parents and child, during such precious moments, is the model of reference for the idea which Plato and the *New Testament* identify by *agapē*.

On this account, a good society will tolerate nothing less than universal education, and will tolerate nothing less than a Classical-humanist mode of education in the mode traced to such teaching institutions of yore as the Brotherhood of the Common Life, or the Schiller-Humboldt program of education established during the last century. The imparting of knowledge, rather than mere learning of approved teachings, is necessary for the development of a future citizen.⁵⁹

is perhaps the best choice for reaching the meaning of both Plato and the *New Testament*.

59. The absurdity of the “conservative” proposal, that each child’s education should be a preparation for the child’s later specialty in employment, is almost

The natural fostering of creativity in one’s vocation, is found most directly expressed in creative scientific and artistic work. However, the same quality of inner mental and moral life, carries over from a happy parental home and Classical form of education, or their best available approximation, into many aspects of social life of the society as a whole.

How did the mind of the workman survive the persistence of dulling repetition, on the farm, or in the factory? Relief from the boredom of such toil lies in the exercise of the laborer’s creative powers of mind, as typified by his or her mastering of the use of a better tool, a better machine, a better technique, or, above all, his or her own useful innovation in the quality of product, or the productive process itself. The suggestion-box filled with useful improvements in product and process, was the paradigm of good industrial labor-management relations. The pride of fruitful ingenuity, is the microcosm of endemic progress, and the well-spring from which the workman returns home that day, with the happiness of sensing that it was a “pretty good day at work,” this day. The command: “Do your work as you are told, and keep your mouth shut! I am paying you to produce, not think!” is the bark of the brutish master to the abused serf.

In happier former times, before the “Baby Boomers” took control, when the U.S. still took pride in entrepreneurial management of its farms and industries, the so-called “melting pot” industrial towns and cities of the United States—especially the principal cities—had many family households established by immigrants who still had fresh recollections of “life in the old country.” The immigrants usually worked hard, and sacrificed, taking joyful motivation for that policy in the older generation’s hopes for a better life for children and grandchildren. It was that joyful commitment to the betterment of the future nation, the pride in making such a contribution to the community, and, perhaps, a conscious thought for the nation as a whole, too, which bound the family together, and defined “respect” of the role of each generation by the others. Thus, was Judeo-Christian “love of neighbor” fostered.

In the post-World War II U.S.A., the change for the worse came in two general phases. (There are parallel cases to be made for life in western Europe, and in Central and South America, too.)

as absurd from the standpoint of economics, as it is damnably immoral. The goal of a Classical education is to produce a future citizen qualified to vote, and participate otherwise in the processes of self-government; as a by-product of aiming for that primary goal, Classical education develops the moral and intellectual character of the future citizen, as no other mode of education approaches this result. As a by-product of that, the potentials of the student are brought to a relatively high degree of development, indicating the choice of direction in higher studies which the student may desire, and for which that student may be best suited in choice of future vocation. We see in Germany today, in the dismal effects of the so-called “Brandt reforms” in education, the terrible result of eliminating what had been the early, Humboldt model in education. The result was a monotony of virtual cognitive illiterates.



Rehearsal for a Schiller Institute performance of Bach's St. John Passion, in Munich, Germany, March 1996. The Platonic idea of "agapē" is associated with the emotional experience of performing or listening to the greatest Classical music.

The first wave of cultural pessimism arrived with the force of a shock, as the citizens came to recognize the sudden change in mood and practice which had overtaken the U.S.A., in the transition from Franklin Roosevelt to Harry Truman. The Depression, and Winston Churchill's ringing the "Iron Curtain," threw the generation which had risen to post-Depression optimism in the course of the war, into fresh despair. It was much worse, for most of the veterans of my generation, to experience "coming down" suddenly, from the optimism of "V-E day," to the relative pessimism of post-August 1945, than never to have left the Depression.⁶⁰

There was a revival of optimism, during the Kennedy

60. I was affected much differently than most among the overwhelming majority of the returning veterans I knew. My reaction was more anger at what I saw was being done to them, and my anger at our nation's betrayal of the implied commitment we had made to the peoples of Asia, Africa, and Central and South America. I was exceptional, chiefly because my sense of a creative identity was already established during adolescence. On the issue of morals, the period of Trumanism and McCarthyism, during the later 1940s and 1950s, were gloomy times, but worse was soon to come. The experience of my lifetime, including studies of history, persuade me that, no matter how bad the circumstance, one must always seek out and follow the optimistic mode of action, even under the worst circumstances. Otherwise, how could any person of predominantly evil, ancient times have enjoyed happiness? The point in the text here, is that this shift in the U.S. population's outlook and mood was observed, and it was prevalent; it is an historical fact, which, unless acknowledged, renders an account of our nation's present condition a fraudulent one.

years of the early 1960s; the commitment to the "crash program" for placing a man on the Moon within the decade, together with the Civil Rights developments of that decade, were the two things which did the most to quicken optimism and rationality within the same population which had been in a relatively morally depressed outlook on history during the Truman and Eisenhower years.

The wave of political assassinations in the United States, 1963-1968, combined with the Indo-China meatgrinder, formed a single effect, a terrible cultural shock, especially to the "Baby Boomer" generation then passing through adolescence into maturity; that unleashed the second phase of passage of our population into the cultural pessimism which produced the early 1990s fascistic ferment, leading into the 1994 campaign around "Contract with America."

Try the following lapse-time thought-experiment. Imagine yourself at the corner, near Manhattan's Carnegie Hall, in 1940-1941, again, during the late 1950s and early 1960s, during the 1970s, and, finally, now. In your mind, during each of these intervals of time, pick up a newspaper, a magazine, wander into a bookstore, take a seat in a typical restaurant, during the day, tune into the radio, to hear some music, venture into a record store to select a purchase, think of the classes and campus discussion at a university, and strike up a polite conversation with a chance acquaintance: (if you dared to even consider such an adventurous act today!) It is a journey from an active mental life, through the relative moral banality

of the 1950s, and, then, a precipitous descent into a nightmare of a drunken Bertolt Brecht's fantasy-life, in the course of the late 1960s into the early 1990s. Deep cultural pessimism, the supersession of desire for beauty in life, by the stimulus of unquenchable search for the titillation of the perverse, the cultivation of an insatiable appetite for exotic ugliness, even the outright Satanism of an Aleister Crowley or Kenneth Anger, in entertainment, and otherwise.

Make similar comparisons for post-war western Europe. Discuss these matters, for purpose of eliciting comparisons, from persons who lived in eastern Europe, or the Soviet Union, during the same lapse of time. Travel so, to Central and South America, to Africa, and so on.

From lack of *agapē*, the soul-starved people of the world descend into the grotto where *agapē* is recognized only as an object to be hated. There, the capacity for cultural pessimism is unlimited, and faddish perversity becomes its own motive. To such persons, the appeal of the mythos of the Confederacy's "Lost Cause" has the quality of necrophilia, like the notorious, roaming hordes of the Flagellants, during Europe's Fourteenth-Century "New Dark Age."

This transition, this descent toward Hell, is, in summary, the price of condoning what the London Tavistock Institute's representatives dubbed the "cultural-paradigm shift" of the mid-1960s. The toleration of the systematic elimination of all that is agapic, in science, in Classical art forms, and in a general commitment of society to fostering the benefits of investment in that scientific and technological progress which is essential to increase both the productive powers of labor and the potential relative population-density of mankind as a whole, has had a literally hellish effect, throughout this planet. The 1961 founding of the World Wildlife Fund and its complementary, culturally pessimistic organizations, with a central role by the Duke of Edinburgh and Nazi SS-veteran Prince Bernhard of the Netherlands, typifies the fact that the second phase of spread of cultural pessimism inside the post-war U.S.A. was deliberate, and was oligarchical in its motives.

Our war is against "principalities and powers." The moral and economic decay of this planet's culture, during the recent three decades, reminds us of the role of Clement Prince Metternich, as quite literally, the chief pimp of the Habsburg monarchy, at the celebrated Congress of Vienna. There was, quite literally, a mass, sexual Congress of Vienna, a kind of "Black Mass," whose Satanic perversity was emblazoned in the name given to the outcome, "the Holy Alliance." It is the hatred of the modern nation-state republic, and of scientific and technological progress, by the oligarchical relics of the Babylonian tradition, which is the principal enemy of mankind on this planet, still today.

The remedy is as it is written in *I Corinthians 13: agapē*. It is the fostering, and the defense, of those concerted efforts which foster the benefits of scientific and related progress in the conditions of life of mankind, which must be deployed to muster the cultural optimism of the nations.

4. A new, global 'Alliance for Progress'

The objective is to reach, with Russia, China, and other nations, an operating agreement of principle, under which to employ the concerted power of this group of nations, to debride the relations among nations of those relics of the old financier-oligarchical form of power, such as the dogma of "geopolitics," which have variously ruled or dominated the affairs of this planet for much too long.

The President of the United States should place a motion to this effect before those nations which regard themselves as prospective members of such a community of principle. This action, whether public, or conveyed by less publicized channels, should be regarded as modelled in principle upon the more modest, but otherwise kindred precedent, of President James Monroe's 1823 promulgation of what became later known as his "Monroe Doctrine."

By means of that assertion of the interests of the peoples and sovereign nation-states of this planet, against the arrogance of oligarchical traditions, the parties to the operating agreement should employ their power to establish certain new institutions and cooperation among them, to the benefit of all such sovereign nation-states, their present populations, and the posterity of us all.

The guiding principles of practice shall be the fostering of the realization of the cognitive potentials of the individual personality, throughout the planet, the general increase of the potential relative population-density of the human species, and the assurance of a continuation of that increase over generations yet to come. Otherwise, it should be desired, that all works which are good, and which are consistent with mankind's status as the noblest being of creation, including the exploration and colonization of regions of the universe outside our planet, shall be fostered. It should be the common opinion of the parties, that the principles of love of truth and love of justice shall be the efficiently governing conscience of us all.

This established agreement among those parties should be regarded as constituting an efficient community of principle, whose common interest shall be implemented by appropriate undertakings, excluding any measure which would subvert the perfect sovereignty of any among them.

The success of this venture depends upon the co-sponsorship provided by those sympathetic parties whose national economies are either the largest, or most powerful in the world. The actually or potentially sympathetic nations who meet that qualification, are the U.S.A., Russia, China, and India. The most important economies, after these four, are western and central continental Europe combined, the nations of the Asia archipelago, and, potentially, South and Central America combined. Other nations are prospective, sovereign parties to the common effort.

The urgent task before us, is to halt and reverse the pres-

ently ongoing, catastrophic decline in per-capita amount of useful physical output of the world economy considered as a whole, the elimination of what is presently the worst speculative financial bubble in the entirety of human existence, and the termination of so-called "free trade" policies, to the purpose of restoring those policies of internal national economic security for each and all sovereign nation-states, especially in the domain of national food and power security. This requires agreement on a selection of major infrastructural develop-

Leadership now consists of courage to face the truth of the crisis before us, and to captain that crisis boldly, with daring solutions, resolutely and quickly executed, to bring the ship of state safely, and quickly, to harbor. For that, statesmen will find populations lifted up to optimism, as President Roosevelt did, in face of a fearful crisis for which he had prepared himself and the relevant institutions of his government, on December 7, 1941.

ment projects, and some other projects of similar regional and global impact.

It also requires the elimination of the presently hegemonic system of monetary, tariff, trade, and credit relations, a system premised upon the unwholesome special interests of financier-oligarchical and kindred monetarist interest, and the replacement of that undesirable and fatally diseased present system, by the constitution of a new international monetary, trade, and credit system, based upon appropriate, new axiomatic principles, and new general agreements on rules of tariffs, trade, and international credit.

Throughout the Twentieth Century, the greatest single obstacle to justice for all of the peoples of this planet, has been the rabid, so-called "geopolitical" determination of the British Empire and its accomplices, to prevent the establishment of efficient forms of continuing economic cooperation between industrialized western continental Europe and the most populous regions of the Pacific and Indian oceans' littorals. A foisted war between Russia and Japan, early in this century, and, after that, two so-called "World Wars," and one prolonged excursion to the brink of general intercontinental thermonuclear warfare, have been foisted upon the peoples of this planet, by that self-perceived "geopolitical interest"

centered in the capital of the British Empire and its hangers-on. That delayed undertaking, bridging the relatively vast, and sparsely developed spaces of Central Asia, is the natural pivot for the recovery and continued growth of the physical economy of the world as a whole.

The development of modern forms of rail and magnetic-levitation transport, from Brest in France, through the great rail-hubs such as that of Berlin, to the shores of the Pacific and Indian oceans, is the natural centerpiece of a global recovery of growth rates in the planet's physical economy as a whole. These transport links, reenforced by improved and extended inland-waterway systems, and by development of the infrastructural elements of power-production and pipelines along the pathway of the development corridors defined by the transport links, open the back door across Eurasia for the greatest expansion of economic growth in history.

The economic interaction fostered, indispensably, by the combination of development of such Eurasian land-bridge corridors, and complementary maritime development in the Pacific and Indian oceans regions, links every part of the world, efficiently, to the impulse of economic growth and development unleashed within Eurasia.

That connection between infrastructure-based economic development within Eurasia, and links to other parts of the world economy define, implicitly, a larger, inclusive project of global development, with three leading features: 1) A complex of inter-linked infrastructure-development projects and related programs including every part of the planet; 2) An emphasis upon ending food insecurity, and also ending lack of internal food security, for every nation of the planet; 3) A selection of long-term scientific "crash programs," including or analogous to long-term space-exploration and -colonization programs, and including biological-research "crash programs" addressing problems of health and related concerns, to provide the technology-driver for both the public and entrepreneurial sectors of the world's economy as a whole.

This commitment requires the establishment of a new monetary system, based on a network of relatively fixed long-term parities among national currencies, and fair terms of tariff and trade protection for each national economy within the system. It requires the replacement of the presently hegemonic system of central and analogous banking, by the kind of national banking consistent with the American System of Hamilton, the Careys, and Friedrich List. It requires a system of medium-term and long-term international credit, at fixed, minimal prices, to foster that international trade and international and national investment in the infrastructure and selected entrepreneurial programs which the community of principle regards as in the relatively highest general interest.

The problem now confronting each nation of this planet, is three-fold. First, the present international financial and monetary system is hopelessly bankrupt. It could not be salvaged in anything resembling its present form; it must be bankrupted in the most appropriate ways, and entirely re-

placed. Second, we can not have an interregnum of chaos between the passing of the bankrupt, present monetary-financial system, and the adoption of its successor. Third, the choices of replacement for the presently doomed financial and monetary system are limited to those consistent with the principles of the Hamilton-Carey-List American System.

In light of that three-fold problem, the most urgent task of rational governments, at this moment, is to reach immediately, those pre-agreements on policies of emergency action, by means of which it is pressured that the transition from disintegrating old to viable new is effected without the intervention of an interregnum of chaos. That feature of the task before the nations presents the point at which the financier-oligarchical interest is most likely to make its strategic assault; his performance during the recent five centuries, first as old Venice, and, later as the new "Venice" of the London-centered international financier oligarchy, warns us that it is at this point that he, feral creature that he is, were most likely to choose his point of attack.

The proposed declaration of commitment to a new community of principle, by the U.S. President, or an action less publicized to kindred effect, is the only means by which we might be assured that the enemies of mankind will be prevented from succeeding, once again, as in the past, in attacking humanity's interest at its most vulnerable point in devel-

opments now under way.

It were desirable that such a policy orientation be made public as soon as possible. There is nothing more urgently wanted at this moment, world-wide, than the prompting of an upsurge of healing cultural optimism. We must cease to tolerate the popularized delusion, that the present world strategic economic crisis either does not exist, or is being managed by competent hands. We must, as President Frankling Roosevelt did on Sunday, December 7, 1941, admit the crisis, and seize it boldly with both firm hands. It is the sickly pusillanimity and sophisticated evasiveness among our governing institutions, which, as much as anything, brings the governments of the world, presently, into hateful contempt in the eyes of the populations at large.

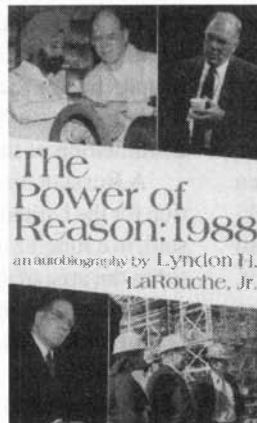
Leadership now consists of courage to face the truth of the crisis before us, and to captain that crisis boldly, with daring solutions, resolutely and quickly executed, to bring the ship of state safely, and quickly, to harbor. For that, statesmen will find populations lifted up to optimism, as President Roosevelt did, in face of a fearful crisis for which he had prepared himself and the relevant institutions of his government, on December 7, 1941.

That notion of a superseding community of principle, provides the relevant context in which necessary and useful considerations of national security are rightly addressed.

Books by Lyndon H. LaRouche, Jr.

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—Former U.S. Attorney General
Ramsey Clark

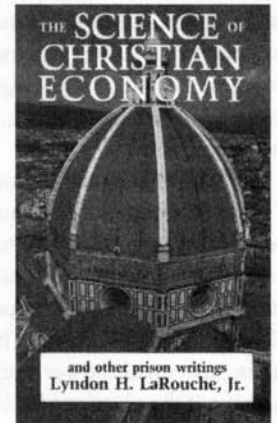
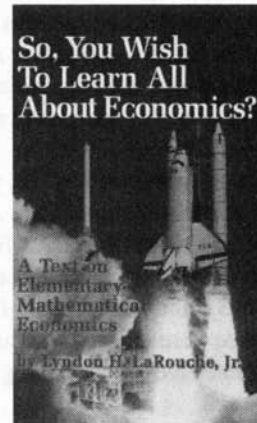


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Russia in turmoil after first round of elections

by Our Special Correspondent

In the June 16 first round of the Russian Presidential elections, President Boris Yeltsin emerged ahead of Communist Party leader Gennadi Zyuganov, by a narrow margin of 35% to 32%. In one of several surprise developments, Gen. Aleksandr Lebed, who polled nearly 15% of the vote, has been propelled by Yeltsin into the top of the Russian power structure, immediately following the first round. Every indication points to just as close a race, if not closer, in the second round on July 3.

The turmoil in the nation was apparent on June 20, when Yeltsin and Lebed jointly announced the firing of Gen. Aleksandr Korzhakov, head of Presidential Security; Gen. Mikhail Barsukov, who had headed the KGB's domestic successor, the Federal Security Service (FSB); and First Deputy Prime Minister Oleg Soskovets. The three were charged with having taken "too much power upon themselves," and having tried to prevent the elections by force.

Commenting on the election results in a radio interview with "EIR Talks" on June 19, Lyndon LaRouche emphasized that "so far, neither Yeltsin nor Lebed has addressed, or been willing to address (as a matter of fact, they've been sort of denying the existence of) the major crisis which is determining what will happen in Russia." LaRouche pointed out that Lebed will have a hard time delivering his supporters to Yeltsin in the second round, because many of them were attracted to Lebed because of their negative attitudes about the policies of Prime Minister Viktor Chernomyrdin, in particular, and the policies of Yeltsin, secondly.

After five years of shock therapy policies dictated by the International Monetary Fund (IMF), the degeneration of Rus-

sia's economic, social and financial fabric has reached the point that no regime can continue with these policies, without causing the disintegration of Russia. Immediately, a crisis in Russian state finances looms, while most of Russian industry has been jettisoned, other than raw materials production for export. In 1995, for the second year in a row, 1 million more people died in Russia than were born.

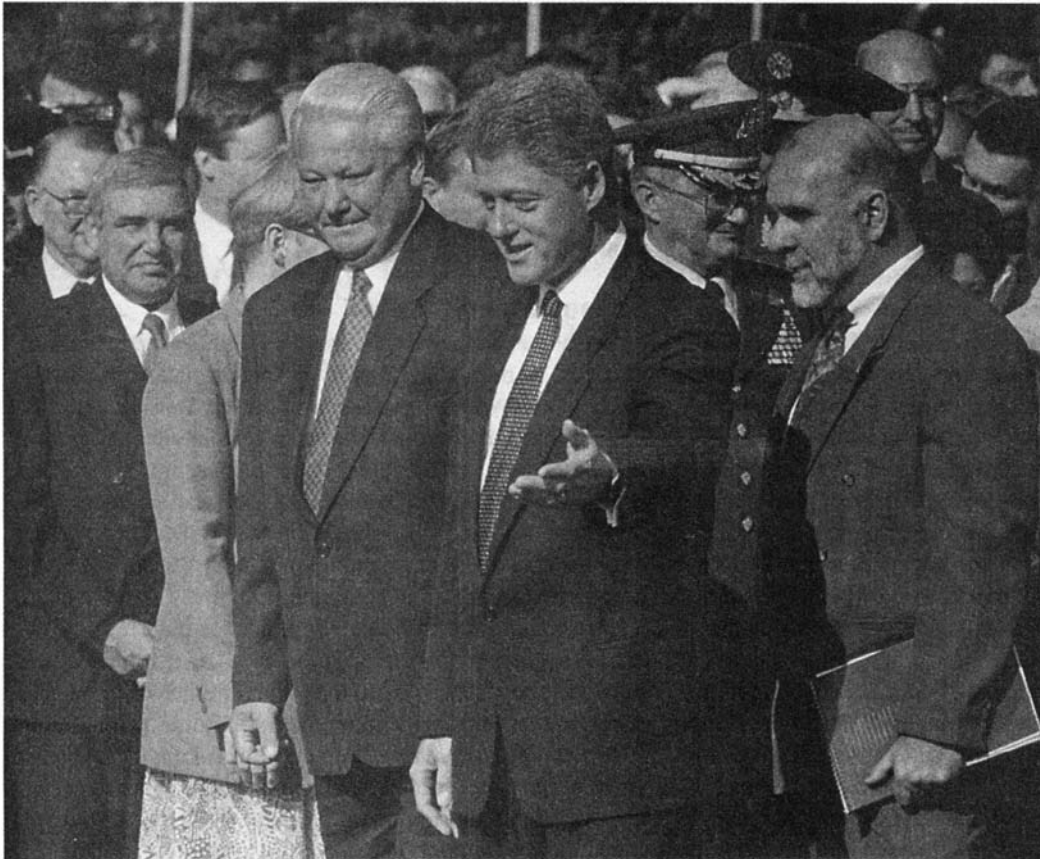
Russia's survival as a nation is thus incompatible with continuation of the IMF reforms.

A Russian break with the IMF is a national security question for the United States and other nations, as well. LaRouche said, in a June 12 interview, that the Russian election outcome is "in the area of subjective decisions—branching points—at which decisions have to be made, which will determine the fate of humanity in general, or at least part of it. . . . If Russia cannot make the right decisions, if others cannot make the right decisions to support those if Russia makes them, then *the whole world will pay a terrible price*, including the lives of many people who would rather not even discuss the Russia question. But, it's there; it affects world history. So, something's going to happen."

LaRouche outlined three possibilities:

1. "You can get a regime which repudiates the IMF conditionalities, which means the present policy goes, and the United States has to get off the pot, and say whether it's going to support Russians on that, or not. If we don't support Russia on such a decision, we are doomed, not because the Russians are going to bomb us, but because the whole system will blow out, and we will not have any policy to get out of the mess."

2. "No effective decision can be made, in which case



President William Clinton with President Boris Yeltsin in Washington, Sept. 27, 1994. The future of the world depends on whether leadership will emerge in Russia that is ready to repudiate the IMF's shock therapy policies, and on whether the U.S. President will support such a decision, and move to institute a new strategic arrangement, outside British control.

you get chaos.”

3. “You might get a very nasty type of Third Rome regime, coming up in Russia, which would not necessarily mean nuclear war, but it would mean that you would have a hostile revival of the apparatus of the Soviet state, based on Russia—but, the apparatus of the Soviet state, as opposed to the Russian state apparatus. And this Soviet apparatus, in a rage-fit, would contribute to exploding every hot spot in the world in our face and other people’s faces.”

By contrast, Deputy Secretary of State Strobe Talbott, President Clinton’s chief adviser on Russia, defended the IMF’s policies, on the June 16 broadcast of ABC’s “This Week with David Brinkley”: “It will not be possible for the U.S. to use its leadership position in the international financial institutions to help Russian reform, unless Russian economic policy continues to move towards privatization.” He was replying to a question about a possible renationalization of key industries, under Zyuganov; but the continued assumption that “international financial institutions” can, or intend to, help Russia or anybody else, would be a fatal error.

‘A general collapse is possible’

On April 17, interest rates on the Russian state’s three-month bonds were raised to an annual 121%, and on six-

month bonds to 180%, in order to sell an issue equivalent to \$1.2 billion (while \$1.4 billion was paid to cash out old bonds on that date, the new issues were failing to cover the payments due). The government is using the short-term borrowings, to cover the budget deficit—as Yeltsin dishes out money on the campaign trail, although wage arrears have still not been paid in many regions.

In a May 31 article, economist Sergei Glazyev, who is head of the Democratic Party of Russia and who campaigned for Lebed, suggested that “the June wages for public-sector employees may be the last they get this year; all budget revenues in the second half will go to pay obligations to creditors.” (See *EIR*, May 31, for a lengthy analysis by Glazyev of the current economic situation in Russia.)

Tatyana Koryagina, the lead author of Zyuganov’s economic program, also forecast post-election financial storms. Interviewed by the weekly Interfax-AiF in early June, Koryagina said, “A general collapse is possible—first on the securities market, with short-term state bonds in particular, and, as a consequence, the collapse of the entire banking system is not to be excluded.”

Even government officials, such as Economics Minister Yevgeni Yasin, have spoken in terms of a “complete collapse” of state finances taking place after June.

New power constellations

The 15% vote for General Lebed comprised 11 million Russian voters. In all, nearly 60% of the votes (with a just under 60% turnout in the first round) went to candidates other than Yeltsin or the “reform”-linked Grigory Yavlinsky, marking a clear rejection of the failed IMF “reform” policies.

Yeltsin was quick to acknowledge that if he is to get through the run-off, he must have the support of Lebed. On election night, he invited Lebed to meet him in the Kremlin the next day. Yeltsin then issued a decree on June 18, appointing Lebed as secretary of the Russian Security Council, as well as Presidential adviser on national security. The decree specified that Lebed had been placed in charge of reform of the Armed Forces, national security, and the fight against crime and corruption. The previous Security Council Secretary, Oleg Lobov, becomes a first deputy prime minister. At the same time, Yeltsin fired Defense Minister Pavel Grachov, placing the Chief of the General Staff, Gen. Mikhail Kolesnikov, as acting defense minister. Sources on the President’s staff told the agency Interfax on June 18, that Yeltsin will soon issue a follow-up decree, defining new, expanded powers for the secretary of the Security Council.

How sweeping these powers will be, Lebed indicated in a press conference later that day. He declared that his competences will include questions such as capital flight, privatization, compensation for savings lost, the defrauding of ordinary people by bogus investment funds, the financial independence of Russia, Russian dependence on imported food, all as questions of “national security.” Concerning his pledge to begin a real fight against “crime and corruption,” he stressed that the Internal Affairs Ministry knows the identity of the leaders of organized crime mafias, and that arrests should be made on the basis of hard intelligence. He promised that order would be brought to Russia, but without the abrogation of the freedoms of citizens.

In explaining his choice to throw his lot in with Yeltsin, rather than support Zyuganov in the second round, Lebed said: “I was facing two ideas. An old one that has shed lots of blood and the new one which is being implemented very badly at the moment, but behind it is the future. I have chosen the new one.” Zyuganov and his party, the CPRF, had tried hard to win over Lebed to their side. As Zyuganov himself confirmed at his June 17 press conference, he had offered Lebed the post of prime minister, should he win in the second round. The post of “prime minister of a government of national unity” was offered to Lebed again by Zyuganov, in a meeting between them on June 19.

No matter who wins the second round, sweeping cabinet changes are on the agenda, as President Yeltsin and General Lebed both loudly hinted. Asked by journalists, after his June 17 meeting with Yeltsin, whether he would become a minister in a new government, Lebed replied: “I will not become a minister in this government. This government anyway has only two weeks to go.” The days of Prime Minister Chernomyrdin and his cabinet are numbered.

Economics and ‘order’

In the past, Lebed has distinguished himself by expressing devotion to rebuilding Russia as a great nation, while not being tainted with neo-imperial impulses. But Lebed, as he has admitted, has no knowledge of economic policy. In a situation where correct economic decisions, not “law and order” (welcome as they would be to Russian citizens), will determine the fate of Russia, this is an Achilles’ heel. Lebed has now consciously aligned himself with Yeltsin’s regime, with its record of dismal policy failures.

A certain Vitaly Naishul, who echoes the views of the ultra-free-market Mont Pelerin Society, is reported to have advised Lebed’s team on economics recently. Such influences were apparent in Lebed’s campaign platform, published in *Izvestia* on May 31. There, Lebed called for a radical scaling down of the state, radical budget cuts, and—with the exceptions of law and order, defense, social services, health care, education, and support of science—no state role in society.

Zyuganov and other CPRF figures have already written Lebed’s political obituary, following his decision to work with Yeltsin. Zyuganov predicted that Lebed would go the way of Yeltsin’s former vice president, Aleksandr Rutskoy, whom Yeltsin had also placed in charge of fighting crime and corruption, but whom he never allowed to do anything concretely; Rutskoy was jailed after resisting Yeltsin’s abolition of the Constitution and forcible crushing of the Parliament, in September-October 1993.

How the power plays shake out in coming weeks, is an open question. But reality, beginning with the fact that the Russian state is at the brink of bankruptcy, will force a decision on either continuing to capitulate to, or repudiating, IMF conditionalities. Even in the realm of “quick fixes” to buy a little time, any post-election regime has only one immediate revenue-generating option, to stave off a crash of state finances. That would be to repudiate the IMF requirement that denies Russia the right to tax its oil and gas exports. That one measure would provide Russia, this year, with billions of dollars right away.

Given that Russia’s back is to the wall, it is conceivable that a Yeltsin regime, surviving the second round, could change policy and repudiate the IMF conditionalities. There is also a potential for such a shift on the part of Zyuganov’s team, given the input of anti-IMF economists such as Tatyana Koryagina to Zyuganov’s program.

Fidel Castro brokers Colombian President Samper's exoneration

by Gretchen Small

By a vote of 111-43, the Colombian House of Representatives voted on June 12 to absolve President Ernesto Samper Pizano of charges of illicit enrichment, fraud, and cover-up, all criminal charges carrying prison terms. Ignored was the mountain of evidence presented by Colombian Prosecutor General Alfonso Valdívieso Sarmiento, that drug traffickers had paid more than \$6 million to buy the Presidency for Samper in 1994.

While Samper has trumpeted his victory to the world as proof of his "innocence," there was no surprise in the Congressional vote in his favor, given that at least 60% of sitting Colombian congressmen, including many from the President's Liberal Party, are believed to have taken drug money for their own campaigns.

The real shocker, however, is the systematic cover-up by the major international press, of the role played by Cuba's Fidel Castro in achieving that vote. This deliberate blackout, is a case where "no news," is becoming a bit of real news in itself.

The Samper regime should have been unceremoniously thrown out of office, long before the vote was taken. On March 1, President William Clinton had taken decisive action toward that goal, when he "decertified" the Samper regime, declaring it non-cooperative in the fight against drug trafficking, and thus subject to an escalating series of U.S. sanctions. The external pressure galvanized further resistance within Colombia, where the drug mob has terrorized all but the most brave into silence, permanently silencing many in the grave.

International backers of the cartel government countered with their own mobilization, from the British House of Lords itself, to the ever-present political control apparatus over the region, the Inter-American Dialogue. The determination demonstrated by the U.S. President's Executive action, however, opened a serious flank against the mob regime, from within President Samper's Liberal Party itself. The faction headed by former Colombian President César Gaviria, now secretary general of the Organization of American States (OAS), came to the conclusion that Samper's exoneration would bury the party's chances for a 1998 Presidential win.

The possibility that Gaviria's forces, including Colombian Vice President Humberto de la Calle Lombana, would join the anti-Samper opposition, forced the cartel-Samper combination to "take measures."

On April 2, the brother of former President Gaviria was kidnapped. The narcos paid for the kidnapping, a guerrilla group carried it out, and when the moment came to kill him, Castro stepped forward, to broker the deal which secured the Congressional exoneration of Samper—freedom for Gaviria's brother, and protection for the guerrillas involved.

Gaviria had been disarmed as a potential opponent of Samper's, and de la Calle was warned that he, too, could become a target anytime, anywhere. As the London *Financial Times* cynically wrote on June 14, "The freeing of former President César Gaviria's brother by kidnapers just before the Congressional vote could be significant in this process: The smiling embraces of Mr. Samper and Mr. Gaviria suggest that support—or at least less antagonism—from the Gaviria wing of the Liberal Party might be forthcoming."

The kidnapping, and its outcome, was a raw display of the Castro regime's continuing power in the Americas, staged personally by Fidel Castro in the most public manner possible, to deliver a message: The Colombian narco-terrorists are Cuba's.

EIR has warned that the narco-terrorist capability wielded by the Castro regime through its São Paulo Forum, constitutes one of London's most dangerous weapons against the security of the entire Western Hemisphere, the United States most emphatically included.

The refusal in Washington to speak the truth about Castro, has now helped sink President's Clinton's efforts to break the drug cartel's grip over Colombia. The Cali Cartel is firmly ensconced in the Presidential palace. In July, the three Ochoa brothers who head the Medellín Cartel, walk free, after running their business for five years and five months from their jail cells.

If people in Washington allow what just happened in Colombia to occur without a peep, the message delivered to the nations of the hemisphere is, cut your deals with the Castro-narco machine now, because that is who is in charge.

Castro's brutal kidnapping

Juan Carlos Gaviria could barely walk when he was released, because the terrorists, operating under the name "Dignity for Colombia," had held him, doubled over, in a 13x31 inch cell for 72 days. He was allowed no daylight, and taken out only for the requisite pictures to prove that the tortured man was still alive, needed to accompany the terrorists' propaganda diatribes.

In a June 14 interview from Istanbul, Turkey, where he was attending the United Nations Habitat II conference, Castro told Colombia's WV radio, that he, personally, had played a pivotal role in arranging Gaviria's release. What "helped to resolve the kidnapping," he said, were Cuba's ideological ties with Hugo Torres Restrepo, alias "Commander Bochica," the Army of National Liberation (ELN) terrorist who directs "Dignity for Colombia" from the jail cell where he is serving a 24-year sentence for homicide. "Bochica" is "a person close to our way of thinking," said Castro. "The motives for this kidnapping were purely political, and therefore I believed it possible to speak with them."

"In my 35-year career, I've never seen such evil or heartless people," Colombia's National Police chief Gen. José Rosso Serrano told the press June 13. Although eight members of Dignity for Colombia were allowed to fly to exile in Cuba, another 50 members remain at large, he said, and they are very dangerous. Their plans include kidnapping Vice President de la Calle, and launching a terrorist wave in Bogotá.

The Lucio connection

Dignity for Colombia first surfaced a year ago, with the assassination of former Sen. Alvaro Gómez Hurtado, a leading critic of Samper's narco-government. The group has since threatened journalists, including *EIR*'s personnel in Colombia, and others, such as Prosecutor General Valdívieso.

Colombia's National Police report that "Dignity" first operated as the Jorge Eliécer Gaitán Commando (JEGA), formed by "dissident" members of the April 19 Movement (M-19), infamous for its 1985 assault on Colombia's Justice Palace on behalf of the drug cartels, and of the Army of National Liberation (ELN), a group of narco-terrorists which, like the M-19, has been controlled from the outset by the Castro regime (see *EIR*, Nov. 10, 1995, "New Terror International Targets the Americas," for profiles on both).

Most Colombians suspected that the Samper regime was behind Dignity for Colombia, when the group took credit for killing the regime's most outspoken opponent, Gómez Hurtado. Now, in the wake of the Gaviria kidnapping, that link has been proven. Law enforcement sources report that they have established ties between JEGA-Dignity for Colombia, and Congressman Carlos Alonso Lucio, the member of the legalized section of the M-19 and outspoken defender of the drug trade, whom the Samper regime has used as one

of its leading instruments against the United States and its law enforcement personnel.

In October 1995, the Samper regime used Lucio as its conduit for publicizing transcripts of conversations between U.S. government officials, which the Colombian government's political police, the DAS, had received through illegal wiretaps of the U.S. Embassy. U.S. Ambassador to Colombia Myles Frechette told the Jan. 1, 1996 *Journal of Commerce*, "It is our belief that those conversations were intercepted by the Colombian government. We aren't happy about it."

The Samper government protested mightily against the accusation, but it did not stop bugging U.S. Embassy phones. Clinton's Assistant Secretary of State for Anti-Narcotics and Terrorism Robert Gelbard told Bogotá's *El Tiempo* on June 18: "The DAS is intercepting the calls" of U.S. Ambassador Frechette; "Bogotá is like Moscow in the 1970s."

Dignity for the drug trade

The first communiqué issued by Dignity for Colombia after kidnapping Juan Carlos Gaviria, directed its fire at Prosecutor General Valdívieso and Gaviria's brother, the former President, denouncing them as "disguised gringos" serving a foreign power. "Drugs are not the cause of the misery of the Colombian people," and the drug cartels are not the country's problem, they declared.

The kidnapers issued a series of communiqués over the course of the next three months, repeating the demands and threats of the drug cartels and the narco-terrorists: that the system of trials by "faceless judges," adopted to protect the identity of judges from retaliation by the narco-terrorist machine, be eliminated; repeated attacks against any talk of renewing extradition between the United States and Colombia, which the drug kingpins most desperately fear; threats to attack any and all U.S. property and persons, if any U.S. soldiers step onto Colombian soil; threats to force the expulsion of U.S. Embassy personnel, one by one.

A May 9 communiqué contained the first call for the Cuban regime to play a role, demanding that Castro's intimate, Colombian narco-literati Gabriel García Márquez, take up their cause. The set-up for negotiations was put in place on May 29, with a communiqué in which they promised to assassinate their captive, at the point that the House of Representatives absolved Samper.

As the clock ticked toward his brother's death sentence, the annual meeting of the OAS took place in Panama, under the direction of its secretary general, César Gaviria. There, a majority of the member-nations of the OAS passed a resolution condemning the Helms-Burton law, recently signed by President Clinton, which proposes to strengthen the trade blockade against Cuba. It was an unusual diplomatic defeat for the United States, and U.S. officials complained that the OAS organizers of the conference had rammed the vote through without warning.

One week later, the Congressional debate on Samper's

innocence was winding up. On June 11, Castro issued a brief public “appeal” to Gaviria’s kidnappers, “to make contact with the family in order to seek a humane and honorable solution.”

Then, just hours before the vote in the Congress occurred, late in the night on June 12, eight terrorists, the captive, Juan Carlos Gaviria, and National Police director General Rosso Serrano boarded a plane in Pereira, where Gaviria had been kept captive, and flew to Bogotá’s international airport, the terrorists’ guns trained on Gaviria throughout the flight. Once in Bogotá, the terrorists, still armed and their faces covered, accompanied by an official from the International Red Cross and a Cuban official, boarded a waiting plane, which was given immediate clearance to leave for Cuba, by air traffic controllers who had been ordered to stop all other flights, because this was “a national security flight.”

Exactly what happened, when, is not known, but that this was a deal negotiated between narcos, terrorists, Castro, and the Samper government, is unquestionable. It is also acknowledged by all that two Cuban government officials were the intermediaries for the operation, one of them being Cuba’s ambassador to Colombia. According to a June 18 report in the well-informed opposition daily *La Prensa*, Castro’s two personal emissaries were, in fact, the only ones to actually go to where the victim was being held, and to escort him to waiting authorities.

According to *La Prensa*, negotiations included the move of “Commander Bochica” from where he was being held, to the Modelo prison. There, he was placed in a cell adjoining that of a top Cali Cartel drug trafficker, Victor Patiño Fomeque. A meeting was then held at the Modelo prison, this report goes, between “Bochica,” the drug trafficker, the director of the jail, and, possibly, the National Police director himself, from which, it is said, the terrorist “Bochica” placed the call ordering Gaviria’s release.

After the exoneration of Samper, Inter-American Dialogue President Peter Hakim urged the Clinton administration not to impose strong sanctions against the Samper government, because, as he insisted to the *Washington Times* of June 14, the Samper regime “is not a terrorist state. This is a country with which we have strong relations.”

Samper’s forces, however, brazenly declare otherwise. In his final speech during the Congressional debate over Samper on June 12, Dignity for Colombia’s congressman, Lucio, outlined a program for how to continue in power, indefinitely. Accepting drug money for political campaigns is no crime, he raved; there is hysteria against the drug trade, because this is how poor people can become rich, and that should be a cause for joy. “We” must prepare ourselves, so that in the next elections, two years from now, “we” continue in power, and so, drugs must be legalized, the “faceless judges” program stopped, and all contracts for opposition media which is “servile” to the anti-regime “conspiracy” orchestrated by the United States, cut, he concluded.

Lee Kuan Yew declares himself a British agent

by Michael O. Billington

On June 5, the *Singapore Straits Times* reported that Singapore Senior Minister Lee Kuan Yew has confirmed publicly, and embraced, what *EIR* has repeatedly stated, that Lee Kuan Yew is the principal spokesman for British financial and political interests in Asia, especially in regard to British plans for the dismemberment of China. At a meeting of the Business Council in Williamsburg, Virginia, and subsequently, in an interview with NBC-TV’s Tom Brokaw, Lee proudly described himself as a “product of the British Empire,” who sees the world “through British eyes,” and who “has the habit of reading British weeklies such as the *Economist*, the *Sunday Times*, the *Sunday Telegraph*, and listening to the [British Broadcasting Corp. as] the best sources of information.”

This admission has a striking resemblance to the famous declaration of Henry Kissinger, before the leaders of British intelligence gathered at Chatham House in London on May 10, 1982, that throughout his years of service in the U.S. government, he considered the British Foreign Office to be his primary center of loyalty. Indeed, Kissinger and Lee Kuan Yew are close associates, and allies in imposing British geopolitical policies in Asia. For example, Lee Kuan Yew, in his presentation before the Business Council, berated Taiwan’s President Lee Teng-hui for his Japanese training and education, pronouncing:

“Unfortunately, the Japanese worldview does not accord high regard for China” (unlike the British—“no dogs or Chinamen allowed”). This effort to pit Japan against China is precisely the method used by Kissinger to explain his feigned support for China, a familiar British geopolitical “balance-of-power” strategy aimed at maintaining British control over both.

The British anti-development strategy

As *EIR* has documented over the past months, the British have launched a public campaign to reassert the power of the Empire, building upon the structure of that Empire as it exists today in the British Commonwealth. Asia is central to the new Empire, with Singapore and Australia the two primary centers for control. On March 1-2, a conference of Asian and European nations was held in Bangkok, Thailand, organized on the initiative of Lee Kuan Yew’s Singapore and the leaders of

the new Entente Cordiale, France's President Jacques Chirac and England's Prime Minister John Major, whose purpose was to advance the new British imperial agenda (see *EIR*, March 22, "Britain's New Empire Strategy Invades Asia").

Their purpose was to pull the rest of the Southeast Asian nations, as well as China, South Korea, and Japan, into agreement that dirigist economic policies should be eliminated, in favor of deregulation, privatization, and similar "free trade" shibboleths, to govern the economic process in Asia. National sovereignty should be sacrificed to the enforcement power of international institutions such as the International Monetary Fund and the World Trade Organization (WTO).

EIR warned that such policies were intended to *prevent* the development of Eurasia, turning all of Asia into an extension of the British Hongkong model of hot money, cheap labor, and speculation.

That warning was confirmed by one of the foremost spokesmen for the new British Empire, Sir Leon Brittan, currently functioning as the vice president of the European Commission. Brittan spoke at a conference in Beijing on May 7-9, entitled the International Symposium on Economic Development of the Regions along the New Euro-Asia Continental Bridge. As the title implies, the Chinese government called the conference for the purpose of advancing the revival of the "silk routes," not only as connections between Asia, Europe, the Middle East, and Africa, but as "development corridors," to bring about the urbanization and industrial development of the great Eurasian landmass. This concept was first proposed by *EIR* founder Lyndon H. LaRouche, Jr., and the Beijing conference featured as speakers his wife, Helga Zepp LaRouche, and his associates, Dr. Jonathan Tennenbaum and Mary Burdman, who discussed the necessity of this great project in the face of the unfolding global financial crisis (see *EIR*, June 14).

Brittan, however, in an insulting display of imperial pique, threatened the Chinese that any effort to develop Eurasia using government-directed methods of credit or public sector ownership would meet with sabotage by the British-controlled financial markets. In particular, Brittan pointed to the agenda of the Asia-Europe Meeting (ASEM) in Bangkok, as providing the necessary model for the Chinese to follow. Throughout his speech, he treated the land-bridge not as a "development corridor," but merely as a connection between the end points of Europe and Asia. Sir Leon pontificated:

"What is the relevance of the Bangkok platform to the objectives of this conference? . . . It is clearly important to ensure that infrastructure planning is soundly market-based. . . ; the critical mass of funding cannot be based on government contributions. . . . To put it bluntly, demand to use a land-bridge between Europe and Asia will only be high if certain political conditions are met. . . . Only if these conditions are met will foreseeable demand for use of a bridge grow to a level where the necessary capital can be attracted. On this score, the picture so far is mixed." He insisted that China must

"make a common front against protectionist pressures," by joining the WTO, which would require China to "accept the rules of the WTO—all the rules. . . . For a land-bridge to work, the rules must be in place before the prospectus is issued."

Sir Leon's insistence, that governments must play no major role in such great projects, betrays the British intention, that great projects never come to fruition. Throughout history, the industrial transformation of national economies has only succeeded through centralized government direction and investment in the necessary large infrastructural projects. This is true for the United States, Germany, and Japan, as it was for the little tigers of South Korea and Taiwan.

Meet Lee Kuan Yew

Lee Kuan Yew is a classic case of what LaRouche has called the British "dumb cow" principle, whereby colonies were controlled by killing off any rambunctious elements of the "herd," then placing in power one of the remaining pliant subjects, after careful grooming in London. "Harry" Lee, as he was known in those days, attended the foremost colonial preparatory school in Singapore, Raffles College, before being trained for the bar at Cambridge after World War II. Upon his return, his case officer was MI-6 operative Alex Josey, an expert in psychological warfare. Sir Henry Gurney, the British High Commissioner in Malaya (1948-51), had been Josey's commanding officer in the Middle East, and called Josey to Malaya during the "Emergency," the term Britain used for the Malay fight for independence. The British used Malaya as a testing ground, under the personal direction of Brig. Gen. Frank Kitson, for "gang-countergang" methods of counterinsurgency, designed at the Tavistock Institute center for psychological warfare in London. Josey was brought in as chief editor for Radio Malaya, adopting a leftist coloration, and befriending Lee Kuan Yew. He was to remain Lee's close companion and adviser for the next 15 years.

In 1957, Lee's primary factional opponents for power were arrested, and Lee, with direct help from British Special Services agent Richard Corridon, took power over the colonial government. Josey wrote in his biography of Lee: "It was a matter of bitter regret to Lee that he could only assume leadership again after the British, through an acquiescent Chief Minister, had jailed the culprits."

Independence was granted to Malaya (but not Singapore) in 1957. The British, however, were anxious that their banking apparatus in Singapore, a principal center for laundering the spoils of the Empire—especially that of the enormous Southeast Asian drug trade—would retain control over the Malayan economy. Lee Kuan Yew, the trusted comprador protecting this British banking establishment, was sponsored to bring about a merger with Malaya, which occurred in 1963 (together with Sarawak and North Borneo), thus creating Malaysia. Lee made his intentions clear:

"A peaceful, happy, prosperous Malaysia is only possible if we keep Singapore the center of Malaysia." The merger

was abandoned after two years, however, when Malaysian nationalists reacted against the ethnic Chinese dominance of the economy. (Singapore is mostly Chinese, while Malaysia is majority Malay, with a large Chinese minority.) Ironically, on June 7, Lee floated the possibility of a new merger of the city-state and Malaysia, on Singapore's terms, of course, which idea has been received with laudable, guarded skepticism in Kuala Lumpur.

It must be noted that Lee Kuan Yew, true to his British training, is a racist. He argues that races from tropical climates (such as the Malay) are genetically inferior to those from the temperate zones (such as the Chinese), adding: "To gloss over these kinds of issues because it is politically incorrect to study them, then you have laid a land mine for yourself. This is what leads to the disappointments with social policies, embarked upon in America with great enthusiasm and expectations, but which yield such meager results." One can see why Lee is so highly regarded by the spokesmen of the Nazi-like policies of the Gingrich "Contract with America" crowd in the United States.

Singapore's hot money

Since the 1984 agreement to return Hongkong to Chinese sovereignty in 1997, Singapore has become the preferred location for relocating British corporate and financial operations. In addition to its continuing role as one of the world's largest derivatives traders (despite the Barings' disaster), Singapore is also the second largest repository of the massive "offshore trusts," the hiding places for drug and hot money. Singapore holds \$390 billion in such trusts, second only to the infamous British dirty money haven in the Cayman Islands.

As Singapore was assuming this new importance, Lee Kuan Yew also took a leading role in efforts to bring the reform process in China into line with British free trade demands. Lee's right-hand man, Goh Keng Swee, who proudly points to Venice as the model for Singapore, moved to Beijing in the 1980s, where he helped introduce Chinese reformers to the Hongkong and Singapore models, in the form of Special Economic Zones. Lee himself spearheaded a plan for a "Greater China," to bring the mainland and Taiwan under the guidance of the Hongkong-Singapore financial nexus, in conjunction with leading Southeast Asian overseas Chinese tycoons.

Lee has also made considerable headway in a cultural warfare campaign against the mainland. The success of the new British Empire free trade policies in Asia depends upon the creation of an apparent "Asian" cover for the British model. Lee, who never studied the Chinese classics, suddenly, in the 1980s, pronounced his support for a "New Confucianism." Lee's so-called Confucianism is actually a mish-mash of Legalist and Taoist ideological constructs, pasted together as "Asian thought," while, in fact, rejecting the most fundamental ideas of Confucius, Mencius, and Chu Hsi, the great minds of the Confucian tradition.

Lee's "New Confucianism" became the basis for an "Asian way," which supposedly explains the economic explosion in Asia over the past years. It also serves to justify the continuance of authoritarian political regimes, while implementing deregulation, privatization, and free trade measures on the economy, providing international speculators with the freedom to loot. Although China has carefully restricted this "shock therapy" approach to its economy, with an eye to the disaster in Russia, nonetheless, Lee Kuan Yew has successfully inserted himself into the cultural debate. He was chosen as the honorary chairman of the newly constituted International Confucian Society, giving the keynote speech at the founding conference on Oct. 3-5, 1994, in Beijing.

'This is not Confucianism'

Taiwan's President Lee Teng-hui, although, he, too, has been used by the British and the "Conservative Revolution" fanatics in the United States, in an effort to provoke civil war in China, made a very astute appraisal of Lee Kuan Yew's "New Confucianism" in a May interview with *Newsweek*. Asked about Lee Kuan Yew's attacks on Western values, Lee Teng-hui responded:

"He doesn't know classical Chinese thinking; 2,500 years ago, during the Warring States period, Chinese people were very humanistic. . . . Chinese thinking is very humanistic, not just feudalistic, as it was in the imperial era. . . . I don't think there are distinctly Asian values. There are human values."

On the issue of "authoritarianism," Lee Teng-hui said: "Paternalism is very powerful [in China]; you must listen to your father, to the emperor. This is the biggest problem in China. This is not Confucianism. Confucianism has been distorted by politicians. Now Singapore has adopted this distortion."

Lee Kuan Yew responded with the attack on Lee Teng-hui at the Business Council meeting, quoted at the beginning of this article, while proudly declaring his British pedigree. Introduced by Business Council moderator John Bryan as "the father of modern Asia," Lee Kuan Yew displayed his servile allegiance to the British Crown by explicating his view of the "Asian way." Although he berated the United States for attacking China over issues of democracy and human rights, and paid lip service to the unity of China, he quite openly called for the United States to use all necessary means to force the Chinese to accept free trade dogma: "The unity of China must not be attacked; no question that Taiwan is a part of one China, no question about Tibet. Once these are settled and put aside, you can argue, bang the table, slosh them, and they will have to give way to trade, bilateral agreements, IPR [international property rights] investments, WTO conditions. . . . You'll have the whole of Asia on your side if you press them hard on IPR or any of the trade infringements."

Lee Kuan Yew has once again upheld his reputation, given him by the 1960s British foreign secretary, as "the best bloody Englishman east of the Suez."

Schiller Institute's 'music manual' released in new Italian edition

by Liliana Celani and Kathy Wolfe

Canto e diapason, the Italian edition of the Schiller Institute's *A Manual on the Rudiments of Tuning and Registration, Book I*, the book that shook the music world in 1992 by proving the case for the lower Verdi tuning of C=256 Hertz, was presented in a new Italian translation in Milan and Rome, on May 29 and June 9, respectively. *Song and Tuning*, as the Italian title translates back into English, has just been published in Italy by the prestigious music publishing house Carrara in Bergamo.

Publication of the Italian edition is part of an ongoing international campaign initiated by EIR Founding Editor Lyndon LaRouche, to return to the scientific tuning of C=256, or A=432 Hz. Supposedly to achieve greater "brilliance" in sound, a British-orchestrated cultural warfare operation has pushed tuning upward, destroying voices and the poetry of Classical composition. The LaRouche-initiated campaign seeks to restore Classical principles.

The Milan premiere was set at the historic Casa Verdi, where the Schiller Institute held its first conference in 1988, calling for the original Verdi tuning. The Rome debut was held at, and co-sponsored by, the Aula Magna of the Vatican's Pontifical Institute of Sacred Music.

Both events featured live singing demonstrations, by world-famous baritone Renato Bruson and the young soprano Antonella Banaudi, of the superiority of Italian arias at the older Verdi pitch, the equivalent of A=430-432, compared to modern arbitrary high pitch of A=440, A=445, and even A=450. "I am here to support the campaign to go back to Verdi's tuning," Bruson explained, "because we have a crisis of voices" due to the strain on singers caused by the irrational modern rise in the pitch.

Soprano Mirella Freni wrote to the meetings that she and her husband, renowned basso Nicolai Ghiaurov, were present "in thought, with all our affection," because "this is a very important initiative for today's singers, and for those of the future."

In both Milan and Rome, Schiller Institute music historian Liliana Celani and organist-conductor Arturo Sacchetti, former artistic director of Radio Vatican, the two co-editors of the Italian edition, stressed that this textbook proves the unity of art with science.

A Manual on the Rudiments of Tuning and Registration, Book I is also due out in a German-language translation this coming fall. The English original was prepared under the

direction of LaRouche, and edited by John Sigerson and Kathy Wolfe.

The Milan and Rome audiences of singers, journalists, instrumentalists, and musicologists remembered vividly the Schiller Institute's 1988 "Conference on Scientific Tuning and Classical Aesthetics" at the Casa Verdi, where baritone Piero Cappuccilli made history with the first singing comparison of what he called the "natural" Verdi tuning, versus the strain of modern pitch.

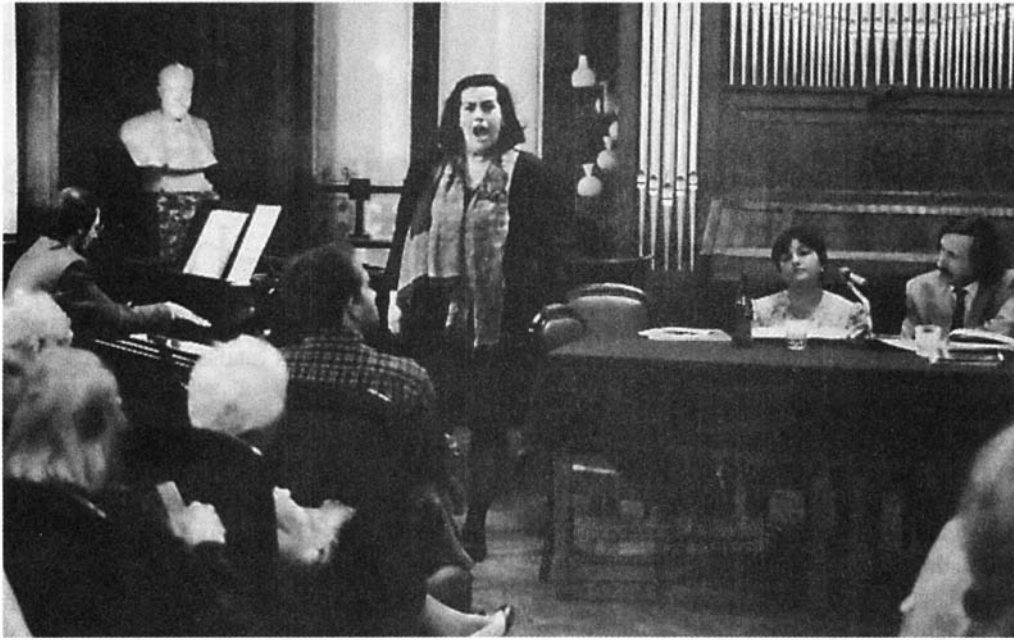
Music and science

Celani, who in 1986 rediscovered Giuseppe Verdi's 1884 letter calling for legislation to cap the pitch at no higher than A=432, opened the Milan and Rome events. She stressed the importance of this textbook not only for music specialists, but for the whole music and scientific world, because it "reestablishes and proves, with hundreds of examples from the Classical repertoire, an important and forgotten principle, the link between art and science, as Lyndon LaRouche, the initiator of the Schiller Institute campaign to lower tuning, expressed already in the introduction to Volume I."

Maestro Sacchetti was polemical toward the music and academic world, in which "many people run around with long donkey ears" and refuse to see the problems created by the constantly increasing orchestra tuning, which is not only destroying voices and interpretation, but is also "a sign of the absolute lack of sensitivity to art in our time," he said.

That is why "it is so important that the American Schiller Institute, inspired by Lyndon H. LaRouche, gathered in a text precious research aimed at demonstrating the presence in nature of a 'human' pitch. The fusion between scientific aspects and music examples proves the unchangeable logic of a natural tuning based on the frequency of A=432 Hz." If this tuning were adopted in "all the music world, since music is a universal language," as Verdi himself wrote in 1884, he said, "many music pieces which have practically become unsingable because of their very high tessitura, could be performed again, and the conquest of a sweeter, warmer, and smoother sound would favor the fusion between voices, and between voices and instruments."

"Music and Scientific Creativity," LaRouche's speech to the conferences, was read by Mrs. Celani in Italian in both Milan and Rome. "One who were familiar with the implica-



The Schiller Institute conference in Rome on June 9, at the Pontifical Institute for Sacred Music.

tions of my 1948-1952 discoveries in the science of physical economy, should recognize why I was impelled to initiate the production of this Manual, more than a dozen years ago,” LaRouche said. “Anyone who recognizes that connection which I uncovered, between physical science and Classical art-forms, would gain a richer insight into the principles of music itself. That connection is the subject of the remarks I submit for today’s occasion.” LaRouche’s speech was welcomed by cries of *bravo* from the audience, since it established lawful principles about the voice, poetry, tuning, and music interpretation which musicians long had in the back of their minds, but which LaRouche was the first to demonstrate scientifically.

The living voice

The truth shined out especially with the living human voice, starting in Milan with the young Verdi soprano Antonella Banaudi, from master tenor Carlo Bergonzi’s Busseto school, who sang two Verdi arias from the operas *Attila* and *Aida*. These were done first with the modern high tuning, and then with a second piano tuned at A=432.

Her impressive voice changed color completely, and visibly became smoother, warmer with the low tuning. She reported her own surprise at the ease in singing, not only around the register shift between the low region of the voice and the center of the voice, and again between the center and the high notes, but also the ease in singing low notes, which are normally more difficult for a soprano. However, the relaxation of the original Verdi tuning made the whole voice so much more round that the audience reacted with an ovation to the second version of both arias.

In Rome the guest of honor was Renato Bruson, who had

just sung the lead of Verdi’s *Simone Boccanegra* at the Rome Opera Theater the evening before. Bruson repeated for the Rome audience the experiment made by Cappuccilli in 1988, singing the beginning of the aria “Oh de’ verd’anni miei,” from Verdi’s *Ernani*, first at A=445, today’s tuning at the Rome Opera Theater (elsewhere such as Florence, Berlin, or Vienna, it is as high as A=450). The aria opens with an embellishment, all of which must be sung in the same *register* of the voice, to keep the musical line as one unified idea, which is the result at Verdi’s tuning. Bruson then sang it at the Verdi tuning of A=432, showing how the high tuning forces the singer to shift to a higher register too early, and chop up the phrase.

“I am here to support the campaign to go back to Verdi’s tuning,” Bruson explained, “because we have a crisis of voices which is due to this reason. We do not have any more true mezzosopranos, true bassos, and I hope conductors will draw a lesson from this music example, because with A=432 you can hear the difference of color and smoothness of the sound.”

He referred to the Italian Senate, a few steps away from the Pontifical Institute, adding polemically that “those people around the corner should actually be here to listen and to make a law like Verdi did, but they are not here because they do not understand anything of music.”

Bruson was referring to the law modeled on Verdi’s 1884 proposal, which had been promoted by the Schiller Institute in 1988, and endorsed by more than 2,000 singers worldwide, but was blocked by a typical pragmatic compromise on the part of the politicians who had presented the proposal to the Senate.

Another speaker, Massimo Iannone, of the Santa Cecilia

Choir, said that the manual is a “bible for singers because it finally reestablishes the principle of register shifts.”

DNA and C=256

Also greatly appreciated in Rome was the speech of Prof. Francesco Marsili-Feliciangeli, a university professor and medical doctor who has developed a revolutionary DNA treatment to cure illnesses of the nervous system and cancer, who spoke on “Tuning and Health.” Proving what LaRouche expressed in his speech, about the fact that the best scientists are also musicians, Feliciangeli used to be a famous opera singer, with a pseudonym, until he started to practice medicine and medical research on DNA. He emphasized the scientific chapter of the manual, and its chart on the DNA frequencies, because, he explained, “Italian and foreign DNA researchers have proven that the human body lives in harmony and that health has its own harmonic threshold. . . . C=256 is the vital number and the highest absorption threshold of DNA.”

Encephalographic tests, he said, have proven that “living tissues emit and absorb electromagnetic frequencies,” and that the “musical scale has a relation to biological spectra.” With its 265 nanometers wavelength, which corresponds to the 42nd octave above C=256, “C=256 is not only the ideal tuning for the voice, but also the first vital step in molecular biology.” As the manual proves, “singers have a natural tuning” which has to be respected, “otherwise pathological processes will intervene.”

Another scientific contribution was given, in Milan, by Prof. Bruno Barosi, physicist and professor at the Violin Building School in Cremona. He reported to the conference about the experiments done in Cremona in 1988 with the Stradivarius violin of Norbert Brainin, first violin of the Amadeus Quartet, confirming what had already been observed in the 17th century: that the highest resonance of the Stradivarius violin box is at C=256 Hz. “Similar experiments,” he added, “were done recently in Cremona also on old oboes, and prove the same” principle.

Messages of support for *Canto e diapason* and the Schiller Institute campaign were sent in by a number of famous opera singers, including soprano Mirella Freni, basso Ruggero Raimondi, mezzosoprano Fiorenza Cossotto, baritone Paolo Silveri, and tenors Luigi Alva and Carlo Bergonzi. The Italian daily *La Stampa* published on June 9 a long article on the presentation in Rome, with a picture and quote of Placido Domingo and the headline: “Domingo: We Are Not Shouters.” The Catholic daily *Avvenire* published a box about the presentation at the Pontifical Institute of Sacred Music, under the headline “Book on Tuning Published.”

The Bergamo daily *L'Eco di Bergamo* published a long article on June 3 entitled “Orchestra Tuning Went Up Half a Tone and Music Is No Longer the Same.” It announced the Italian edition of the book, “written by many hands in the U.S. under the initiative of Lyndon LaRouche.” Maestro Sacchetti was interviewed about the music manual by Radio Vaticana.

Kashmir elections: the British-backed

by Ramtanu Maitra and Susan Maitra

Under the massive security cover provided by Indian security forces, Kashmiris came out in large numbers to vote at the end of May in Lok Sabha (parliament) elections, and made it clear that support for the gun-wielding foreign and domestic terrorists has actually shrunk in Kashmir.

The six Lok Sabha seats contested were divided among the Congress Party, the Bharatiya Janata Party (BJP), and the Janata Dal, with Congress winning a lion's share of four of the six seats. The traditional National Conference (NC), which, under the leadership of the Abdullah family, had been the political wheeler-dealers for too long in the Kashmir Valley, sat this election out, to their loss.

That the polls could take place with very few incidents inside Kashmir, is itself a setback for the secessionist forces, and is expected to provide New Delhi some valuable time to earn the trust of ordinary Kashmiris.

The last elections, in 1987, which had given the Farooq Abdullah-led National Conference an absolute majority, was a sham, with only 5% of voters participating in the election. Foreign secessionists' pressure to loosen Kashmir from both India's and Pakistan's grip to form an independent nation in a highly strategic region, and Pakistan's perpetuation of this separatist policy; general grievances within the Kashmiri population against New Delhi; and New Delhi's decision to make the Abdullah family the uncrowned royal household of Kashmir, all led to the massive and bloody blowup in 1989. With the Soviets out of Afghanistan, the international forces that control the afghansi narco-terrorists, brought their full force on Kashmir, with tacit support advanced by Islamabad. Subsequently, all that the world saw was killings, hostage-takings, and mayhem perpetuated by the professional and foreign-trained terrorists, and retaliatory brutal measures by the personnel of Indian security forces.

The British hand

The stage thus was set for the separation of Kashmir from India, with the object of joining it to the part that Pakistan holds, to make it a separate Kashmir nation. Lord Avebury, chairman of the British parliamentary human rights group and a front man of the British colonial masters, called for secession and organized militant Kashmiris in Washington

a defeat for secessionists

and London to press home the point. Meanwhile, Washington, following the advent of the Clinton administration, which formulated a more balanced policy toward Kashmir, was urging New Delhi to hold a free and fair poll in Kashmir, to prove that Kashmir is still governable and that the Kashmiris still believe in a democratic India. The U.S. ambassador in Delhi, Frank Wisner, in particular, had been active in pressuring the Narasimha Rao administration to hold the elections.

The Kashmir election results were interesting in more than one way. The Congress Party grabbed four out of six seats, after the party had been ousted from power in New Delhi. The elections were held under the tentative central governments, nominally under control of the BJP and, on May 30, the second day of the two-day elections, under the new United Front government.

Despite a large number of contestants appearing on the ballot, many of whom were well-known militants and pro-secessionists, the main contestants were the Congress and the BJP. Janata Dal won in Anantnag, while the BJP, surprisingly, won in Udhampur. Only in Ladakh, did an independent put up a strong fight against the Congress candidate. The well-known militants and pro-secessionists finished with few votes.

Voters flock to the polls

Voter turnout was unprecedented. Even the militants, who had threatened death to those who would vote, are now in deep despair, refusing to believe the percentage of people who actually voted. The overall voting percentage in the state was close to the national average of 45%, whereas turnout in the violence-prone valley was more than 40% of the electorate. Sopore and Baramullah constituencies, from where a large number of complaints of irregularities were reported during the election, registered low turnouts of 22% and 20%, respectively. Anantnag and Baramullah, major centers of terrorist activities, registered very high percentages of turnouts on May 23, the first day of the elections, which had set the cat among the pigeons and led the militants and their sympathizers to immediately resort to the cry of “foul play.”

On May 29, the day before the second and final day of

the Kashmir elections, the mosques in several places on behalf of the All-Party Hurriyat Conference (APHC), a combined opposition that had called for a boycott of the elections, expressed hope that the people would stay indoors on May 30, but could vote if they wanted to. It was evident at that point that the APHC, beholden to the British Broadcasting Corporation and the West in general, was making preparations to save its political face and control the “damage.”

As the people conveyed their intention to vote by appearing in the polling booths, the propaganda machines orchestrated by the BBC began to churn out “information” that the whole exercise was a farce. *India Today*, a fortnightly published from Delhi and known for its pro-terrorist sympathies, joined the chorus. The nature of the accusations was along the usual lines. *India Today* claimed that the “troops instilled not confidence, but fear and loathing.” The news magazine also claimed that the voters were herded over to the booths, the people who were not registered were brought in by the security men to vote, at some places the Kashmiris were told for whom to vote, etc. There is no doubt that some of these accusations are correct, but it is also true that such things take place in every election in India, anywhere and everywhere.

But behind the vicious propaganda initiated by the BBC, *India Today*, and others, lies a very uneasy truth, which the militants and their masters find difficult to accept. While the security forces did help a large number of Kashmiris to the polling booths, they could not have made them vote. In other words, if the Kashmiris did not want to vote, they could have cancelled their votes simply by voting against two names—a procedure adopted often in elections throughout India as a sign of protest. But the number of cancelled votes were few and far between, while the number of votes registered was very high, even if one assumes that 10-15% of the overall votes were tainted.

Pakistan reacts more positively

Islamabad, where the Kashmir issue can bring down a government in no time, initially reacted the same way as the BBC and the militants. Since then, however, Pakistan has initiated a new course. Under the pretext of welcoming India's new Deve Gowda government, Islamabad has most generously offered India most favored nation trade status—not without the blessings of Washington, of course—and sought new talks to ease bilateral relations.

On the other hand, it would be hasty to assume that the Kashmir polls indicate that the Kashmiris have indicated their intention to stay within democratic India in the form it exists. There is no indication that the polls have given such a simple message. But what message the Kashmiris have successfully conveyed, to the chagrin of terrorists and their promoters, is that they are not willing to remain hostages to the militants, who, the Kashmiris realize, have nothing good to deliver.

Netanyahu cabinet spells disaster for Middle East peace process

by Dean Andromidas

Israeli Prime Minister Benjamin Netanyahu announced the formation of his new cabinet on June 19, a cabinet that could become the most dangerous threat to peace in the region since the Gulf war. Despite the inclusion of what the press calls “moderates” as well as hard-liners, the direction of the Netanyahu cabinet promises to usher in a so-called “peace process” diametrically opposed to that adopted under Prime Minister Yitzhak Rabin and his successor, Shimon Peres. That process was predicated not only on exchanging “land for peace,” but more importantly, on the development of regional economic infrastructure as the keystone of a lasting peace.

In announcing his new cabinet, Netanyahu called for continuing the peace process through direct negotiations without “preconditions.” He reiterated his government’s refusal to negotiate with the Palestinians on the question of an independent Palestinian state, and the status of Jerusalem as the undivided capital of Israel; and with Syria over the status of the Golan Heights. This drew an angry response from Hanan Ashrawi, Palestinian spokeswoman: “Expanding settlements, annexing Jerusalem, not withdrawing from the Golan Heights are requirements for peace-destruction, not peace-making.”

In a statement before Israel’s parliament, the Knesset, former Prime Minister Shimon Peres warned Netanyahu that his approach would fail: “My friend, the prime minister, I fear you will shortly discover that the platform in the name of which you were elected cannot serve as a recipe for progress on the peace process. . . . You will be forced to disappoint many in your constituency and your partners, if you wish to achieve any results.”

Statements by governments do not necessarily represent what their policy will be in action, and observers have been quick to point to various “moderates” in the new cabinet, and to internal and external political pressures, that could soften the government’s hard line. Most important, perhaps, is the ability of the Clinton administration to have a moderating influence on the Netanyahu government. Nonetheless, a close examination of the new cabinet and emerging Netanyahu administration is not encouraging. The question is not simply whether the government could make a shift, but whether it could survive, even if it did.

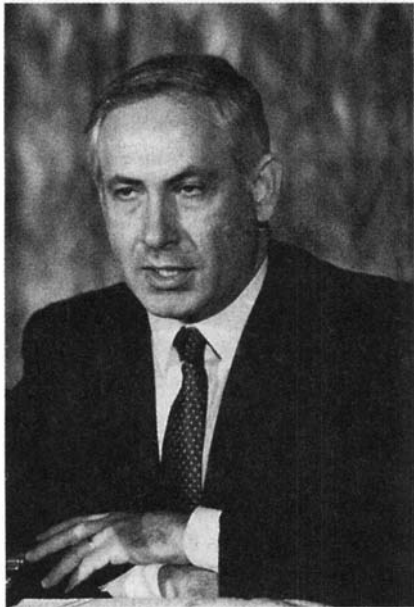
Sharon’s evil influence

The role of Ariel Sharon must be seen as central. Sharon is more than simply the Attila the Hun of the Israeli right; he is the key British agent whose international connections can exert tremendous and dangerous influence in Israeli policy-formulation, whether he is in or out of the government, not least because he played the principal role in bringing Netanyahu to power.

The international press is portraying the new prime minister as resisting handing Sharon the senior ministry he is demanding, but the reality is that Sharon has designed his own super-ministry. According to Sharon’s press spokesman, the new portfolio, to be called the Ministry of National Infrastructure, was not created simply to pacify an angry Sharon, but was of Sharon’s own design. As of this writing, Sharon has not accepted the post, while negotiations are ongoing with the other ministries, which will have to turn over some of their responsibilities to the new creation. Nonetheless, so far, the proposed ministry would include all departments involved in water, electricity distribution, oil and gas, roads and rail transportation, ports, and land use. Such a ministry represents a denial of the very concept of achieving peace through economic development; it is Sharon’s declaration of war on any Middle East peace achieved through regional development of infrastructure. Region-wide development was the underlying policy foundation of the Oslo Accords, as well as the policy initiative with which American physical economist Lyndon LaRouche has been identified for the past 25 years.

According to Israeli sources, the new ministry will give Sharon tremendous power:

First, it will put him at the center of all economic discussion with the Palestinians, who desperately need infrastructure projects, in order to economically integrate the territories under their authority with regional development. One observer told *EIR* that Sharon’s new post would allow him to “cover the West Bank with roads, concrete, and settlements.” It obviously will give him the ability to expand Jewish settlements in the occupied territories, and to implement his conception of a Palestinian autonomy, superficially modeled on Swiss “cantons,” but in reality, reducing the territory under the Palestinian Authority to a handful of tiny bantustans.



From left to right: Israel's first directly elected prime minister, Benjamin Netanyahu; Likud powerbroker Ariel Sharon, who may get the custom-made Ministry of National Infrastructure; and Foreign Minister David Levy.

Second, in a country where politics depends on distribution of government contracts and on government-backed economic projects, the new ministry will allow Sharon to wield considerable finger-tip control.

Third, any initiative aimed at stabilizing the peace through regional economic development, particularly from the Clinton administration, would have to pass through his ministry.

A political observer from a leading Israeli think-tank pointed out that through this ministry, Sharon has guaranteed himself a loud voice in the government and a seat on the Security Committee of the cabinet.

Other well-known hard-liners in the cabinet include Gen. Raphael Eitan, who was rewarded for bringing his Tsomet Party into the Likud for the elections, with the Agriculture and Environment Ministry. Eitan had held this post under the previous Likud government of Yitzhak Shamir, and used it as a base for expanding settlements in the occupied territories. The Justice Ministry was given to Jerusalem attorney Yaacov Neeman. Touted as an "independent," Neeman was the legal representative for radical settler organization Gush Emunim. Health Minister Tzachi Hanegbi is the son of Geula Cohen, who is the primary supporter and spokeswoman for the most radical wing of the settlers' movement.

Free market 'meshuggenehs'

Netanyahu's radical free market economic policies, which are the next most important facet of his overall orientation, can only lend support to the more hard-line policy toward the peace process, because it would weaken the domestic economy at a time when dirigism would push forward regional economic integration. The new prime minister is call-

ing for widespread privatization of the state sector, massive cutbacks in subsidies for housing, health, etc., and balancing the budget while cutting taxes. Such a policy promises to be devastating, to an economy that has traditionally had an extremely strong state sector, which is crucial for providing for the needs of the tens of thousands of poor immigrants who come to Israel every year. Here, the irony is that the so-called "moderates" with respect to the peace process are the very ones who are radical free marketeers. This is said to be the case with Finance Minister Dan Meridor.

Despite the fact that Netanyahu is Israel's first prime minister voted in through direct election, his Likud party had the worst showing since its creation. With only 32 seats in the Knesset, he has been forced to create a coalition with several small parties, all of which, although right of center, have conflicting demands; this is the case with the religious parties, such as the National Religious Party, and secularist parties, such as the Russian immigrant-based Israel B'Aliyah party, as well as the Likud itself.

Despite the public show of horse-trading and compromise, Netanyahu is moving to create parallel structures that will circumvent the fractious party-based cabinet. He has already created a National Security Council, which, like its American counterpart, will usurp crucial powers that had been controlled by the Defense and Internal Security ministries. It will be headed by former Air Force chief David Ivry, but one of its leading lights will be Netanyahu's American-born and -educated foreign policy adviser, Dore Gold. Gold is the former director of the Jaffe Center for Strategic Studies of Tel Aviv University. The key financial backers of the Jaffe Center are Edgar Bronfman and the Anti-Defamation League.

Netanyahu has also created a new advisory council on economics, which will be headed by Central Bank Governor Jacob Frenkel, a protégé of Milton Friedman, in order to bypass resistance within his own party and among the coalition partners, to implementation of free trade and privatization "reforms." In addition, Netanyahu wants to merge into the prime minister's office the task of privatization, budgetary control, and the Land Authority.

'What will the Clinton administration do?'

While the outlook appears dim for peace, the role of the United States in moderating, if not reversing, the situation, must be seen as crucial, and regional leaders are anxious to see what will happen following the mid-June visit by U.S. Secretary of State Warren Christopher and Netanyahu's state visit to Washington scheduled for July. No Israeli government has been able to implement its policies without support from Washington. This is a perception shared among Arabs and Israelis alike. One Arab observer said to *EIR*: "The real question, which I want to ask you is: What will the Clinton administration do? If the U.S. decides to pressure Netanyahu to continue the peace process, then it will happen. This is an historical fact. The question is, is the will there or not?" He added, "Certainly, the U.S. should have no interest in stopping the peace process."

The Netanyahu cabinet

Foreign Affairs, David Levy (Likud): Levy had been foreign minister in the Likud-led government of Yitzhak Shamir. As a result of the leadership fight with Netanyahu, he left the Likud to form the Geshet Party, which drew its support from the Sephardic community. He returned to the Likud in a secret election deal brokered by Ariel Sharon, in which he threatened to withdraw support from Netanyahu, unless Sharon were given a senior ministry.

Finance, Dan Meridor (Likud): Although considered a "moderate" on the question of peace with the Palestinians, he is a leading member of the Likud. His acquiring the Finance portfolio is seen as an effort to calm the nerves of Israel's foreign investors and the markets. As a staunch free-market fanatic, he is expected to make deep cuts in government spending, particularly in health and subsidized housing.

The reappointment of **Jacob Frenkel** as governor of the Central Bank, gives Meridor a partner who is firmly in the World Bank camp. Frenkel had originally been Netanyahu's first choice for the Finance post. He will now head the Council of Economic Advisers. Frenkel was a professor at Milton Friedman's University of Chicago before becoming vice president of the World Bank. World Bank policies, toward both Israel and the Palestinian Authority, have been central in sabotaging the effort to secure a lasting peace. Frenkel was first appointed Central Bank governor under the Shamir government.

Justice, Yaacov Neeman (independent): A corporate lawyer, Neeman was the attorney for the radical settlers movement, Gush Emunim. As a top-drawer corporate and tax lawyer, he represented the late Robert Maxwell, the British intelligence- and organized crime-linked media tycoon. An Orthodox Jew, Neeman has been linked with the National Religious Party. His nomination might be held up because of allegations that he was involved in a banking scandal.

Internal Security, Avigdor Kahalni (Third Way): A retired general, he left the Labor Party to form the Third Way because he opposed giving up control of the Golan Heights. He is said to be moderate on policy toward the Palestinians, but his ministry could be sidelined on crucial policies by the new National Security Council.

Agriculture and Environment, Raphael Eitan (Tso-met): Widely known for being a hard-liner in the Knesset, he achieved notoriety during the 1987 Palestinian uprising known as the Intifada, by declaring that, given a chance, he would crush the Palestinians like "cockroaches in a bottle." As Army Chief of Staff in 1982, he worked closely with Defense Minister Ariel Sharon in the bloody invasion of Lebanon. A government commission subsequently found him complicit in the massacre at the Palestinian refugee camps of Sabra and Shatila in Lebanon. As a result of that finding, he has been barred from holding posts in any security- or defense-related ministries. He was agriculture minister in the Shamir government, where he collaborated with Sharon to expand Jewish settlements in the occupied territories. As part of the Sharon-brokered deal in the recent elections, he brought his Tso-met party into the Likud bloc.

Health, Tzachi Hanegbi (Likud): Hanegbi is the son of Knesset member Geula Cohen, a former member of the terrorist Stern Gang. She later became a principal figure in the founding the Gush Emunim radical settlers movement. She also sponsored the immigration to Israel of Jewish Defense League founder, terrorist Meir Kahane.

Trade and Industry, Natan Sharansky (Israel B'Aliyah): Sharansky was well known before his emigration to Israel, as a Soviet Jewish "refusenik." In Israel, he formed a party to represent the 500,000 Russian Jews who immigrated in the past ten years. He is said to be good friends with Netanyahu and to share his views on security and peace negotiations.

Science and Technology, Benjamin Begin (Likud): Benny Begin is the son of the late prime minister Menachim Begin.

Other portfolios include:

Education, Culture and Arts, Zevulun Hammer (National Religious Party)

Labor, Eli Ishal (Shas)

Interior, Eli Suissa (Shas)

Transport, Energy, and Infrastructure, Yitzhak Levy (National Religious Party)

Absorption, Yuli Edelstein (Israel B'Aliyah)

Tourism, Moshe Katsav (Likud)

Communications, Limor Livant

Housing, Netanyahu: Although Netanyahu has decided to hold this portfolio, day-to-day operations will be handled by the new deputy, who will be a member of the National Religious Party (NRP). The prime minister will also hold the **Religious Affairs** portfolio.

Proposed **Ministry of National Infrastructure, Ariel Sharon (Likud):** Sharon has been the subject of several *EIR* reports over the last decade, from which we can draw a thumbnail sketch of his profile: In an interview after the election, he called Palestinian National Authority President Yasser Arafat "a murderer and a war criminal." Yet Sharon himself has been accused of war crimes: Several months ago it was revealed by the Israeli government that he had been personally involved in the execution of Egyptian prisoners of war in 1956, during the Israeli participation in the Franco-British invasion of the Suez Canal zone. The Israeli government report put the number of prisoners killed under Sharon's orders at 30, but the Egyptian government put the figure at over 100. Neither Sharon, nor Gen. Raphael Eitan, denies the executions.

More recently, as defense minister in 1982, he was the architect of the invasion of Lebanon, which led to a two-year war that left tens of thousands dead. In the ensuing political crisis in Israel, a government commission accused Sharon of lying to the government.

As chief ideologue of the policy that claims that "Jordan is Palestine," Sharon turned his attentions to the occupied

territories of the West Bank, where he orchestrated the rapid expansion of Jewish settlements financed by international financial forces tied directly to Henry Kissinger, Edgar Bronfman, and other British financial interests. His role in promoting the settlements movement took a leap forward in 1988, when he was named Yitzhak Shamir's housing and construction minister.

Sharon's political base in Israel and abroad, is the right-wing extremist Jabotinsky movement. Vladimir Jabotinsky had been a British operative in the Zionist movement. Although he died in the 1930s, Jabotinsky's legacy lives on in the Kach Party, the right-wing settlers movement, and those directly responsible for the Nov. 4, 1995 assassination of Prime Minister Yitzhak Rabin. This movement is active in France and Britain. In the United States, these forces are mostly associated with the Anti-Defamation League.

After the Labor Party victory in 1992, Sharon frequently traveled to the United States, France, and Britain, serving as conduit for funds and political direction to the anti-peace forces back in Israel.

Following the murder of Rabin and the announcement of new elections, Sharon strategically positioned himself as kingmaker. Armed with millions of dollars that could fill the empty election accounts of the right wing, he brokered the alliance among Netanyahu, Likud dissident David Levy, and Tsomet's Raphael Eitan.

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Helsinki	2400	Stockholm	2300
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Hong Kong	0600*	Tel Aviv	2400
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* Mondays

Swedish monarchy caught in bed with Earth First! eco-terrorists

by Torbjoern Jerlerup

In a statement released on June 12, Michael Ericson, the chairman of the European Labor Party in Sweden and an associate of Lyndon LaRouche, called for Sweden's King Charles XVI Bernadotte to "wash his dirty laundry, before it is too late." The king, according to the Swedish Constitution, is supposed to stay aloof from politics, yet he is the honorary chairman of the highly political World Wide Fund for Nature (WWF) in Sweden, and has recently been found with some most unsavory bedfellows: the Earth First! eco-terrorists. The WWF, as *EIR* has reported, is the radical ecology movement founded by Britain's Prince Philip and the Netherlands' Prince Bernhard, which provides a cover for intelligence operations and dirty tricks against the nation-state (see *EIR*, Oct. 28, 1994, "The Coming Fall of the House of Windsor").

As Ericson's statement points out, King Harald of Norway resigned as chairman of the WWF in 1991, saying that the post "is incompatible with my position as king." At the time, the Sea Shepherd and Greenpeace groups had created a furor in Norway by their militant actions to stop whaling. King Charles should wise up and draw the same conclusion, says Ericson.

Earth First! (EF!) is now operating in Sweden for the first time. The April issue of the Swedish anarchist magazine *Brand! (Fire!)* reported that a radical environmentalist and anarchist group called Social-Ecological Action had founded a branch of EF! in January, in Umea, a town in the northern part of Sweden. Close links exist between this group and the Ecopark Project, an organization founded in 1990 by King Charles, in cooperation with the WWF, in order to create what in 1995 became the first national park ever in a city, the "Ecopark" in Stockholm. It was the royal family that triggered the current campaign against all sorts of infrastructure projects, from railroad development and the bridge between Denmark and Sweden, to the so-called "Dennis projects" to build a network of highways around Stockholm.

The political power of the royal family

Environmental issues are often used by the European royal families and the nobility for political reasons. They

want to spread hatred against the idea of man as a "creator," to destroy the tenet of Judeo-Christian civilization that holds that man's purpose is to transform nature in a positive way, to improve conditions of life for all mankind. Expressing the opposed oligarchical worldview most succinctly, Britain's Prince Philip said in 1988, "In the event that I am reincarnated, I would like to return as a deadly virus, in order to contribute something to solve overpopulation."

Using the naive common belief that everything that has to do with nature is "above politics," the oligarchs are able to play a crucial, and very nasty, role on the political scene.

In Sweden, the king's involvement in the "green" cause is potentially very controversial, because, unlike in Britain, for example, political involvement by the Swedish monarch is explicitly unconstitutional. This was decided by Parliament in the 1920s, although that has not stopped kings from intervening into politics. The best-known case is when Gustavus V, the great-grandfather of the current king, forced the Swedish government to accept the transport by railroad of German troops through Swedish territory to Finland, in 1941, by threatening to abdicate.

The king is allowed to work to "save nature," because it suits the interests of sections of the political elite around the royal court, those who had shaped environmental issues as the main mechanism to control political life in the nation.

The king started the campaign to create the Stockholm Ecopark, in order to block the "Dennis projects," which have been the main subject of political contention in the Swedish capital for the last six years. Even official publications of the WWF about the campaign, such as the 1995 WWF yearbook, *The Ecopark*, say that the park was created to make it more difficult "for politicians to exploit" the area in the future. Hardly "unpolitical."

The Ecopark campaign was launched in 1990, at a time when the political parties had founded the Dennis Commission, headed by the former director of the Swedish Central Bank, Bengt Dennis, to come up with proposals for infrastructure development in the Stockholm area. The commission recommended investing 40 billion crowns in what they called "one of the largest and most advanced infrastructure projects ever in Sweden." In order to coordinate a cam-

paigned against this initiative, an environmentalist umbrella organization was formed in 1992, called "Ur tid aer leden." The anarchists of Social-Ecological Action, as well as the royally supported Ecopark Project, are both official members of it.

The royal Ecopark

The Dennis Commission decided that the new highway ring around Stockholm was to be built close to or under (by tunnel) some public parks to the north and east of Stockholm. These parks were owned by the Swedish state "at the disposition by the king," i.e., they were royal parks. The oligarchy and WWF could not tolerate the highway project—not because it was a threat to the environment, but because of their hatred of anything that smacks of economic development. "Far too much development is always negative, especially in the vicinity of these beautiful city parks," the WWF said. The general secretary of the WWF in Sweden at that time, Jens Wahlstedt, and one of his campaign managers, ornithol-

ogist Henrik Waldenstrom, came up with the idea of merging these royal parks to create one huge national park from the center of town, 500 meters from the main royal castle, to Ulriksdal, nine kilometers north of the center of Stockholm.

The role of the monarchy in the creation of the parks is not a secret. Even the WWF yearbook, *The Ecopark*, acknowledges that the project was initiated on Oct. 18, 1990, when, as they write, Henrik Waldenstrom and Christer Lignell, the royal governor of Kungliga Djurgarden (the Royal Animal Park) "met with the governor of the royal palaces, Harald Smith, and Jens Wahlstedt from the WWF. The meeting had the result that the governor of the royal palaces paid Henrik Waldenstrom to investigate the possibility of creating the KGB, the Royal Green Belt," as the Ecopark was called at the time. So, with the approval of the king and with money from his royal Treasury, a report on this plan was completed in January 1991. It was immediately sent out to all political parties, government offices, and environmental organizations, paid for by the royal Treasury.

The eco-terrorist record of Earth First!

On July 28, 1995, less than 24 hours after President Clinton signed a bill that contained forest salvage clauses (allowing fallen trees to be sold), 150 environmentalist demonstrators gathered outside the White House and gave the President a "21-chainsaw salute." As one observer reported to *EIR*, under the banners of the Sierra Club and World Wildlife Fund, "You had 21 people gunning their chainsaws in the air toward the White House, as if to say: We're coming to get you."

This was meant to be a protest of the "respectable" environmentalists (albeit against an eminently sound environmental law!), but the WWF's spawn at Earth First! were more direct: As *EIR* reported in our Sept. 8, 1995 *Feature*, the Aug. 1 issue of the *Earth First! Journal* attacked President Clinton over the law, making a not-too-veiled call for his assassination. The *EF! Journal* promoted the druid practice of sacrificing a leader to celebrate the festival of Lughnasadah.

The *EF! Journal's* lead story said that Clinton's signing the bill set off an "apocalypse," and stated that "we have no choice but to revolt." An accompanying picture showed a man firing a gun at a tree, captioned, "That pioneering spirit lives on!"

A description of the pagan festival of Lughnasadah, on Aug. 1 (the *EF! Journal* is published eight times a year on

the major pagan holidays), read: "Lughnasadah is a harvest festival that marks the beginning of the autumnal season. Lugh, the Celtic sun god, reached the pinnacle of his power at summer solstice. He now falls to his death, bleeding crimson light in the western sky.

"A harvest festival, Lughnasadah ('cutting of first wheat') is also the time of sacrifice and the time for a leveling of power. Celtic historian Margaret Murry postulates that ancient Celts ritually killed their tribal leaders every seven years. . . .

"In our own culture, power is increasingly concentrated in the hands of a few megacorporations. The mass communications industry controlled by these megacorporations continually bombards us. Communications theorist Howard Rheingold explains: 'Why torture people when you can get them to pay for access to electronic mind control? Lughnasadah is a day for ritual sacrifice.' "

Private investigator and author Barry Clausen, who infiltrated Earth First! in the early 1990s, told *EIR* that he takes this "very seriously" as a death threat. He explained that in many cases, companies and individuals targeted by *Earth First! Journal* became the victims of bombings, arson, or sabotage. In 1990, he said, a "hit list" appeared in an issue of the newspaper *Live Wild or Die*, an underground newspaper distributed by EF! leaders. Two of the three top targets were later sent bombs by the Unabomber.

In a report, Clausen has documented more than 150 acts of terrorism in the United States and Canada since 1983, concluding that "two groups, the Animal Liberation Front and Earth First!, are responsible for the majority of crimes and damages."

The WWF report was made public the same month that the political parties approved the report of the Dennis Commission, January 1991 (though the question of financing of the Dennis projects remained to be solved). The WWF called together various environmental organizations for a conference in May, at which The Ecopark Project was officially founded, "as a response to the increasing demand for action, from the citizens of Stockholm, to save the parks," as they claimed. Many prominent members of the Swedish oligarchy participated in this campaign, such as Baron Stig Ramel, the former chairman of the Nobel Foundation (the trustees of the money for Nobel prizes). In the autumn of 1991 and spring of 1992, the government, led by Baron Carl Bildt, started working for the Ecopark initiative.

Minister for Natural Resources Goerel Thurdin was in charge of the national parks. The WWF used clever psychological manipulation to "persuade" her to accept the idea of the park. In 1993, the WWF "discovered" a rare owl in one of the royal parks, and named it after her! (For several months, the media covered every move of this owl, the Goerel, and its "love affair" with another owl, Charles, named after the king.)

In 1992, the campaign escalated when "Ur tid aer leden" was launched. The major political parties had finally agreed on how to finance the infrastructure projects, and everything was ready to go. However, the eco-lobbyists further delayed the Dennis projects, through 1993 and 1994, by forcing the politicians into an endless discussion on supposed environmental "problems" connected with the projects. The king issued a statement in favor of the Ecopark, and another which criticized a railroad line that was part of the Dennis projects. (The railroad plan was soon dropped.)

On March 10, 1994, the final act of persuasion occurred: The Royal Ecopark Club—consisting of the WWF and the Royal Court—held a dinner to "honor," or rather bribe, Minister Goerel Thurdin. After this dinner, no further resistance occurred, and Parliament agreed to create the park in December 1994.

The National Ecopark was inaugurated by the king on May 19, 1995, at Ulriksdal Castle, the headquarters of the WWF.

Royal anarchism

The visible result of the campaign to this date was that some minor parts of the Dennis projects were cancelled; however, most of the projects were only revised, because a majority of the population of Stockholm, as well as large commercial interests, supported them. In 1995, Parliament approved the Dennis projects, in an "environmentally safe" form.

But the campaign for the Ecopark, and against the Dennis projects, is still ongoing. The environmentalists are still trying to stop them, especially the tunnel which is planned to be constructed under the park. The "Ur tid aer leden" network

has changed its tactics from mostly political lobbying to civil disobedience. This is why the eco-terrorist Earth First! has entered the political scene. The WWF and its cohorts are now warning about the "disorder" which would result, if their more "moderate" proposals on how to stop the highway ring, and other "unnecessary" projects in and around Sweden, are not followed.

During 1995 and 1996, the "Ur tid aer leden" network escalated its operations to prepare the offensive against the infrastructural projects, this offensive was initiated in April and May of this year, when the first construction on the Dennis project began, and will escalate later this summer, when construction on the bridge between Denmark and Sweden will begin, if the network behind these royal eco-terrorists is not exposed.

In April and May 1996, an offensive was carried out by the eco-terrorists against gas stations and, at the end of May, the first terrorist attack against the Dennis projects occurred. On May 20, a firebomb exploded at a construction site south of Stockholm, where the new highway ring is being built; a considerable amount of equipment was destroyed. The police suspect that the anarchist network to which Social-Ecological Action belongs, was behind the attack.

A republican manifesto

Wilhelm Moberg, a Social Democrat and the most influential anti-royalist in Sweden in the 20th century, wrote a pamphlet in 1955, titled "Why I Am a Republican." Here is an excerpt:

The spendor of the royal throne, which still today dazzles its followers, originates from the magic and mysticism of primitive tribal rites. The monarchy was created by this kind of belief in the supernatural.

The proponents of monarchy believe that it is consistent with our modern democratic ideals to keep the king, if only the Constitution states that the king is not allowed to have any personal political power.

However, historical facts contradict this popular belief. The truth is that the king on several occasions has used his personal power. . . . We should therefore consider how to remove this irrational and supernatural type of control that the king still holds over the minds of our people—a control which, in times of great political upheaval and crisis, can easily be used for an ulterior political purpose. Recent historical events have shown that the monarchy could be a potential hidden danger for Swedish democracy.

Why London likes Comrade Jyoti Basu

Does the Communist Party chief's open door to George Soros in West Bengal have anything to do with it?

As factions of the Congress Party and various anti-Congress rag-tag groups jockeyed to find terms for an alliance to unseat the government of the Bharatiya Janata Dal (BJP), the question arose: Who could lead such an alliance? The name of Jyoti Basu, chief minister of the state of West Bengal since 1977 and the most influential Communist leader in India, was one of the names tossed about. In fact, Basu, an octogenarian, got so caught up in this game of political deception that he rushed to New Delhi to accept the offer, before the central committee of his Communist Party of India (Marxist), ruled out their chief's participation.

The London press stood out as one of Basu's most enthusiastic promoters, surprising many in India. Why would the old imperialists promote the keeper of the red bastion of West Bengal, Comrade Jyoti Basu? The answer lies in Basu's long-standing and continuous ties to the British.

Jyoti Basu, an attorney at law, was educated in Britain, and came in contact with the Communist Party of Great Britain (CPGB) during his student days in the 1920s. A British Communist leader of Indian origin, Rajani Palme Dutt, took Basu under his tainted wings and later helped to form the Communist Party of India (CPI), along with British intelligence deployable M.N. Roy.

Basu was already very much on the scene in 1942 when the CPI had worked out a deal with the British colonial rulers to oppose Mahatma Gandhi's "Quit India" movement. As *EIR's* Founding Editor Lyndon

LaRouche, then with the U.S. Army in Calcutta, was personally told by the West Bengal Communist Party chief P.C. Joshi, in Calcutta in 1946, the Communist Party would not support the Congress Party drive for independence because "Stalin has a deal with Churchill."

Since then, Comrade Basu has distinguished himself by keeping up the good work for London—even after his faction of the party split from the CPI to form the Chinese-affiliated Communist Party of India (Marxist, CPI-M). During his two decades at the helm of West Bengal, which, at the time of independence, was India's most industrialized state, Basu and his party managed to deindustrialize that state and terrorize domestic industrialists, creating massive unemployment among the industrial workforce.

As the "capitalists" left West Bengal to invest in friendlier environs, Basu and his party turned the state into a red fortress, maintaining power through thuggery. Calcutta, once a major trading and commercial center, became the "hot money" real estate center financing the CPI-M and its leaders.

In the post-economic liberalization days since 1991, deindustrialized West Bengal has become the center of attention of the British industrial houses. Basu and his fellow lawyer-cum-communist leader, Somnath Chatterjee, are involved in signing all kinds of memorandums of understanding with the British business houses. Having driven out the Indian industrialists and businessmen, Comrade Basu is once more in the process

of making Bengal the gateway of the next wave of British investors into India.

Two entrants into West Bengal can be cited as the reasons why the British pitched in so heavily for Comrade Basu in the election aftermath in May of this year. Since 1993, Basu and Chatterjee were openly courted by the Hinduja—an unscrupulous group of extremely wealthy businessmen of Indian origin based in Britain—for its alleged plan to invest some \$3 billion in West Bengal. The Hinduja, named in the Iran-Contra drugs-for-guns scandal, and whose application for opening a Swiss bank was held up by Swiss authorities for years because of the group's suspected connection to drug-money laundering, had met with Basu in London to smooth out the deal.

What drew the ire of some of the Communists in West Bengal is that the CPI-M has carried on a campaign against the Hinduja for their alleged involvement in the scandal involving the purchase of the Bofors guns during the prime ministership of the late Rajiv Gandhi. The sweetening effect of the \$3 billion proposal was evident when Chatterjee, defending Basu's talks with the Hinduja, told the media in 1994 that "there was no conclusive evidence of the Hinduja in the Bofors scandal."

Another beneficiary of Comrade Basu's welcoming committee is financier and international speculator George Soros, the man who helped to bankrupt Russia. The Chatterjee Soros Management Fund was allowed to acquire 25% equity in Haldia Petrochemical Limited (HPL). According to the contract, if HPL suffers losses, the West Bengal government will bear the loss, but as soon as it is in the black, the Chatterjee Soros Management Fund can buy out the government equity for an extra 15%.

International Intelligence

France, Spain cooperate vs. Basque terrorists

The French decision to extradite seven members of the Basque terrorist group ETA who are wanted in Spain, provoked riots by several hundred sympathizers in Bayonne on June 8, according to the German daily *Frankfurter Allgemeine Zeitung*. About 50 of the rioters set fire to a bank, and windows of municipal offices were smashed, cars demolished, and the Catholic cathedral of Bayonne occupied, forcing riot police to storm the building.

Six of the ETA terrorists had been hiding out in Ibero-America, but had fled to France last year, after Spanish authorities successfully negotiated anti-terrorism cooperation agreements with several Ibero-American governments. *EIR* has documented exiled Etxarras' involvement in many Ibero-American indigenous, separatist, and similar terrorist outfits.

Meanwhile, ETA sympathizers in Spain clashed with police and carried out arson attacks. The atmosphere around the attacks had been whipped up by *Egin*, ETA's underground journal, which called the Franco-Spanish move a "declaration of war."

U.K.'s Goldsmith dubbed electoral 'iceberg'

The Referendum Party of Sir Jimmy Goldsmith is an "iceberg" in the next British elections, typical of several political figures coming to prominence around the world, writes Lord William Rees-Mogg in the London *Sunday Times* on June 9. Rees-Mogg, himself a leading element in fomenting the "home-grown" populist attacks on President Clinton, compares Goldsmith to Ross Perot, Pat Buchanan, Jean Marie Le Pen, and Vladimir Zhirinovskiy, all of them "tips of the iceberg of renewed nationalism and protectionism."

Goldsmith is now the fourth leader of a "serious national party," after the Conservatives, Labour, and the Liberal Democrats. The Referendum Party already has 1,600 potential candidates and 25,000

active workers.

Rees-Mogg writes that Goldsmith "is personally advocating much the same combination of nationalism and protectionism" as Pat Buchanan, "a friend of his." Rees-Mogg himself abhors "protectionism," but he acknowledges its "political appeal," at a time when 1.2 billion new workers brought into the "global market" from Asia and South America, are willing to work for far less than an average American or European.

For all his "protectionist" camouflage, it came to light on June 12 that billionaire Goldsmith has been funding three top free-trade think-tanks: the Center for Policy Studies, the Adam Smith Institute, and the Institute for Economic Affairs.

Next all-Arab summit scheduled for Cairo

The next all-Arab summit meeting has been reportedly scheduled for Cairo between June 21-23, according to press reports from Syria and Jordan. Iraq is excluded from participation, and Sudan will probably not be invited. Jordan has criticized the exclusion of Iraq, and Crown Prince Hassan said on June 7 that "Jordan rejects the policies of small alliances and axes, and prefers a summit which will include all Arab states without discrimination." Jordanian radio reported that the Crown Prince and the government emphasized the strategic role of Iraq as a major power in the region.

Meanwhile, on June 7, Saudi Crown Prince Abdullah Bin Abdulaziz sent a letter to President Clinton, which sources in Washington report was hand-delivered by Ambassador Bandar Bin Abdulaziz. The letter included a warning to the President saying, "If the peace process is hindered (stopped), the Palestinian people will be put under great suffering, and major violent upheavals will prevail in the whole region." This is the first letter sent from Prince Abdullah to President Clinton; all previous such communications were made by King Fahd.

Prince Abdullah was reported to be in full support of Syria's Hafez Al-Assad, who called on the Arab states to be "in a state

of alert until the real intentions of the Netanyahu government are revealed." Assad also stressed that "the Arabs should create a united front against any threats from Israel."

Pope to beatify German anti-Nazi priests

On June 23, Pope John Paul II will beatify Father Bernhard Lichtenberg, the Catholic priest who protested Nazi policies, including euthanasia and anti-Semitism, at St. Hedwig's Cathedral, in the heart of Nazi Berlin, from 1938 until 1943, when he was sent to die at Dachau concentration camp. The pope will also beatify Father Karl Leisner, who was denounced for a furtive remark against the Führer in 1939, and sent to Dachau; he died from tuberculosis in 1945.

The beatifications give the lie to Harvard's Daniel Goldhagen, who claims that the Holocaust was culturally imbedded in the Germans.

Every evening, Father Lichtenberg ended vespers at the cathedral with a special prayer for Jews and other concentration camp inmates. From 1938 on, Lichtenberg calmly led parishioners as they prayed for the Nazis' victims. Lichtenberg had first clashed with Nazi ideology in lively debates against a little-known party member named Joseph Goebbels. The story circulated among Jews at the time that he wore the yellow Star of David on his vestments as a sign of solidarity with them.

'Break-up China' Segal hosts Australia confab

Gerald Segal of the London International Institute of Strategic Studies (IISS) coordinated a conference on containing China, in Canberra, Australia, over May 5-6, on the eve of the May 7-9 Eurasian Land-Bridge conference in Beijing that Helga Zepp LaRouche addressed (see *EIR*, June 14). Segal's conference was co-sponsored by the IISS and Taiwan's Chinese Council of Advanced Policy Studies.

There has been quite a flurry of activity

Briefly

in and around Australia regarding China policy by the LaRouches' enemies, culminating in the public explosion against Lyndon LaRouche by Deputy Prime Minister Tim Fischer on June 3, reported in last week's *EIR*. Fischer met Sir Leon Brittan, vice president of the European Commission, fresh from the Beijing conference, in Singapore. The two again met in Australia, on June 3.

Segal wrote an article reflecting the Canberra discussions for the June 11 *International Herald Tribune*, entitled, "Australia Seeks to Forge a New Regional Balance of Power." Promoting Australia within a reinvigorated British Empire (called the Commonwealth), Segal praises it for being "the advance party on the foreign policy curve" in Asia. "A new idea is beginning to take shape in Australia: a modern fusion of the hard-headed realism of resilience with an ambitious desire to think regionally. The result is a new stress on the clout of 'middle powers' to help constrain a large power like China, and build a new regional balance of power."

East Africa wars expand after Museveni election

With the election of British warlord Yoweri Museveni as President of Uganda, the war-front against its neighbors is widening on all sides.

- On June 10, Zaire called on the UN Security Council to deal with an attack it said was launched by Uganda on June 4-5.

- In Uganda itself, the West Nile Bank Front, allegedly composed of pro-Idi Amin insurgents, has launched war against Museveni in the Nile District. In addition, after the elections, the Lord's Resistance Army launched new attacks, making it almost impossible for the government to continue to arm the Sudanese People's Liberation Army in southern Sudan against Khartoum. Fighting against Museveni is now taking place in three districts in the north—Gulu, West Nile, and Leda—which are no longer under the control of the government.

- The Rwandan southwestern region, Cyangugu and Gisenyi districts, was attacked, allegedly by Hutu insurgents, at the

end of May. The Hutu governors of these districts have been removed by the ruling Rwandan Patriotic Front.

- In Burundi, the Coalition for the Restoration of Democracy (CNDD), which appears to be based in Zaire, is led by former Hutu Interior Minister Leonard Nyangoma. As the Tutsi military has succeeded in destroying the elected government through systematic assassinations, the CNDD has been building its forces. It now controls the northwest quadrant, and has a major offensive in the south, where it has met with little effective resistance.

The British seek to recolonize the Great Rift Valley, one of the world's greatest mineral deposit zones, which runs from Sudan down through Tanzania.

China to produce film on the 'Opium War'

Production of a Chinese film, "The Opium War," is well under way, and the film will open in Hongkong in July 1997, as the British colony reverts to Chinese rule after 150 years, according to the London *Daily Telegraph* of June 11. "We want to get the history of this right," said producer Xie Jin. "The aim is not to denigrate British people. The film goes far beyond simple patriotism. It was not just that England was strong; it was that we were weak because of our closed-door policies. A closed country is always a weak one."

In related news, on June 11, the Singapore *Lianhe Zaobao*, and Hongkong *Singtao Daily*, reported that Chinese police recently cracked the biggest drug ring in Asia's history.

In what was called "Operation 9601," Chinese police from Shenzhen arrested 35 drug traffickers, confiscated 596 kilos of heroin, and 15 automobiles. Among the 35 traffickers, 6 came from Hongkong. The Chinese government deployed several hundred police from Guangdong, Yunnan, and Fujian provinces. The operation began in February and lasted two months, the papers said. Drug money recovered in this case includes 6 million yuan in RMB, the Chinese currency, and \$310,000.

JERUSALEM POST executive editor David Bar-Illan will join Benjamin Netanyahu's staff as head of Policy Planning and Communications in the Prime Minister's Office. The Hollinger-owned paper led the campaign against the peace accords which prepared the climate for the Rabin assassination. Bar-Illan frequently traveled to the U.S. in 1993 to work closely with the ADL against the accords.

NIGERIA'S being decertified by the U.S. "is malicious, not based on facts, but rather a deliberate attempt to frustrate our tangible efforts to combat the drug-trafficking menace," Maj. Gen. Musa Bamaïyi, head of the Nigerian Drug Law Enforcement Agency, told a news conference in Abuja. He insisted his agency had reduced drug trafficking by more than 75%.

IRAN'S Ambassador to Germany confirmed for the *Bonner General Anzeiger*, that Iran was not readying any killer commandos against author Salman Rushdie. Teheran condemns terrorism, he said, and has fulfilled all the demands by the EU regarding Rushdie, but the British "have blocked the talks, just as they are doing now" with Mad Cow disease, he said. "No wonder: Rushdie is suffering from this disease."

NADECO, the Nigerian dissident organization financially supported by Britain's Lady Lynda Chalker, announced that on June 12, "Nigeria's alternative radio station will begin its short-wave transmission . . . on the third anniversary of the annulled election won by Chief Abiola," in a statement faxed to news agencies in Lagos.

SIR FITZROY MACLEAN, the British intelligence official who gave the go-ahead to Serbia to launch the 1991 Balkans war, died on June 15 at the age of 85. He had been a "Yugoslavia handler" since 1943, when he worked with Josip Broz Tito's Partisans.

British wrote the script for 'Wifewatergate'

by Edward Spannaus

Just as the British press demanded last winter, Whitewatergate has now become "Wifewatergate," with First Lady Hillary Clinton becoming the principal target at which the British and their American snipers are aiming, in an attempt to bring down the U.S. President.

Last January, as the Republicans were in retreat for their ill-fated efforts to shut down the U.S. government, and Al D'Amato's (R-N.Y.) Senate Whitewater investigation was running out of steam and money, British Intelligence's Hollinger Corporation suggested a better way to accomplish their objectives: Go after First Lady Hillary Clinton. "It would cause a constitutional crisis if the First Lady were charged," Ambrose Evans-Pritchard wrote in the Jan. 14 London *Sunday Telegraph*, "paralyzing the U.S. government, and probably setting off a crash in the stock and bond markets." Pritchard's two articles on Mrs. Clinton were advertised on the *Sunday Telegraph's* front page, with this kicker: "The Fall of Hillary, by Ambrose Evans-Pritchard, the Man Who Unmasked Her."

Now that the Senate Whitewater Committee Republicans have released their final report, after spending almost \$2 million in a futile attempt to frame up President Clinton, they have followed the British script precisely, by aiming their "venom," as one Democratic member of the committee called it, straight at the First Lady. In fact, to attain maximum impact, the Republicans on the committee provided advance copies of the report to the *New York Times* and the *Washington Post* for publication in their Sunday editions on June 16. "Report Takes Aim at Mrs. Clinton," said the *New York Times* front page, while the *Post* front page read: "GOP Report Implicates First Lady: Probe of Foster Death Found to Be Impeded."

Thus, the June 18 press conference at which D'Amato and Co. officially released their report was somewhat anti-

climactic. But, Sen. Richard Shelby (R-Ala.) got right to the point: "Most roads lead from the First Lady and back to her," Shelby declared. "You can see the parallel. You can see it yourself. Things come from her, and then they come back, make no mistake about it."

Sen. Rod Grams (R-Minn.) charged: "I just wanted to comment that there's been one central figure that has been a major player in all three phases of this investigation, from the Vince Foster hours after his death, to the Washington investigation, to the events in Arkansas, and that one person has been Hillary Rodham Clinton."

At a separate press conference, Sen. Paul Sarbanes (Md.), the ranking Democrat on the Senate Whitewater Committee, told reporters that there was no evidence that William Clinton had misused the powers of the Presidency, or even that, prior to his election as President, he had used his official position in the state of Arkansas to improperly provide favored treatment to business associates and others. But, Sarbanes, continued, "Having failed to tarnish the President . . . the majority [Republicans] turned its attention to Mrs. Clinton's private law practice in Arkansas, of more than 10 years ago. The majority launched a massive hunt for some way in which to contradict statements made by Mrs. Clinton over the last four years. Again, no credible evidence has been put forward to show that Mrs. Clinton engaged in any improper, much less illegal, conduct." Sarbanes also remarked that "the venom with which the majority focuses its attack on Hillary Rodham Clinton is surprising and disturbing, even in the context of the investigation."

Now, let's return to the London *Sunday Telegraph* of last January. Evans-Pritchard's article began: "Every day, the noose tightens." After reviewing a laundry-list of charges and allegations against Hillary Clinton, Pritchard concluded:

"The Republicans would not have dared to launch a full-scale attack against a traditional First Lady, given the protective sentiments of the American people. But Hillary has made herself fair game by acting as de facto chief-of-staff and head of domestic policy in the first year of the Clinton administration. She tried to exercise cabinet powers without constitutional accountability. It could not be tolerated, and it was not."

The same weekend as the *Sunday Telegraph* ran its call to arms against Hillary, the London *Economist* ran a piece simply entitled "Wifewater," which suggested that Republicans in the United States could use attacks on Mrs. Clinton to take the President down a few pegs.

'Filegate'

The release of the Senate report came just as the Clinton Presidency was being assaulted on several other fronts by the same crowd. This included the opening of the second trial in Little Rock, Arkansas brought by Whitewater special prosecutor Kenneth Starr, and the emergence of the controversy over the White House review of hundreds of FBI files of former House personnel.

The so-called "Filegate" affair erupted after it was disclosed that the White House had obtained over 400 FBI files pertaining mostly to previous White House staffers in the Reagan and Bush administrations. The White House proffered the explanation that this was an innocent mistake, derived from the use of an outdated Secret Service list—something which the Secret Service itself denied. Nevertheless, Republicans and columnists immediately began making the inapt comparison to the Nixon White House "enemies list"—although no one bothered to explain why an enemies list would only run from the letters "A" through "G."

Meanwhile, special prosecutor Starr immediately took jurisdiction over the investigation, on the pretext that the business had first come to light over the FBI files of fired White House Travel Office director Billy Dale. But then, on June 18, Starr notified Reno that he had decided that his office lacked jurisdiction over the matter, and Reno assigned it to the FBI. Less than two days later, under pressure from Republican and editorial critics, Reno did another about-face, and announced that she had asked the federal appeals court to expand Starr's mandate so as to include the FBI files matter. Reno reportedly made the decision without any consultation with the White House.

Her request goes to the special three-judge panel of the U.S. Court of Appeals in Washington. This is the same panel, headed by Judge David Sentelle of North Carolina, which dumped the first Whitewater special prosecutor and replaced him with Starr in summer 1994. Sentelle led that move after lurching with North Carolina Republican Senators Jesse Helms and Lauch Faircloth.

Shortly after Reno's announcement, which was reported at Senate Judiciary Committee hearings on the FBI files, Sen. Patrick Leahy (D-Vt.) said that he was concerned about Re-

no's decision. "I believe the Office of Inspector General at the Department of Justice would be the better choice for that investigation," Leahy said. "I think turning it over to Special Prosecutor Starr is not the best way. . . . Mr. Starr has been extremely partisan in his efforts. . . . He's been partisan in his press relations. He has turned a blind eye to numerous obvious conflicts of interest in his own law practice."

The Reno problem

This points up one of President Clinton's biggest problems—that of his Attorney General. As *EIR* has shown, Reno has the authority to fire Starr, and she certainly has ample grounds to do so, including Starr's multiple conflicts of interest, and his gross prosecutorial abuses in the course of running the Whitewater investigation.

But instead of getting rid of Starr, Reno has continually sought to *expand* Starr's jurisdiction. In March of this year, Reno made a request to the three-judge panel to enlarge Starr's mandate to include the Travel Office affair. In her application at that time, Reno told the court that Starr had told her that he was already looking into the Travel Office firings in the course of his investigation into the suicide of former White House lawyer Vincent Foster. Reno therefore argued that it would be appropriate for Starr to expand his investigation to include the whole Travelgate matter. The court agreed.

Reno has played a similar role with respect to a parallel investigation, that involving former Agriculture Secretary Mike Espy, which is being conducted by independent counsel Donald Smaltz. Smaltz is also active in Arkansas, working in parallel to Starr, and following a trail marked out by Evans-Pritchard in the *Sunday Telegraph* (see *EIR*, Feb. 17, 1995).

In January 1996, Smaltz made an application to the same three-judge panel for authorization to expand his investigation into a "related matter." The Justice Department originally opposed Smaltz's application on procedural grounds, arguing that he should have also gone to the Attorney General for approval. On April 1, Sentelle's panel rejected the department's arguments.

This was the first time, since the Independent Counsel law went into effect in 1978, that the court had held that a special prosecutor could go directly to the court to expand his investigation, without having to seek Justice Department approval. It thus marked a significant expansion of the power of special prosecutors.

Despite this, Reno is *not* appealing the ruling. Saying that she wanted to "comply with the independent-counsel statute to do it the right way," Reno said that she would not ask the U.S. Supreme Court to review this decision, which strips the Justice Department of a substantial amount of the little authority it has over special prosecutors.

Meanwhile, Smaltz issued his third set of indictments on June 13. Both Smaltz and Starr can be confident that they will not run into any opposition to their rampages from Reno and the Justice Department.

Senate Dems, critical of Greenspan, spark debate on economic policy

by Carl Osgood

The Senate voted 91-7 on June 20 to confirm Alan Greenspan to a third term as chairman of the Federal Reserve Board. The significance of the vote is not the overwhelming support in the Senate for keeping Greenspan at the helm of the Federal Reserve, but rather the debate that was taken up by the few senators who opposed the nomination. The opposition, led by Sen. Tom Harkin (D-Ia.), and joined by other Democrats, notably Byron Dorgan (D-N.D.) and Paul Wellstone (D-Minn.), challenged the conventional wisdom promoted by both the White House and Congressional Republicans that the U.S. economy is the strongest it's been in 30 years.

Harkin forced the debate by objecting to the Senate's plan to confirm Greenspan unanimous consent. He was quoted in May saying, "We want to debate the policies of the Fed, how it affects jobs and wages and business growth in our country . . . and to also take a look at Mr. Greenspan's past and his stewardship at the Fed."

A useful debate

While the Democratic critics of Greenspan and the Federal Reserve are not willing to go as far as Presidential pre-candidate Lyndon LaRouche in calling for the nationalization of the Fed, they have nonetheless initiated a useful debate on economic policy.

Harkin began the debate with a long speech on June 13 highly critical of Greenspan and his high interest rate policy (see also *Documentation*). He said, "we want to talk about a policy of growth versus a policy of no growth that has been prevalent at the Fed for the last several years." He said it is legitimate for Congress to ask: "Has his running of the Federal Reserve been such that we, the Congress and the Senate, should reward him with another four-year term?" Harkin raised what "the impact [is] on our budget over the next several years and the impact on our economy of decisions made by the Federal Reserve Board, especially the Open Market Committee."

Harkin continued that even though he believed the Federal Reserve should be independent, "it is not a separate branch of government enshrined in the Constitution," but is rather a "creature of Congress" and as such "it must be responsive to

the Congress, responsive to the American people through the Congress." Harkin said it is the duty of the Congress "to examine closely the policies of the Federal Reserve and to suggest through the legislative process changes that we may wish to make in the Federal Reserve System."

Fed has sacrificed wages, living standards

"Raising the living standards and real wages of ordinary Americans stands as our primary economic challenge," he continued. "The policy of the Federal Reserve under Chairman Greenspan has stood in the way. Under current law, the Federal Reserve is obligated to conduct a balanced monetary policy, so as to reconcile reasonable price stability with full employment and strong, stable, economic growth, and balance. But under the Greenspan Fed, job growth and the living standards of average Americans have been sacrificed in the blind pursuit of inflation control."

He pointed to Greenspan's raising of interest rates from 3% to 6% between February 1994 and February 1995, a 100% increase, as indicative of the problem. This policy "is leading this country to an economy where we see more and more millionaires every month, but average working families are stuck in a rut." Average families are "not only not getting ahead, they are falling behind in this great economy." Because of Greenspan's interest rate policies, the American people "are carrying another burden and that is the burden of high interest rates" on consumer debt, added Harkin.

Harkin was joined in his remarks by Senators Byron Dorgan (D-S.D.) and Harry Reid (D-Nev.), for whom the Government Accounting Office has just completed a two-year audit of the Fed's day-to-day operations. Dorgan and Reid also didn't challenge the autonomy of the Fed, but they did challenge its lack of accountability. Dorgan attacked the fact that Fed interest rate policy is largely made by the presidents of the regional Federal Reserve Banks which are answerable only to their boards of directors, other bankers. "Now," he asked, "what interests are they going to represent when they are in this closed room with the Board of Governors voting on interest rate issues? The interest of the money center banks, I think."

Reid reported that the GAO study found mismanagement throughout the Fed's operations. Among the problems uncovered are a \$3.7 billion slush fund maintained by the Federal Reserve Board, an accounting error of almost \$200 million at the San Francisco Federal Reserve Bank, and an increase in Fed operating costs of 50% between 1988 and 1994. Reid said that these problems show that the Fed needs to be audited regularly, but it has never been audited once throughout its 79-year history. "Can you imagine the central banking system of the United States not having an annual independent audit?" Reid asked.

Republicans fear inflation bogeyman

The arguments in support of Greenspan were typified by the remarks of Charles Grassley (R-Ia.) on June 13. He said he looks at "what these chairmen do, not in the way of specific policy but in the way of bringing stability to the system." He praised Greenspan for having a "steady hand" that makes up for the "erratic" and "unpredictable" fiscal decisions made by the federal government.

This argument was repeated with mind-numbing monotony on June 20 by both Republicans, such as Banking Committee Chairman Al D'Amato (N.Y.) and Budget Committee chairman Pete Domenici (N.M.), and Democrats, such as Patrick Moynihan (N.Y.).

Grassley continued with the old saw that the problem is the failure of Congress and the President to balance the federal budget. "If the people who raise questions about the impact of the Federal Reserve . . . would put their muscle and shoulder behind having a sound fiscal policy passed by the Congress of the United States, then they would not have to be so concerned about the Federal Reserve." He called on the Senate to put more energy into being "more fiscally responsible" rather than in questioning Greenspan's policies. In what was clearly a direct response to the economic initiatives of Democrats around Minority Leader Tom Daschle (D-S.D.), Grassley said, "For those people on the other side of the aisle who are always talking about" increasing taxes on the wealthy and on corporations, "I wish they were as concerned in the war against inflation as Chairman Greenspan is, of how regressive the tax of inflation is upon the poor people of America."

Grassley's defense of Greenspan brings to mind the defense of that other anti-inflation zealot, Hjalmar Schacht, Adolf Hitler's economics minister and Reichsbank president. On June 4, 1993, the *Washington Post* quoted Schacht in an editorial as to why Nazi economics was necessary: "The head of the Reichsbank expressed the earnest desire to do everything possible to maintain good relations with creditors abroad, but he was even more emphatic in stating that the Reichsbank was unalterably determined to maintain the stability of the German currency, as the German working man and woman must never again be exposed to the loss of their savings through inflation.' "

Documentation

'A front-burner issue'

From an exchange between Senators Harkin and Wellstone during the floor debate on June 20.

Harkin: Any time you have high interest rates, think about it as a transfer of wealth from the middle class to the richest class, because after all, who borrows money? It's our working families. They borrow money to buy a house. They borrow money to buy a car. They borrow money to send their kids to school, and when they're paying these exorbitantly high interest rates that is a hidden tax on our working families, so I would say that people ought to . . . start asking questions about our monetary policy. . . .

Wellstone: My colleague essentially made what was my second point. One had to do with the employment act of '46 and what is the mandate of the Federal Reserve Board and how this monetary policy has, in fact, made it impossible to achieve what should be the number-one domestic priority, which is an economy that produces jobs that people can count on, jobs that pay decent wages, living wage jobs under civilized working conditions when men and women can support their families, and this trade-off, it sort of gets to the point where some people are very generous with other peoples' suffering. It's great for bondholders, it's great for Wall Street, it's not great for Main Street. It's not great for wage earners. It's not great for farmers. It's not great for small businesses. It's not great for homeowners. It's not great for families which are trying to afford a higher education for their children. As a matter of fact, the second point is this: There's a rather significant correlation between this tight monetary policy and the lopsided economy that we have.

This is a debate about monetary policy that should be a front-burner issue in the United States of America. This is policy that could make or break peoples' lives. . . . The key to decent jobs and decent wages, the key to investment in our cities, the key to economic opportunities, the key to improving the standard of living in the vast majority of the people in this country is a combination of a number of different things and I would suggest one critical piece is monetary policy. I believe Chairman Greenspan's profoundly mistaken I think with very serious and negative consequences for the vast majority of people in this country. I would rather stand for Main Street interests, I'd rather be on the side of small business people. I'd rather be on the side of families. I'd rather be on the side of middle income Americans. I'd rather be on the side of growing this economy. I'd rather be on the side of jobs with decent wages. I'd rather be on the side of economic opportunity and, for that reason, I will vote no.

Atlantic Council debates expansion of NATO, as Russians warn of war danger

by William Jones

While a steady drumbeat is coming from Republican circles in Washington, demanding the expansion of NATO in order to bring in the countries of eastern Europe, the recent Russian elections are bringing forth more voices of caution in the West, regarding what Russian observers view as provocative moves on the part of the West. This was manifest at a conference sponsored by the Atlantic Council, held on June 13-14 at the U.S. State Department. The Council, a non-profit public policy organization that functions as a political support group for NATO, regularly brings together Western parliamentarians and military people to discuss issues of importance for the NATO alliance.

Coming after the recent Ministerial Meeting of the North Atlantic Council at the beginning of June in Berlin, in which the French officially began their entry into the Alliance, the conference had to deal with the changes that have been made in NATO structure in light of the changed international situation. The continual resistance of Great Britain and France to the urging of the United States for strong military action in Bosnia, had taken its toll on NATO collaboration. The consolidation of an Anglo-French entente, aimed at undermining U.S. leadership in the military alliance, has also caused increasing tensions.

The most controversial issue, broached but not decided at the Berlin meeting, was, however, NATO expansion. A decision on this has been put off until the end of the year, when it is hoped the situation in Russia will become clearer, after the turmoil of the June-July election period. Also with an eye on Russian elections, and fearing the possible accession to power of a more aggressive government in Russia, the nations of eastern Europe were clamoring for an acceleration of the process of NATO expansion.

Republican push for expanding NATO

This has become a convenient wedge for Presidential hopeful Bob Dole, concerned about narrowing the gap between himself and President Bill Clinton in the polls, and anxious to secure substantial votes in states with a large community of east European origin. Although the Clinton administration has agreed in principle to NATO expansion, it has

proceeded very cautiously, mindful of the repercussions such a move might have on the very precarious political situation in Russia. The administration has, however, been under heavy pressure from the Republican-dominated Congress to accelerate the pace.

In 1994, Republicans in Congress introduced legislation that called for an expansion that would include those countries in Central Europe that wanted to join. In 1995, they raised the pressure a notch, by introducing another bill that would mandate the President to establish a transition program and plan for NATO expansion. Now, on June 4, Senator Dole, shortly before making his exit from the U.S. Senate to campaign full-time for President, introduced legislation, the "NATO Participation Act of 1996," that calls for increasing the tempo of expansion, with an immediate decision to bring in Poland, Hungary, and the Czech Republic. In the floor debate on the issue, Republican defense honchos attacked the Clinton administration for "foot-dragging" on the issue.

The affected countries themselves have not hesitated to play on the internal political fight in the United States, to get themselves into what they mistakenly believe will be a militarily more secure situation. Former Polish President Lech Walesa, in a visit to the United States at the time, took part in a press conference, together with Republican leaders who had introduced the latest NATO bill.

Reflecting a rather belligerent attitude on the subject in his speech to the Atlantic Council conference on June 13, Sen. John McCain (R-Ariz.) called for NATO enlargement, regardless of the possible Russian reaction. "I believe NATO enlargement will actually temper Russia's treatment of its neighbors," McCain said, "but assuming it has the opposite effect, we still possess sufficient leverage, I believe, to avert Russian assaults on the sovereignty of those nations." The Western nations should, in McCain's view, "publicly affirm that we would regard Russian retaliation against the Baltics and Ukraine in response to the admission into NATO of the Visegrad states (Poland, Hungary, and the Czech Republic) to be a challenge to our own security, and make clear to Russia the consequences of any challenge to the sovereignty of those states." McCain cited several times his mentor, Henry Kis-

singer, who had caustically remarked that NATO expansion required “a decision, not a study.”

Russian worries

Russian Ambassador to the United States Yuli Vorontsov, speaking at the conference on June 14, characterized NATO expansion as a “half-baked idea.” “NATO enlargement is not the way to go into the 21st century,” Vorontsov said. “Let’s not prepare for World War III,” the Russian ambassador warned, “but let’s prepare for addressing common problems.” “Whoever is planning this is taking a step backwards, back to the thinking of the 1950s. Russia is against enlargement, because we’re looking forward. It would be elementary wisdom to try to see what the likely effects of what such a policy would have. Such a discussion is helping the reactionary elements in our culture. European security must start with a new approach.” It was not the political organization of NATO that was the problem, Vorontsov indicated, but rather the expansion of NATO as a military alliance. “If there is a movement of military forces closer to our borders, then we’re worried. If someone imposes on us a new military situation, we will react,” Vorontsov said, warning that this could lead to the stationing of Russian tactical missiles closer to its western borders, and an end to all attempts to reduce nuclear weapons.

The Russian ambassador warned that the enlargement concept was an indication that people are living in the past. “It’s difficult to get rid of the psychology of the Cold War,” Vorontsov said. “Those who are proposing such an idea don’t understand the need to change.” Vorontsov noted that the Yeltsin government had circulated a memorandum with its own ideas on European security arrangements, in March 1996, which included a proposal for a charter of all-European security. Vorontsov also emphasized that if there was a need for the countries of eastern Europe to have “security assurances,” safeguarding their sovereignty, Russia was prepared to sign on as a party to such guarantees.

Dissenting voices

The Russian ambassador was supported in his position by former U.S. Ambassador to the Soviet Union Jack Matlock, who broke with the prevailing enthusiasm at the meeting for NATO expansion. Matlock, who had served as the Soviet specialist on Ronald Reagan’s National Security Council, had served as ambassador to the Soviet Union during the breakup of the U.S.S.R. under Mikhail Gorbachov. Matlock was even more emphatic than the Russian ambassador had been, that NATO enlargement should not occur. “There is no more important issue today than bringing Russia into the world economy,” Matlock said. “Our basic interests [Russia and the United States], if properly understood, are not in conflict.”

Bringing Russia into a state of “economic prosperity” was in the interest of Russia, of the United States, and of NATO, Matlock said. He also countered the arguments of the pro-

expansion Republicans, that taking consideration of the Russian arguments would be equivalent to giving them a “veto” over NATO decisions. “If an issue affects their vital interests,” Matlock said, “don’t they have a legitimate say in how that issue is to be resolved? I understand fully the desire of the east European countries to be a part of a security umbrella, but unless enlargement occurs in the context of security arrangements in which Russia is, and feels itself, a part,” it would be a dangerous move.

“I don’t see any security vacuum in the East. NATO, of course, is not a threat to Russia,” but enlargement “will make more difficult the building of democratic institutions in Russia.” “You can’t isolate Russia from the rest of Europe,” Matlock warned. He also attacked the conception of adhering to outmoded defense concepts in a totally new situation. NATO enlargement “is like building the Maginot Line,” Matlock said. “We are thinking of the threats of the past, rather than those of the future.”

During the question period other questioners drew the analogy to the pre-World War I period, in which the series of alliances crafted by England’s King Edward VII, creating a virtual encirclement of Germany, made war virtually inevitable.

The Clinton policy

The Clinton administration has attempted to avoid a confrontation with its Republican opponents on the issue, by means of a subterfuge. A completely new entity, Partners for Peace (PFP) was developed to meet the need. The east European countries, as well as Russia and Ukraine, would be able to enter PFP without any preconditions, thus creating the basis for military collaboration, joint maneuvers, and the like, and an “interface” on military issues with the eastern European countries and members of the Community of Independent States. It was thought that if PFP collaboration with Russia were developed in such a way as to involve Russia in close military collaboration (and at the same time enticing Moscow with the promise of eventual NATO membership), Russia would balk less at the Visegrad countries entering NATO.

Matlock made clear, however, that much of this was just wishful thinking on the part of those planning enlargement. “NATO expansion to the eastern European countries would be seen as closing the door” for the Russians, he said. In a swipe at Kissingerian geopolitics, Matlock commented, “Countries aren’t like billiard balls, up for grabs unless they are allied with a bigger country. To think we can exclude Russia and get a Europe that is safe for us, is, I think, to follow a very unwise policy.”

While Matlock and others are absolutely on target in their observations about NATO expansion, there still remains the issue of an effective defense policy for the 21st century. This topic is addressed in a campaign statement by Lyndon LaRouche, published elsewhere in this issue.

Health insurance reform goes to conference

On June 11, the House appointed members to the conference committee, which will be seeking a compromise on the Kennedy-Kassebaum health insurance reform bill. The bill has been stalled for the last several weeks over the House's insistence on a provision that would greatly expand the availability of medical savings accounts (MSAs), which Sen. Edward Kennedy (D-Mass.) has charged is a way of underwriting health insurance for the wealthiest members of society at the expense of the poorest.

Democrats, led by John Dingell (Mich.), attempted to drop all of the House provisions, including on MSAs and fraud and abuse, by instructing the conferees to agree to the Senate version of the bill. Dingell said that the House bill is the product of backroom deals negotiated among Republicans. "They have stuck a controversial and objectionable medical savings account provision in their bill to serve the Dole for President campaign and to assist special interest friends in the health insurance industry."

Ed Markey (D-Mass.) predicted that because of the House provisions, "there will be no bill" on health insurance reform this year. Minority Whip David Bonior (D-Mich.) urged support for the motion in order to restore the bill that passed the Senate by a vote of 100-0. The Democratic move was defeated by a roll call vote of 182-235.

On the Senate side, the agreement among House and Senate Republicans on the health insurance reform bill was blasted by Kennedy as a "capitulation to House Republicans who are more interested in creating an issue and serving a special interest constituency than in passing a bill." Kennedy's co-sponsor on the bill, Nancy Kassebaum (R-Kan.), also expressed

concern about the addition of the MSA provision, but thought that "by doing it slowly and phasing it in and studying it carefully, I think it can and should be achieved."

Bryan irked by foes of legalized casino gambling

Richard Bryan (D-Nev.), on the Senate floor on June 13, complained that opponents of legalized casino gambling "have resorted to character assassination, guilt by association, and distortion of the views of those with whom they disagree." He said, in defense of legalized gambling, that "it is imperative to step back from this emotional rhetoric by gaming critics and to observe that gaming entertainment in all forms would not be expanding without demand for this form of entertainment. Simply stated, the American consumer, not the government, has decided to spend his or her precious recreational dollar in this fashion." He added that "if casino entertainment was not providing solid value for the dollar spent, consumers would not be patronizing these establishments." Bryan bragged that "Nevada's tough regulation has made the industry a model for other states to follow," but instead, "what is going on here is a crusade by those who want to destroy an activity that they do not like and that is dangerous."

Bryan was referring to proposed legislation, passed in the House on March 5, to establish a Federal National Gambling Impact and Policy Commission to report on the social and economic effects of legalized gambling. Frank Wolf (R-Va.), the original sponsor of the bill, said at the time that a study is needed because "problems such as crime, political corruption, cannibalization of existing

businesses, gambling addiction, family breakups, and suicide appear to be a growing and unfortunate consequence" of the proliferation of gambling.

Press covers up for Trent Lott's scandals

Conservative Revolutionary Trent Lott (R) won a landslide 44-8 vote to become Senate Majority Leader over fellow Mississippian Thad Cochran (R) on June 12. With the exception of one spot on National Public radio, the news media gave Lott a free ride into the Senate Majority Leader's post. No media except *EIR*, in its June 14 issue, have reported on how Lott was selected and elected as an agent of the Mont Pelerin Society.

That night, NPR's evening news ran a five-minute segment which included Mississippi reporter Bill Minor mentioning that Lott had attended a [White] Citizens Council rally. NPR carried Lott's response that the incident was meaningless, because there was "no endorsement involved." NPR also claimed that Lott was opposed in one of his elections at "Ole Miss" for not being a racist. The *New York Times* mentioned that "Mr. Lott has cast several votes that antagonized the state's African-American leaders," but none of the major media have mentioned Lott's racist past.

And there is a tight coverup on the scandal in which Lott's mother was given a no-show job by a man who went to jail for defrauding NASA of \$186,000, on a contract Lott had pressured NASA to give him. There is no excuse for the *Washington Post* to omit this. In 1994, it ran two Jack Anderson columns on the subject. Similarly, the *Post's* June 12 profile, by Helen Dewar, lied that, in recent

months, "Lott remained punctiliously loyal to Dole."

The Atlanta bureau chief of a major newsweekly told a journalist that he was peeved that his editors had cut from their profile of Lott the facts on his misdeeds which he had provided.

Oxley extolls monopolies in telecommunications law

Rep. Michael Oxley (R-Ohio), the chairman of the House subcommittee on Commerce, Trade, and Hazardous Materials, touted the "competitive model" which was used to develop the 1996 telecommunications act passed into law earlier this year, and in the next breath, defended the resulting monopolies, at a forum at the Center for Strategic and International Studies on June 12. Now, however, citizens have fewer protections because of deregulation.

"We took the old model, which was really based on monopolies," and replaced it with a "competitive model," Oxley said. The lesson of having a Republican-controlled Congress, is that "competition works and monopolies do not."

Oxley then asserted, however, that the mergers that are starting to occur as a result of the 1996 law are nothing to be worried about. "It seems to me," he said, "that if we're going to compete in a global economy, and if we're going to provide all the needs of the American people in the information arena . . . you're going to need some pretty big players. There's not going to be too many mom and pop operations that are going to compete in this marketplace that's out there."

Oxley forecasts that Congress will next take up the deregulation of capital markets. "Ten years ago," he said, "two-thirds of American savings were

in bank deposits. Today, two-thirds of American savings are in mutual funds. What that tells me is, they're [Americans] going where they can get a better return on their money. . . . We have to recognize that change and embrace that change and make it our friend, and that's what we're trying to do with this capital markets deregulation measure."

Budget resolution passes House, Senate

The Republican budget plan for FY 1997 was passed by the House on June 12, and by the Senate on June 13. The debate revolved around who had a better deficit-reduction plan. The resolution is a six-year version of the seven-year plan that passed Congress last year, but led to the impasse with President Clinton that resulted in two government shutdowns, in November and December 1995.

Sen. Robert Byrd (D-W.V.) denounced the budget resolution as the same formula as that of the Reagan administration. "If this resolution conference agreement is fully implemented over the next six years," he said, "it will lead the nation into far more serious fiscal difficulty than we are in today. It follows the familiar supply-side policies of the Reagan administration, which, as we recall, promised to balance the federal budget while at the same time enacting massive tax cuts." The result then, Byrd said, was "a massive increase in the national debt, which rose from under \$1 trillion in the previous 200 years of the nation to over \$2.6 trillion" on the day Reagan left office.

"Astoundingly, to me," he said, "the fiscal blueprint contained in this budget resolution conference agreement is remarkably similar to those

failed Reagan policies which nearly bankrupted the nation, and from which we are still suffering, and which are still placing us in desperate straits with respect to our fiscal situation."

Biden, Specter introduce welfare reform bill

On June 12, Sens. Joseph Biden (D-Del.) and Arlen Specter (R-Pa.) introduced yet another welfare reform proposal, one which incorporates many of the initiatives contained in the plan of the National Governors Association released last winter. Biden complained that since the Senate voted 87-12 to pass the Contract with America welfare reform bill last year, "polarizing partisanship and Presidential politics have permeated this issue," and nothing has been accomplished.

The bill contains many of the provisions of the Republican bill which was vetoed by President Clinton, including requiring welfare recipients to work and converting the Aid to Families with Dependent Children program into a block grant. The compromises in the bill won by Democrats are provisions to increase funding for child care and help for states experiencing an economic downturn.

Specter argued that because the percentage of people on welfare has not declined since 1965, "the year the federal government broadened its role in reducing poverty in our society," that therefore "our welfare system has not worked." Instead of discussing how changes in economic policy over the last 30 years have increased poverty rates, he praised the welfare reform efforts of Governors Tommy Thompson (R-Wisc.) and Tom Ridge (R-Penn.), saying that many features of Pennsylvania's law are elements of the Biden-Specter bill.

National News

House GOP freshmen try to cut ties to Gingrich

According to the June 14 *Wall Street Journal*, first-term Republicans in the House are desperately seeking ways to claim some crumb of disagreement with the policies of Speaker Newt Gingrich (R-Ga.). The effort is so endemic, the *Journal* declares, that Republican incumbents have come up with a new campaign theme for 1996: "I am not Newt."

This is not an easy trick to pull off, because the average GOP member has voted with Gingrich and the party leadership 91.5% of the time; and the percentage for freshmen is even higher. Most of them are trying to handle the problem, the *Journal* says, by shopping for a few positions tailored to their constituents' opinions, on such issues as the "Freedom to Farm Act" or repealing the ban on assault weapons.

Rep. Jay Dickey (Ark.), the Congressman who is rated as Newt's "top toady," is even boasting that Gingrich cancelled a fundraiser in his district. The *Journal* reports that being linked with Newt could prove decisive, in defeating first-term Republicans campaigning for reelection.

White House sets policy on global health crisis

Speaking for President Bill Clinton on June 12, Vice President Al Gore announced a new administration policy to establish a worldwide surveillance and response system to deal with infectious disease, and to expand the mandates for federal agencies which protect the health of America's citizens. Gore described the alarming increase in emerging infectious diseases as "a growing global health threat."

The new initiatives are based on recommendations made in two reports from the White House Science and Technology Council. The reports highlight the fact that in the United States, the death rate from infectious diseases, excluding AIDS, increased by 22% between 1980 and 1992. A

White House fact sheet on the new policy includes a map of outbreaks of emerging and reemerging diseases on every continent of the globe. These diseases include Ebola, dengue, morbillivirus, Lassa fever, hantavirus, plague, and hemorrhagic fever. Gore's statement, while citing the deterioration of public health infrastructure among the reasons for increased rates of disease, also tosses in "climate change" as a supposed factor.

The new administration program focuses mainly on better coordination among U.S. agencies and facilities, as well as cooperation with international health institutions. The proposals include improved domestic and international surveillance, prevention, and response measures. Research programs are to be strengthened; and the government will ensure the availability of vaccines, drugs, and diagnostic tests. As for cleaning up the breeding grounds for deadly infections, the initiative only states that the Agency for International Development "will continue to address the root causes of emerging diseases through its ongoing portfolio of assistance."

Clinton now reviewing Wisc. welfare 'reforms'

Clinton administration officials now say they are concerned about Wisconsin's new welfare legislation, citing provisions they were unaware of at the time federal waivers were granted to allow it to go into effect, the *New York Times* claimed June 15.

Wisconsin's Nazi-like scheme to grind up welfare recipients was signed into law April 25 by Republican Gov. Tommy Thompson. After President Clinton seemed to endorse the legislation by expressing approval on his weekly radio show May 18, Congressional Gingrichites staged a vote to force him to immediately sign waivers of federal law, required to permit the plan to go into effect.

According to the *Times*, administration officials, upon reviewing the waiver requests, found provisions of which they had no knowledge at the time the President signalled his approval. They expressed concern that the plan will not guarantee jobs, even as

it terminates assistance to families. It will eliminate rights to hearings for those removed, because welfare will no longer be considered an entitlement. Those who are forced to work may be paid less than the minimum wage, since Wisconsin's welfare director has declared that minimum-wage laws should not apply to jobs which supposedly prepare welfare recipients for regular employment.

Under the Wisconsin law, payment levels would not take family size into account; and recipients will have to pay premiums for health insurance and child care. The administration reportedly also raised questions about a provision which would allow welfare recipients to displace existing workers.

Post sounds alarm on 'misuse' of term 'Nazi'

Lyndon LaRouche has successfully forced a new focus on the historical phenomenon of the evil of Nazism-fascism, and its reemergence in contemporary politics. In a June 15 *Washington Post* article, entitled "A Four-Letter Word: Has Misuse Deprived 'Nazi' of Its Meaning?" an alarm is raised against what the pro-fascist *Post* views as a dangerous failure to control discussion of the subject.

The *Post* again attacks District of Columbia Mayor Marion Barry, for likening the methods employed by the city's Financial Control Board to Nazism. LaRouche's role is broached, albeit lyingly, in the story's quotes from Prof. Richard Vatz of Towson State University: "Marion Barry is outside the rhetorical mainstream, so most people would not be shocked by his use of a term that, say, the President would never use. If a Lyndon LaRouche uses the term 'Nazi,' it hardly raises an eyebrow. But if a particularly respected political figure like a Howard Baker [sic] used it, it would still be shocking."

The *Post* article proceeds to bury the reader under numerous examples of trivializing the use of the term "Nazi," for comic, commercial, or banal political effect. But the article also attempts to limit the "correct" understanding of the historical phenomenon of Nazism, to the mass murder of the Jews—

excluding consideration of the economics or any other aspect of fascism. Thus, Minister Louis Farrakhan's comparison of the slave trade to the Nazi Holocaust, is ruled out of order. And Mayor Barry's defiance of Newt Gingrich's brand of Nazi economics, is denounced by the *Post* as "far-fetched," "historically abusive," and a "carnivalization" of language!

The author of this bilge, Marc Fisher, was for several years the *Post's* correspondent in Berlin, whence he spread British and Anti-Defamation League "Fourth Reich" propaganda against Germany. Fisher was co-author of a *Post* article (Dec. 31, 1995), rating the "bests" of the past 1,000 years, which chose 16th-century Venice as the best place to be during the entire millennium.

That evil nest of modern oligarchy, ruled by a dictatorship enforced by professional assassins, is lauded instead by the *Post* for having "a fairly stable government, [and] a dazzling cultural life. . . . Freedom of expression was almost absolute. . . . You could even call Venice . . . the birthplace of multiculturalism."

CSIS says nations will be run by global market

The Center for Strategic and International Studies (CSIS) has released a policy paper by its vice president, Erik Peterson, which looks forward to the "surrender" of nations to the global financial markets. CSIS is the Washington, D.C. think-tank which formerly served as a stable for Henry Kissinger, and still shelters many such animals.

Peterson's article reports that "the new clout of global markets has the potential of generating an overarching and onerous discipline on countries worldwide in the years ahead. . . . The key question is not if, but rather when and how, the ongoing surrender to the new global markets will occur." Peterson argues that the hyperbolic growth in foreign exchange trading—from an average daily turnover in the \$10-\$20 billion range in 1982 to \$880 billion in 1992—is eliminating the ability of nations to be players in the markets.

"The fact is," Peterson writes, "that geographical borders simply no longer conform

to concentrations of business activity," and, he claims, "the magnitude of global capital flows is exceeding the capacities of even the most powerful governments to manage."

As an illustration, Peterson claims that the amount of foreign currency reserves, held by the central banks of nations, has fallen—relative to the turnover of currencies on the global markets. In 1983, he says, the ratio of central bank holdings to market turnover was 3.5 to 1; but by 1992 the ratio had shifted to 0.45 to 1.

Barely suppressing his glee, Peterson states, "The implications of this shift in the financial balance of power are staggering and give empirical meaning to the view that markets, and even some individuals, now play a role in the international markets formerly reserved only for countries." What all this adds up to, he claims, is that "the countdown to the surrender to new global markets is under way."

Letter Carriers protest Postal Service policies

The National Association of Letter Carriers (NALC) picketed at post offices in all 50 states June 19, to protest what the union calls the "spreading effort to undermine the service component of the Postal Service by substituting the worst of the recent trends toward privatizing, downsizing, and outsourcing."

In a June 17 press release, NALC President Vince Sombrotto declared, "The autocratic, militaristic tactics of General Runyon and his management cadre, along with the senseless series of retrogressive policies, are tearing apart the fabric of one of America's greatest institutions." Postmaster General Marvin Runyon, prior to taking over the U.S. Postal Service (USPS), earned the nickname "Carvin' Marvin" at the Tennessee Valley Authority, where he eliminated 14,000 out of 35,000 jobs.

On May 14, Runyon blamed the need for a postal rate increase on the "outrageous amount" of money the USPS pays in wages and benefits (a full-time postal worker earns an average of \$34,000 a year). One week earlier, Runyon had requested a \$1.5 million retirement bonus when he leaves the USPS.

Briefly

U.S. DEFENSE Secretary William Perry and Joint Chiefs of Staff Chairman Gen. John Shalikashvili dined with their British opposite numbers, Michael Portillo and Field Marshal Sir Peter Inge, in London June 14. American guests at the Duke of Wellington's Apsley House also included Vice President Al Gore and U.S. Ambassador Adm. William Crowe. The Duke of Kent, the queen's cousin and head of the United Grand Lodge of Freemasons, added a royal touch.

GOV. WILLIAM WELD, the Massachusetts budget-cutthroat now running for U.S. Senate, stayed away from a GOP fundraiser in Boston June 18, featuring House Speaker Newt Gingrich. Weld's opponent, incumbent Democratic Sen. John Kerry, has repeatedly cited Weld's earlier boast to be Newt's "ideological soulmate." Weld consoled himself inside the State House, a few blocks away from Newt's event.

HOUSE BANKING Chairman Jim Leach (R-Iowa) shelved his banking "reform" bill June 11, reportedly due to insurance companies' objections to allowing banks to own such companies and sell insurance. Leach's bill would also have repealed provisions of the Glass-Steagall Act which prevent bank holding companies from taking over more financial services.

DR. FREDERICK SEITZ, past president of the National Academy of Sciences, has accused the United Nations Inter-governmental Panel on Climate Change of committing deliberate fraud. Seitz claims that IPCC's new report on "climate change" is not the version which was approved by the contributing scientists listed on the title page.

ALABAMA has abandoned its year-old chain-gang policy for felons, to avoid mounting legal actions against the policy, and said that it will not reinstate the chain gangs in the future, CBS News reported on June 20. The decision was considered a victory against the policies of the fascist Conservative Revolution.

The scandal is not Sumitomo bank

We are living in a period in which the most serious questions—crucial to the future of the human race—are no longer subject to public scrutiny. This is particularly so with regard to political and economic matters. The mass media substitute scandal-mongering for news reporting; this is a reflection of a much more serious problem, as evidenced by the low level of political debate generally, and by the fictional accounts of crises such as the present destabilization of the copper markets, around the Sumitomo Corp. affair.

No one who seriously considers the matter can believe that the crises that have shaken the financial markets over the past year or so, are simply the result of actions by a number of rogue traders. Such hoaxes are in the category of “lone assassin” theories, such as the discredited assertions about Lee Harvey Oswald’s role in the murder of President John F. Kennedy.

Why such a coverup in the Sumitomo affair? The answer is that the financial markets are dangerously out of the control of the leading financial institutions, and bankers and brokers now fear the kind of crash—more serious than the stock market crash of 1987—of which Lyndon LaRouche has been warning. According to the calculation of the “financial experts,” it is most important to avoid a general panic, which itself might precipitate the threatened collapse in financial paper.

It is precisely this kind of flawed thinking that is leading humanity to the brink of a social, cultural breakdown crisis, which could plunge mankind into a new and even more terrible Dark Age than occurred in the past.

That is why LaRouche’s programmatic solutions are indispensable. Yet while LaRouche’s ideas are now being discussed in top policymaking circles, this discussion is, in general, only in the most pragmatic terms.

Yes, LaRouche anticipated the present debacle, in which all of the world’s major financial institutions are bankrupt (whatever the accounting fictions which

might make it seem otherwise). However, his forecast of impending disaster is only a subsumed feature of his broader political analysis.

He called for reorganization of the world financial system, including ridding ourselves once and for all of the Federal Reserve System in the United States, and the International Monetary Fund and World Bank, which function as an arm of the oligarchical forces grouped around the British monarchy. But this must be accompanied by the kind of major infrastructural projects (including space exploration), which will provide the immediate basis for uplifting the conditions of life of a growing world population; and which will also act, cumulatively, as a science driver, creating the conditions in which new technologies are developed.

A concrete instance of his thinking was his proposal in 1989, that we take the opportunity presented by the fall of the Iron Curtain, to integrate the former Soviet bloc into a Eurasian development program, anchored upon the Paris-Berlin-Vienna “Productive Triangle.” To accomplish this, he proposed that there be massive investment in major infrastructure programs—particularly in transportation—which would upgrade and integrate the East bloc economies with those of the West.

This would have opened up an era of peace and prosperity, encompassing not only western and eastern Europe, but Asia as well—extending from the Atlantic to the Pacific and Indian oceans. Instead, under the rubric of free-market economic reforms, Soviet tyranny was replaced by a bankers’ dictatorship, enforced by the International Monetary Fund. The standard of living in the former East bloc fell dramatically, and the physical economies of the West, too, were cannibalized by a speculative frenzy.

The dangers of the present situation should not be minimized. But even now, it is not too late to implement LaRouche’s proposals. Then we would not only be stepping back from the brink of disaster, but would face a hopeful future.

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